

Annual Report 2025

Paradise Point
Financial Services Limited

Community Bank · Paradise Point
and Pimpama–Ormeau

ABN 33 095 686 936



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Chair's report

It is my privilege to present the Annual Report for the 2024–25 financial year.

This year we achieved another record result, with net profit at its highest level. Despite some setbacks caused by closures during Cyclone Alfred, the company continued to grow strongly. Paradise Point once again delivered excellent deposit growth, providing a solid foundation for our lending, while Ormeau–Pimpama achieved outstanding growth in loans.

Since being ratified as a Social Enterprise, we have continued to live out our commitment to return more of our profits to the community, while also rewarding the shareholders who founded our bank. Over the life of our company, we have now provided more than \$4 million to the local community, a milestone that reflects the heart of what our Community Bank Paradise Point and Community Bank Pimpama–Ormeau are about.

This investment has taken many forms. We have contributed close to half a million dollars to Griffith University, including major research initiatives and, most recently, their 50th Anniversary celebrations. We continue to support the Gold Coast Hospital Foundation's Nursing and Midwifery Scholarships, helping local healthcare professionals advance their studies and strengthen services for families.

During the year we also backed BOP Industries' Future Leaders Program in local primary schools, inspiring students in entrepreneurship, and partnered with YP Gold Coast to present the 2025 Entrepreneurs Forum, bringing together the next generation of business leaders. Our support extended to Cycling Without Age, giving older and mobility-challenged residents the joy of trishaw e-bike rides along the Paradise Point foreshore, as well as to local sport and inclusion through the Labrador Tigers, Gold Coast Basketball, Hinterland Tennis Club, and the Titans Leagueability program. We were also delighted to be part of the vibrant Gold Coast Philippine Festival, a true celebration of culture and community.

Our achievements have been made possible by the exceptional contribution of our staff. Driving our success is our new team:

- Ash Wijey, who joined as Senior Manager in September 2024 and has brought enthusiasm and leadership that have strengthened our presence;
- Jodie Draffin, Business Development Manager at Paradise Point since November 2024, who is already on track to exceed her first-year target; and
- Jenny Schoemaker, our newest Business Development Manager at Community Bank Pimpama–Ormeau, who is quickly building valuable relationships and delivering results.

I wish to thank Paul Vertullo, immediate past Chair, who retired as the Chair of the board this year after 24 years of loyal service marked by financial acumen and strong leadership. I also thank Pat Crotty, who retired as a director after 7 years' service on the board. He brought invaluable insights from his career in law enforcement and community engagement. Finally, I acknowledge our continuing directors, whose diverse experience ensures strong governance and clear strategic direction.

Together, we are building a Community Bank that measures success not only by financial results, but by the positive impact we deliver to the people and groups that make our community strong. And as we look to the future, we are determined to build on this momentum, driving growth and success that will inspire and benefit generations to come.

Lesley Woodford-Carr
Chair

Senior Manager's report

The Paradise Point and Pimpama-Ormeau Community Bank branches have achieved remarkable success, driven by a commitment to supporting local initiatives and fostering community growth in the financial year 2024–25. Here are some of the highlights.

Business

The financial year ending June 2025 resulted in total business on the books for Paradise Point at \$435 million, an increase from \$416 million at the end of June 2024.

Total business on the books for Pimpama-Ormeau branch in the financial year ending June 2025 was at \$123 million, an increase from \$116 million in June 2024.

Total business on the books for both branches at the end of June 2025 was at \$559 million. This is a remarkable achievement placing our business as one of Bendigo Banks top performing Community Bank companies in Australia.

Aims

The aims for the next 12 months are to grow the deposit and lending book further for both branches, to foster relationships with existing partners, and explore new relationships with new partners.

Community contributions

After 24 years in community banking, Paradise Point Financial Services Limited is transforming lives through our community investments—with over \$4 million invested in local projects, our branches have made a tangible difference in areas such as education, sports, domestic violence prevention, groundbreaking medical research, and support of several cultural association events.

Acknowledgements

This performance cannot be achieved without a wonderful team, which includes our branch staff, our board and our customers. By banking with us our customers can be part of a movement that empowers local communities and drives positive change. This success is a testament to the dedication of the branch staff and Board of Directors. Most importantly, it is the customers who make this community support possible.

Paradise Point team:

- Jodie Draffin, Business Development Manager
- Yolande Clancy, Branch Operations Manager
- Samantha Blackman, Customer Relationship Manager
- Olivia Lunney, Customer Relationship Officer

Pimpama-Ormeau team:

- Jenny Schoemaker, Business Development Manager
- Allison Hayes, Customer Relationship Manager
- Judi Gardiner, Customer Relationship Officer
- Tamara Ripikoi and Bree Noormahomed, Customer Service Officers

Thanks again team for all your hard work and dedication to our customers.

We also understand the challenges that lay ahead, and we remain optimistic with a results driven team, and optimised technology, we maintain our focus and look forward to continuing to deliver on all fronts of business and community connections into the next financial year. Lastly, I wish to thank our shareholders, who continue to maintain the faith in the Community Bank model.

Ashley Wijey
Senior Manager

Bendigo and Adelaide Bank report

This year marks another significant chapter in our shared journey, one defined by adaptation, collaboration, and remarkable achievements. I'm immensely proud of our collective progress and the unwavering commitment demonstrated by our combined networks.

We began 2025 with a renewed focus on model evolution, a top priority that guided our decisions and initiatives throughout the year. This involved navigating the Franchising Code and broader regulatory changes to the Franchise Agreement.

Thanks to the network's proactive engagement and cooperation, we successfully reviewed the agreement, and the necessary changes were implemented smoothly.

Beyond the operational successes, I want to highlight the invaluable contributions our Community Banks continue to make to their local communities. The dedication and commitment to supporting local initiatives remain a cornerstone of our combined success and a source of immense pride for Bendigo Bank.

In FY25, more than \$50 million was invested in local communities, adding to a total of \$416 million since 1998. This funding enables community infrastructure development, strengthens the arts and culturally diverse communities, improves educational outcomes, and fosters healthy places for Australians to live and work.

On behalf of Bendigo Bank, thank you for being a shareholder in your local Community Bank. Your resilience, adaptability and unwavering belief in our vision have been instrumental in our success. You are an integral part of the Bendigo Bank Community Banking family.

Your continued support is vital, and the results we've achieved together in 2025 underscore the continuing relevance and importance of the Community Bank model.

Justine Minne

Head of Community Banking, Bendigo Bank

CBNC report

A warm welcome to our existing and new shareholders. Thank you for your support and for sharing in our purpose. We're immensely proud of our Community Bank network which was a first mover in Australia in 1998 through our unique social enterprise model.

The principles of the Community Bank model are the same as they were when the first Community Bank opened its doors. The principles are centred on:

- relationships based on goodwill, trust and respect
- local ownership, local decision making, local investment
- decisions which are commercially focussed and community spirited
- shared effort reward and risk, and
- decisions which have broad based benefits.

Today the network has grown to 303 Community Bank branches. We represent a diverse cross-section of Australia with more than 214 community enterprises, 70,000+ shareholders, 1500+ volunteer directors, 1700 staff and 998,000 customers.

Our Community Bank National Council (CBNC) plays a pivotal role in the success story. The CBNC consists of both elected and appointed members from every state and territory sharing and reflecting the voice of the network. It's the role of the CBNC to initiate, lead and respond to strategic issues and opportunities that enhance the sustainability, resilience and prospects of the Community Bank model.

We utilise a range of forums to ensure the ongoing success of the network. Our State Connect events have been one of many network engagement activities that have enabled Bendigo Bank execs, staff, the CBNC and directors to come together to share ideas, insights and ensure we are collaborating better together.

As consumer behaviours shift, and the environment in which we operate challenges the status quo, we embrace the opportunities that come with this new reality. We've already completed the mandatory changes to the Franchise Agreement with Bendigo Bank which were required by 1 April 2025.

The mandatory changes of the Franchise Agreement were in response to the Franchise Code of Conduct Review along with requirements from other external statutory and government bodies. This process which was led by Council in partnership with the Bank, was necessary to ensure our long-term sustainability. Council also sought legal advice on behalf of the network to ensure the changes were fair.

We also recognise the time is now to consider our model and how we combine the value of local presence with new digital capabilities that expand rather than diminish our community impact. This work forms part of the Model Evolution process which will be co-designed with Bendigo Bank and implemented over the next 12 months.

Building further on our enhanced digital presence, community roots and measurable impact, we've reached another major milestone. We now have 41 Community Bank companies formerly certified as social enterprises through Social Traders. It's a powerful endorsement of our commitment to delivering both commercial and social outcomes.

This recognition through Social Traders opens new opportunities for our network. It's paved the way for new partnerships with other enterprises in the sector that share our values and mission to build a better, stronger Australia.

Our increased engagement with the broader social enterprise sector has not only enabled us to diversify our partnerships; we've also deepened our impact. Over \$416 million and counting—that's how much has been reinvested back into local communities.

As we look to the future, we remain committed to the founding principles of the Community Bank model.

Community is at the centre of everything we do, and our purpose remains clear: to create meaningful, lasting value for the communities we serve.

Lauren Bean

General Manager

Community Bank National Council

Community impact report

Helping our community to thrive

Community Bank branches are owned by local people like you and operated in partnership with Bendigo Bank. They return most of the profit they make through sponsorships and grants to local not-for-profit organisations and initiatives.

Over \$416 million has been pumped back into Australian communities by our network of Bendigo Bank branches to date. Over \$4 million of that has been invested right here on the northern Gold Coast community by Paradise Point Financial Services Limited.

Our local board considers local funding applications with a view to helping our community to thrive and having a positive impact on the lives of local people. We invest in initiatives that support community resilience, development, health and wellbeing.



Business for good

Who we supported in 2024-25

Arts, culture and heritage

Diwali Festival of Lights
Gold Coast Philippine Festival
Gold Coast Sri Lankan Association
YP Gold Coast

Emergency service and support

Change
Children's Cancer Institute
Drugarm Qld
FAFQ Charity Inc.
For Kids in Care
Hearts 4 Kids
Highway Church Ormeau
Kelly Wilkinson Foundation
Lions Club of Brisbane Chinese
Lions Club of Palm Beach
Legacy Brisbane
Neighbourhood Watch Oxenford
Orange Sky
Rotary Club of Broadwater Southport
Rotary Club of Hope Island
Rotary Club of Parkwood
Serbian Orthodox Church
Uniting Church Paradise Point

Sport and recreation

Coomera Hope Island Cricket Club
Coomera Magpies Junior Australian Rules Football Club
Gold Coast City Regional Basketball
Gold Coast Titans
Gold Coast Titans Leagueability
Hinterland Tennis Club
International Netball Festival

Labrador Australian Football Club
Northern Gold Coast Netball Association
Ormeau Bulldogs Australian Football Club
Paradise Point Bowls Club
Queensland Blue Light Association
Runaway Bay Junior Rugby League Club
Runaway Bay Netball Club
Sailability
Southport Pony & Hack Club

Health and wellbeing

Cycling Without Age
Fighting Chance Australia
Gold Coast Hospital Foundation
Teenage Adventure Camps Queensland
The Quiet Courage Foundation

Education and research

Atlas Medical
Australian Business Week
Coomababah State High School
Coomababah State School
Griffith University:
– Critical Intergenerational Practice
– Institute for Biomedicine & Glycomics
– Scholarships
– Student Guild
Norfolk Village State School
Ormeau Woods State High School
Precinct-P schools:
– Gainsborough State School
– Pimpama State Primary College
– Pimpama State School
– Picnic Creek State School
– Pimpama State Secondary College
Saint Francis Xavier Primary School
Starting Strong

Snapshot



\$4M

Contributions
to the community
to date



\$413K

Contributions
to the community
in 2025



56

Local organisations
supported
in 2025



24

Years providing
a community
banking service



2

Community Bank
branches on the
Northern Gold Coast

Our people



208

Shareholders



14

Local staff



4,766

Local customers
at Paradise Point



3,023

Local customers
at Pimpama–Ormeau



7

Local volunteer
directors

Local impact stories

Inspiring local primary school students to think big

BOP Industries is an Australian technology and education company that is inspiring students in entrepreneurship, innovation and Science, Technology, Engineering and Mathematics (STEM). During the year we funded them to run their Future Leaders Program in local primary schools across the Northern Gold Coast. In May, we attended the program's presentation day, where students gave their creative pitches to solve community issues. With these impressive young minds on the job, the future of our community looks bright.



YP's 2025 Entrepreneur's Forum

In early June, YP Gold Coast brought together a room full of the Gold Coast's brightest at their 2025 Entrepreneurs Forum. It was a networking afternoon packed with stories, fresh thinking, and the kind of energy that only happens when passionate people come together. Guest speakers, Jane Lu, Ian Cragg, Luke Altschwager and MC Kendall Gilding shared their stories and insights with generosity and candour. As the major sponsor of YP Gold Coast we are proud to be backing the next generation of local entrepreneurs. Bringing them together at YP events is a powerful incubator for creativity, economic growth and the development.



Cycling Without Age Gold Coast

The volunteers from Cycling Without Age assist people who can no longer ride a bicycle, to take an assisted ride. The group's volunteers provide free rides on trishaw e-bikes, and they're a regular sight in the Paradise Point Foreshore Park. It's lots of fun, and we are proud to support them.



Local impact stories

Celebrating local teachers

Our team spend time connecting with local schools across the region, and we're proud to support many of them. Helping to acknowledge and celebrate teachers is an important part of it. Ash and Jodie attended a number of sponsored staff appreciation events this year, to thank teachers for the great work they do supporting, teaching and inspiring students.



Labrador Tigers sponsorship

We were proud to be a platinum partner of the Labrador Australian Football Club this year. In early June they held their charity golf day at RACV Royal Pines Resort. It was great to connect with many of the club's members and supporters there. The Tigers had a fantastic 2025 AFL season and we were proud to be a part of it.



Gold Coast Basketball sponsorship

Our support of Gold Coast Basketball keeps local basketball fans and players fit, active and engaged. With levels from NBL1 all the way through to representative teams, juniors and all abilities, there's opportunities for everyone to get involved in local basketball—and we're proud to support it.



Titans Leagueability

The Gold Coast Titans Leagueability program is an adaptive game of rugby league that has been designed for people of all abilities to play, volunteer and coach. The weekly program helped players learn the skills and fundamentals of rugby league—working on coordination and teamwork in a fun and supportive environment. It was a delight to be a part of this important all ability program this year.



Gold Coast's 2025 Philippine Festival

Over 40 stalls filled Broadwater Parklands for the 35th Gold Coast Philippine Festival in mid-June. We were excited to support the event and to be a part of it. The festival celebrated the Filipino community on the Gold Coast with authentic street food, crafts, music, community groups, and Filipino-owned business stalls.



Local impact stories

Griffith University: 50 years of education

In 2025, Griffith University celebrated 50 years of educating hundreds of thousands of students from around Queensland, Australia and the world. We're proud to have supported the university for many years, including with a \$250,000 contribution to the Institute for Biomedicine and Glycomics in 2023, and through many scholarship programs and events.



Gold Coast Hospital Foundation scholarships

The Gold Coast Hospital Foundation's Nursing and Midwifery Scholarships Program gives our local nurses and midwives the opportunity to further their studies. We were proud to support the program again this year. The program builds the capacity and skills of local healthcare professionals, and ensures we have excellent healthcare services available for local families when they need them.



Supporting and inspiring our region's students

Every year we make a big contribution to the schools in our region. Our funding helps them deliver a range of extra-curricular initiatives designed to keep primary and secondary school students healthy, engaged and inspired. Currently, our funding provides free breakfasts for students, sponsors academic awards and school sports teams, runs STEM programs and helps with financial literacy information.



Teenage Adventure Camps Queensland

We are proud to support Teenage Adventure Camps Queensland who run week-long camps for teenagers and young adults with terminal or life-threatening illnesses and disabilities. One parent shared of the 2025 camp: "Dan had the best week of his life. We are so very appreciative." While another said, "Thor grows more and more confident every camp and is a changed young man who didn't want to come home."



Hinterland Tennis Club fencing upgrade

Our support of the Hinterland Tennis Club has helped replace the old, hole-ridden fencing with brand-new, safe fencing. This upgrade means local players of all ages can enjoy tennis in a safer and more welcoming environment, keeping the community active and connected on the court. Keep an eye out for our new Community Bank banner proudly featured on Court 1.



Thank you, Paul Vertullo

We extend our deepest gratitude to Paolo Angelo Vertullo for his outstanding leadership, dedication, and unwavering commitment to Paradise Point Financial Services. From the very beginning in 2001, Paul has been a guiding force – combining sharp financial acumen, business savvy, and an exceptional eye for detail with genuine mentorship and integrity.

Since stepping into the role of Chair in 2013, his steady vision and tireless work have shaped the success and reputation of our organisation. As Paul retires as Chair in 2025, we thank him for his invaluable contribution and lasting legacy.



Directors' report

For the financial year ending 30 June 2025

The directors present their report on Paradise Point Financial Services Limited, the company, for the financial year ended 30 June 2025.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

- Mr Paul Vertullo – Retired Real Estate Agent
- Ms Lesley Karen Woodford-Carr – Lawyer
- Mr Ewald Gerhard Kuppe – Businessman
- Mr Martin Leopold Mankowski – Retired Accountant
- Mr Eric James Lewis – IT Professional
- Dr Timo Dietrich – Professor, Griffith University
- Mr Patrick William Crotty – Retired Real Estate Consultant
- Mr William Noel Peter Matthews – Businessman

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Patrick William Crotty resigned as director effective 3 April 2025.

Principal activities

The principal activities of the company during the financial year were facilitating Community Bank services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

No significant change in the nature of these activities occurred during the year.

Review of operations

The after-tax profit of the company for the financial year amounted to \$2,317,858 which is a 29.18% increase as compared with that of the previous year (2024: \$1,794,221).

Significant changes in the state of affairs

No significant changes in state of affairs.

Events subsequent to the end of the reporting period

No matters or circumstances have arisen since the end of the financial year that significantly affect or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Dividends

Dividends paid or declared since the start of the financial year are as follows:

- A fully franked dividend of \$156,187.50 (25 cents per share) was declared on 13 December 2024 (2024: \$156,187.50).
- Additionally, a fully franked dividend of \$281,137.50 (45 cents per share) was declared on 30 June 2025 (2024: \$218,662.50).

Directors' report (continued)

Environmental regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year, and there were no options outstanding as at the date of this report.

No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

Indemnification of officers

The company has paid premiums to insure directors under a Directors and Officers Insurance policy. The details of the indemnity insurance are as follows:

- The company has indemnified all directors, officers and the manager in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors, officers or managers of the company except where the liability arises out of conduct involving the lack of good faith. Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

No indemnification has been obtained for the auditors of the company.

Proceedings on behalf of the company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Information on directors

Paul Angelo Vertullo, Retired Real Estate Agent

Qualifications: Real Estate Agent, Auctioneer

Experience: Director of a national company, 24 years director of publicly listed company – PPFS

Special responsibility: Chairman

Lesley Karen Woodford-Carr, Lawyer

Qualifications: Diploma Law Solicitors Admission Board – Supreme Court of NSW, Admitted Practice NSW, QLD & High Court of Australia, Associate Diploma of Insurance – Insurance Institute and Practice Management Certificate NSW and QLD.

Experience: Judges Associate District Court of NSW to His Honour Judge Godfrey Smith. Legal Clerk at Ebsworth & Ebsworth Solicitors. Australian Operations Claims Manager at QBE Insurance Ltd. Fiduciary Duties Committee NSW as representative from Insurance Industry. Australian Operations Workers Compensation Underwrite at QBE Insurance. Workers Compensation Underwriter, Australia, Switzerland General Insurance. Training in global insurance programs and reinsurance, Switzerland General Insurance Zurich. Switzerland General Corporate Solicitor and Principal of in-house Legal Department. Senior Associate for Dunhill Madden Butler Solicitors (now Deacons) Insurance Division.

Principal at Woodford-Carr & Associates Solicitors. Company Secretary at Bayview Harbour Yacht Squadron Pty Ltd. Director/Secretary of other private companies with miscellaneous activities.

Special responsibility: Deputy Chair and Sponsorship Committee Chair.

Directors' report (continued)

Ewald Gerhard Kuppe, Businessman

Qualifications: Marine Engineering, Petty Officer, RAN for 7 years. Chemical Engineering for Shift Forman ICI Australia. Licensed Real Estate Agent & Proprietor in Sydney. JP in NSW. Accounts Manager for Paradise Lakes Nursing Centre. Company Director of various companies in Sydney. Travel Agency Proprietor in Sydney. Bookkeeping for Trust Accounts for Real Estate Agents. Commissioner for Declarations QLD. Member of QLD Justices Association. Property investor.

Experience: Director PPFS since 2004.

Special responsibility: Sponsorship Committee.

Martin Leopold Mankowski, Retired Accountant, Investor and Entrepreneur

Qualifications: UK: Bsc Eng (Hons), MBA, CEng, ACMA

Experience: Chairman Ubaryon Pty Ltd; Director AJJA Pty Ltd & RRTek Pty Ltd; Treasurer Gold Coast Angels Inc & Founders Forum Inc; retired international management consultant, also worked in engineering (Rolls Royce), accounting and banking.

Special Responsibility: Company Secretary, Treasurer

Timo Dietrich, Professor, Griffith University

Qualifications: PhD, MIB(Hons), BBus(Hons)

Experience: Professor Timo Dietrich is an award-winning behaviour change expert whose work has reached hundreds of thousands of young people and millions globally by aligning business with purpose to create meaningful impact. As founder of Blurred Minds-a leading alcohol, vaping and cannabis education initiative-and Mind Maze, a pioneering social-emotional learning program, he equips schools worldwide with high-quality prevention and wellbeing resources. Co-inventor of the Co-create-Build-Engage (CBE) process, Timo has published over 100 academic and industry works, is a sought-after media commentator and keynote speaker, and teaches in Griffith Business School's MBA program, inspiring the next generation of responsible leaders.

Special responsibility: Chair of the Marketing Committee.

Eric James Lewis, Retired Information Technology Executive

Qualifications: BSc. Computer Science, Grad. Dip. Information Management

Experience: 30+ years Information Technology Management experience at major Australian banks, and global IT service organisations.

Special responsibility: Chair of the Sponsorship Committee.

William Noel Peter Matthews, Director of a multi-family office and Private Care business

Qualifications: BEcon

Experience: Ex-Performance Auditor, ex-National Committee Member of the Australian Red Cross.

Special responsibility: Chair of the Governance Committee.

Directors' report (continued)

Directors' meetings

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' meetings	Directors' meetings	Sponsorship committee	Sponsorship committee
	Eligible	Attended	Eligible	Attended
Paul Vertullo (Chair)	12	11	–	–
Lesley Woodford-Carr	12	12	6	6
Ewald Gerhard Kuppe	12	10	10	9
Martin Mankowski	12	12	–	–
Timo Henrik Oliver Dietrich	12	12	–	–
Eric James Lewis	12	11	10	10
William Matthews	12	12	4	4

Company Secretary

The following person held the position of company secretary at the end of the financial year.

Martin Mankowski is a Chairman of Ubaryon Pty Ltd; Director of AJJA Pty Ltd & RRTek Pty Ltd; Treasurer of Gold Coast Angels Inc and Founders Forum Inc. He is a retired international management consultant, also worked in engineering (Rolls Royce), accounting and banking. Mr Mankowski was appointed Company Secretary on 17 March 2025.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 15. This directors' report is signed in accordance with a resolution of the Board of Directors:



Director: Paul Vertullo



Director: Lesley Woodford-Carr

30 September 2025

Auditor's independence declaration



PARADISE POINT FINANCIAL SERVICES LIMITED
ABN 33 095 686 936

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO DIRECTORS OF
PARADISE POINT FINANCIAL SERVICES LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been:

- a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- b. no contraventions of any applicable code of professional conduct in relation to the audit.

Boutique Audit Solutions Pty Ltd
Authorised Audit Company No 494151

A handwritten signature in black ink, appearing to read 'A. Blank'.

Andrea Blank BBus CPA RCA
Director

Date: 20/9/25

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Financial statements

Statement of profit or loss and other comprehensive income

For the financial year ending 30 June 2025

	Note	2025 \$	2024 \$
INCOME			
Revenue	2	5,474,571	4,858,390
Total Income		5,474,571	4,858,390
Total income		5,474,571	4,858,390
EXPENSES			
Charitable donations, sponsorships, advertising and promotion		526,840	441,522
Depreciation and amortisation expense		100,110	235,634
Employee benefits expense	3	1,252,379	1,323,291
Finance cost	3	67,458	52,396
General administration expenses		380,218	355,952
Occupancy and associated cost		50,006	52,141
Total expenses		2,377,010	2,460,937
Profit / (loss) before income tax		3,097,561	2,397,453
Income tax expense / (benefits)			
Income tax expense	4	779,703	603,232
Total Income tax expense / (benefits)		779,703	603,232
Profit for the year		2,317,858	1,794,221
Total comprehensive income for the year		2,317,858	1,794,221
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company (cash per share):			
Basic earnings per share (cents)	25	371	287

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of financial position

As at 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	7	936,313	656,917
Trade and other receivables	8	597,299	495,201
Short-term investments	9	5,624,113	4,004,779
Other assets	10	20,726	14,807
Total current assets		7,178,450	5,171,704
Non-current assets			
Property, plant and equipment	11	437,095	462,229
Intangible assets	12	32,648	59,110
Right of use assets	13	1,562,039	1,470,285
Deferred tax assets	15	3,929	41,617
Other non-current assets	10	10,000	22,500
Total non-current assets		2,045,711	2,055,740
Total assets		9,224,161	7,227,444
LIABILITIES			
Current liabilities			
Trade and other payables	14	171,074	157,247
Current tax liabilities	15	258,301	118,231
Lease liability	16	129,954	125,654
Provisions	17	44,156	49,630
Total Current Liabilities		603,485	450,762
Non-Current Liabilities			
Trade and other payables	14	–	30,927
Lease liability	16	1,567,770	1,553,651
Provisions	17	19,538	46,621
Total non-current liabilities		1,587,308	1,631,199
Total liabilities		2,190,793	2,081,961
Net assets		7,033,368	5,145,483
EQUITY			
Issued capital	18	608,450	608,450
Retained earnings		6,424,918	4,537,033
Total equity		7,033,368	5,145,483

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of changes in equity

For the financial year ending 30 June 2025

	Ordinary share capital \$	Retained earnings \$	Total \$
Balance at 1 July 2023	608,450	3,117,662	3,726,112
Comprehensive income			
Profit or loss for the year	–	1,794,221	1,794,221
Adjustment on termination of lease AASB 16	–	–	–
Total comprehensive income	–	1,794,221	1,794,221
Transactions with owners, in their capacity as owners			
Dividends paid or provided for	–	(374,850)	(374,850)
Balance at 30 June 2024	608,450	4,537,033	5,145,483
Balance at 1 July 2024	608,450	4,537,033	5,145,483
Comprehensive income			
Profit or loss for the year	–	2,317,858	2,317,858
Adjustment on termination of lease AASB 16	–	7,352	7,352
Total comprehensive income	–	2,325,210	2,325,210
Transactions with owners, in their capacity as owners			
Dividends paid or provided for	–	(437,325)	(437,325)
Balance at 30 June 2025	608,450	6,424,918	7,033,368

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of cash flows

For the financial year ending 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers		5,780,614	4,855,022
Payments to suppliers and employees		(2,772,640)	(2,353,716)
Interest received		119,335	118,635
Lease payments (interest component)		(67,458)	(52,201)
Interest paid		–	(196)
Income tax paid		(601,945)	(897,925)
Net cash provided by operating activities	22	2,457,906	1,669,619
Cash flows from investing activities			
Proceeds from disposal of non-current assets		–	–
Purchase of property, plant and equipment		(5,597)	(2,122)
Proceeds from reimbursement of intangible assets		–	–
Purchase of financial assets		(1,619,334)	(2,416,756)
Net cash provided by / (used in) investing activities		(1,624,931)	(2,418,878)
Cash flows from financing activities			
Net repayments of borrowings		–	–
Lease repayments (principal components)		(116,254)	(110,585)
Payment of dividends on ordinary shares		(437,325)	(374,850)
Net cash provided by / (used in) financing activities		(553,579)	(485,435)
Net increase in cash and cash equivalents		279,396	(1,234,694)
Cash and cash equivalents at beginning of the year		656,917	1,891,610
Cash and cash equivalents at end of year	7	936,313	656,917

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the financial year ending 30 June 2025

1. Summary of significant accounting policies

Basis of preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar unless stated otherwise.

Accounting policies

a. Income tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- (a) the initial recognition of goodwill; or
- (b) the initial recognition of an asset or liability in a transaction which:
 - (i) is not a business combination; and
 - (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

b. Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value, as indicated, less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(d) for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Property improvements	2.5%
Plant and equipment	7.5% – 50%
Furniture and fittings	6.67% – 50%
Motor vehicles	25%

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

c. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15: *Revenue from Contracts with Customers*.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially measured at fair value (and if not designated as at fair value through profit or loss and do not arise from a transfer of a financial asset) and subsequently measured at the higher of:

- the amount of loss allowance determined in accordance to AASB 9.3.25.3; and
- the amount initially recognised less accumulative amount of income recognised in accordance with the revenue recognition policies.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

The company initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a company of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the company made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investments will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the company's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the company no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

On derecognition of an investment in equity which the company elected to classify under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The company recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The company uses the following approaches to impairment, as applicable under AASB 9: *Financial Instruments*:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the company assessed whether the financial instruments are credit impaired, and:

- if the credit risk of the financial instrument increased significantly since initial recognition, the company measured the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there was no significant increase in credit risk since initial recognition, the company measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables or contract assets that result from transactions that are within the scope of AASB 15: *Revenue from Contracts with Customers*, and which do not contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

Purchased or originated credit-impaired approach

For a financial assets that are considered to be credit-impaired (not on acquisition or originations), the company measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the company assumes that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the company applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

d. Impairment of assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

e. Intangible assets other than goodwill

Franchise fee

Franchise fees and other upfront payments have been initially recorded at cost and amortised on a straight-line basis based on the period covered.

Software and website development costs

Software and website development costs are capitalised only when the company can demonstrate all of the criteria outlined in AASB 138.57. Software and developed websites are considered as having finite useful lives and are amortised on a systematic basis over their useful lives so as to match the economic benefits received to the periods in which the benefits are received.

Amortisation begins when the software or websites become operational.

An intangible asset arising from development (or from the development phase of an internal project) shall be recognised if, and only if, an entity can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amortisation rates used for each class of intangible asset with a finite useful life are:

Class of intangible	Asset amortisation rate
Franchise fee	20% – 33.33%

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

f. Employee benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations due to changes in assumptions for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense in the periods in which the changes occur.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

g. Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

h. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as borrowings in current liabilities on the statement of financial position.

i. Revenue and other income

Interest and fee revenue is recognised to the extent that it is probable that economic benefits will flow to the entity and the revenue can be reliably measured.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and any specific criteria have been met. Interest and fee revenue is recognised when earned. The gain or loss on disposal of property, plant and equipment is recognised on a net basis and is classified as income rather than revenue. All revenue is stated net of the amount of Goods and Services Tax (GST).

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

Revenue calculation

The franchise fee agreement provides that three forms of revenue may be earned by the company – margin, commission and fee income. Bendigo and Adelaide Bank Limited decides the form of revenue the company earns on different types of products and services.

The revenue earned by the company is dependent on the business that it generates. It may also be affected by other factors, such as economic and local conditions, for example, interest rates.

Core banking products

Bendigo and Adelaide Bank Limited has identified some Bendigo Bank Group products and services as 'core banking products'. It may change the products and services which are identified as core banking products by giving the company at least 30 days' notice. Core banking products currently include Bendigo Bank branded home loans, term deposits and at call deposits.

Margin

Margin is arrived at through the following calculation:

- Interest paid by customers on loans less interest paid to customers on deposits;
- Plus any deposit returns i.e. interest return applied by Bendigo and Adelaide Bank Limited for a deposit;
- Minus and cost of funds i.e. interest applied by Bendigo and Adelaide Bank Limited to fund a loan.

Margin is paid on all core banking products. A funds transfer pricing model is used for the method of calculation of the cost of funds, deposit return and margin.

The company is entitled to a share of the margin earned by Bendigo and Adelaide Bank Limited (i.e. income adjusted for Bendigo and Adelaide Bank Limited's interest expense and interest income return). However, if this reflects a loss, the company incurs a share of that loss.

Commission

Commission is a fee paid for products and services sold. It may be paid on the initial sale or on an ongoing basis. Commission is payable on the sale of an insurance product such as home contents. Examples of products and services on which ongoing commissions are paid include leasing and Sandhurst Trustees Limited products.

Fee income

Fee income is a share of what is commonly referred to as 'bank fees and charges' charged to customers by Bendigo Bank Group entities including fees for loan applications and account transactions.

Ability to change financial return

Under the franchise agreement, Bendigo and Adelaide Bank Limited may change the form and amount of financial return that the company receives. The reasons it may make a change includes changes in industry or economic conditions or changes in the way Bendigo and Adelaide Bank Limited earns revenue.

The change may be to the method of calculation of margin, the amount of margin, commission and fee income or a change of a margin to a commission or vice versa. This may affect the amount of revenue the company receives on a particular product or service. The effect of the change of the revenue earned by the company is entirely dependent on the change.

If Bendigo and Adelaide Bank Limited makes a change to the margin or commission on core banking products and services, it must not reduce the margin and commission the company receives on core banking products and services Bendigo and Adelaide Bank Limited attributes to the company to less than 50% (on an aggregate basis) of Bendigo and Adelaide Bank Limited's margin at that time. For other products and services, there is no restriction on the change Bendigo and Adelaide Bank Limited may make.

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

Bendigo and Adelaide Bank Limited must give the company 30 days' notice before it changes the products and services on which margin, commission or fee income is paid, the method of calculation of margin and the amount of margin, commission or fee income.

Monitoring and changing financial return

Bendigo and Adelaide Bank Limited monitors the distribution of financial return between Community Bank companies and Bendigo and Adelaide Bank Limited on an ongoing basis.

Overall, Bendigo and Adelaide Bank Limited has made it clear that the Community Bank model is based on the principle of shared reward for shared effort. In particular, in relation to core banking products and services, the aim is to achieve an equal share of Bendigo and Adelaide Bank Limited's margin.

All revenue is stated net of the amount of goods and services tax.

j. Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(c) for further discussion on the determination of impairment losses.

k. Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at cost using the effective interest method.

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

l. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost base of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

m. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from financing and investing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

n. Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the company retrospectively applies an accounting policy, makes a retrospective restatement of items in the financial statements or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

Short-term deposits have been reclassified from Cash and Cash Equivalents to Financial Assets to more accurately reflect the nature of the term deposits.

o. Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates and judgements

a) Judgements

Information about adjustments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note	Judgements
Note 16 – Leases:	
a) Control	Whether a contract is or contains a lease at inception by assessing whether the company has the right to direct the use of the identified asset and obtain substantially all the economic benefits from the use of that asset;
b) Lease term	Whether the company is reasonably certain to exercise extension options, termination periods, and purchase options;
c) Discount rates	Judgement is required to determine the discount rate, where the discount rate is the company's incremental borrowing rate if the rate implicit in the lease cannot be readily determined. The incremental borrowing rate is determined with reference to factors specific to the company and underlying asset including the amount, the lease term, economic environment and other relevant factors.
d) Going concern	Whether management's assessment of uncertainties about the company's ability to continue as a going concern are appropriate.

Notes to the financial statements (continued)

1. Summary of significant accounting policies (continued)

b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 30 June 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note	Assumptions
a) Note 15 – recognition of deferred tax assets	Availability of future taxable profit against which deductible temporary differences and carried-forward tax losses can be utilised
b) Note 11 – estimation of useful lives of assets	Key assumptions on historical experience and the condition of the asset
c) Note 17 – long service leave provision	Key assumptions on attrition rate and pay increases through promotion and inflation

Economic dependency

All deposits are made with Bendigo and Adelaide Bank Limited, and all personal and investment products are products of Bendigo and Adelaide Bank Limited, with the company facilitating the provision of those products. All loans, leases, or hire purchase transactions, issues of new credit or debit cards, temporary or bridging finance and any other transaction that involves creating a new debt, or increasing or changing the terms of an existing debt owed to Bendigo and Adelaide Bank Limited, must be approved by Bendigo and Adelaide Bank Limited. All credit transactions are made with Bendigo and Adelaide Bank Limited, and all credit products are products of Bendigo and Adelaide Bank Limited.

The company promotes and sells the products and services, but it is not a party to the transaction.

The credit risk (i.e. the risk that a customer will not make repayments) is for the relevant Bendigo and Adelaide Bank Limited entity to bear as long as the company has complied with the appropriate procedures and relevant obligations and has not exercised a discretion in granting or extending Bendigo and Adelaide Bank Limited provides significant assistance in establishing and maintaining the Community Bank branches franchise operations. It also continues to provide ongoing management and operational support and other assistance and guidance in relation to all aspects of the franchise operation, including advice in relation to:

- Advice and assistance in relation to the design, layout and fit out of the Community Bank branches;
- Training for the branch manager and other employees in banking, management systems and interface protocol
- Methods and procedures for the sale of products and provision of services
- Security and cash logistic controls
- Calculation of company revenue and payment of many operating and administrative expenses
- The formulation and implementation of advertising and promotional programs
- Sales techniques and proper customer relations.

Notes to the financial statements (continued)

	2025 \$	2024 \$
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2. Revenue and other income

Revenue

Services and other revenue	(5,274,760)	(4,698,218)
Interest revenue	(199,811)	(160,172)
Total revenue	(5,474,571)	(4,858,390)

Interest revenue

Other corporations	(199,811)	(160,172)
Total interest revenue	(199,811)	(160,172)

3. Profit / (loss) before income tax

Profit before income tax from continuing operations includes the following expenses:

Expenses		
Employee benefits expense	1,252,379	1,323,291
Finance cost		
Interest expense	67,458	52,396

Notes to the financial statements (continued)

	2025 \$	2024 \$
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4. Income tax

a. The components of tax expense comprise:

Current tax expense	742,015	608,448
deferred tax (benefit) / expense relating to the origination and reversal of temporary differences	37,688	(5,216)
Total components of tax expense	779,703	603,232

b. The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows:

Prima facie tax payable on profit from ordinary activities before income tax at 25%	774,390	599,363
Add tax effect of:		
Non-deductible / non-assessable payments	5,359	3,869
Change in company tax rate	-	-
Adjustment on termination of lease	1,704	-
Adjustment of prior period	(1,750)	-
Income tax attributable to entity	779,703	603,232

The applicable income tax rate is the Australian federal tax rate of 25% applicable to Australian resident companies.

Weighted average effective tax rates are:	25.00%	25.16%
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5. Dividends

Final fully franked ordinary dividend of 25 cents per share (2024: 25 cents per share) franked at a tax rate of 25%	156,188	156,188
Interim fully franked ordinary dividend of 45 cents per share (2024: 35 cents per share) franked at a tax rate of 25%	281,137	218,662
Total	437,325	374,850
Dividends amount per share		
Per share dividends amount paid during the period (cents)	70	60

6. Auditor's remuneration

Remuneration of the auditor is as follows:

Auditing or reviewing the financial statements	5,500	5,500
Total auditor's remuneration	5,500	5,500

Notes to the financial statements (continued)

	2025 \$	2024 \$
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7. Cash and cash equivalents

Cash at bank and on hand	936,313	656,917
Cash and cash equivalents balance as shown in the statement of financial position can be reconciled to that shown in the statement of cash flows as follows:		
Per the statement of financial position	936,313	656,917
Less bank overdraft	-	-
Per the statement of cash flows	936,313	656,917

8. Trade and other receivables

Current		
Trade receivables	468,872	447,252
Total	468,872	447,252
Other receivables		
Accrued income	128,427	47,950
Total	128,427	47,950
Total current receivables	597,299	495,201
Non-current		
Non-current	-	-
Total non-current receivables	-	-

Credit risk

The company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 8. The main sources of credit risk to the company are considered to relate to the classes of assets described as 'trade and other receivables'.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table below) are considered to be of high credit quality.

Notes to the financial statements (continued)

8. Trade and other receivables (continued)

	Gross Amount	Not past due	< 30 days	31-60 days	> 60 days	Past due & impaired
2024						
Trade receivables	447,251	447,251	–	–	–	–
Other receivables	47,950	47,950	–	–	–	–
Total	495,201	495,201	–	–	–	–
2025						
Trade receivables	468,872	468,872	–	–	–	–
Other receivables	128,427	128,427	–	–	–	–
Total	597,299	597,299	–	–	–	–

	2025 \$	2024 \$
a. Financial assets at amortised cost classified as trade and other receivables		
Current	597,299	495,201
Non-current	–	–
Total financial assets classified as trade and other receivables	597,299	495,201
b. Collateral held		
No collateral is held over trade and other receivables.	–	–

9. Financial assets

Current		
Short-term investments		
Held-to-maturity investments	5,624,113	4,004,779
Total current financial assets	5,624,113	4,004,779
Held-to-maturity investments		
Term deposits	5,624,113	4,004,779
Total	5,624,113	4,004,779

	Gross amount	Past due & Impaired	Past due but not impaired	Not past due
2024				
Short-term investments	4,004,779	–	–	4,004,779
Total	4,004,779	–	–	4,004,779
2025				
Short-term investments	5,624,113	–	–	5,624,113
Total	5,624,113	–	–	5,624,113

Notes to the financial statements (continued)

	2025 \$	2024 \$
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10. Other assets

Current		
Prepayments	20,726	14,807
Total current assets	20,726	14,807
Non-current		
Prepayments	10,000	22,500
Total non-current other assets	10,000	22,500
Total other assets	30,726	37,307

11. Property, plant and equipment

Leasehold improvements		
At cost	431,489	431,489
Accumulated depreciation	(43,226)	(32,439)
Total leasehold improvements	388,262	399,050
Motor vehicles		
At cost	–	–
Accumulated depreciation	–	–
Total motor vehicles	–	–
Plant and equipment		
At cost	173,897	168,301
Accumulated depreciation	(125,064)	(105,121)
Total plant and equipment	48,833	63,180
Total property, plant and equipment	437,096	462,229

a. Movements in carrying amounts

Leasehold improvements		
Balance at the beginning of the reporting period	399,050	409,837
Disposals – at written-down value	–	–
Additions	–	–
Depreciation expense	(10,788)	(10,787)
Balance at the end of the reporting period	388,262	399,050

Notes to the financial statements (continued)

	2025 \$	2024 \$
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11. Property, plant and equipment (continued)

Motor vehicles		
Balance at the beginning of the reporting period	-	-
Disposals – at written-down value	-	-
Additions	-	-
Depreciation expense	-	-
Balance at the end of the reporting period	-	-
Plant and equipment		
Balance at the beginning of the reporting period	63,180	85,334
Disposals – at written-down value	-	-
Additions	5,596	2,122
Depreciation expense	(19,943)	(24,276)
Balance at the end of the reporting period	48,833	63,180

12. Intangible assets

Franchise fees		
Franchise renewal fees at cost	130,311	130,311
Franchise establishment fees at cost	37,554	37,554
Accumulated amortisation	(135,217)	(108,755)
Net carrying amount	32,648	59,110
IT software at cost		
At cost	30,491	30,491
Accumulated depreciation	(30,491)	(30,491)
Net carrying amount	-	-
Total intangible assets	32,648	59,110

a. Movements in carrying amounts

Balance at the beginning of the reporting period	59,110	85,572
Additions	-	-
Amortisation expense	(26,462)	(26,462)
Balance at the end of the reporting period	32,648	59,110

Notes to the financial statements (continued)

	2025 \$	2024 \$
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13. Right-of-use-assets

a. Options to extend or terminate

The options to extend or terminate are contained in several of the property leases of the company. These clauses provide the company opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the company. The extension options or termination options which management were reasonably certain to be exercised have been included in the calculation of the lease liability.

b. Right-of-use asset

AASB 16 Related amounts recognised in the balance sheet		
Initial recognition of AASB 16	1,680,547	1,680,547
Re-measurement	417,714	283,042
Accumulated depreciation	(493,304)	(319,196)
Depreciation expense	(42,918)	(174,108)
Net carrying amount	1,562,039	1,470,285
See note 16 lease liabilities for information on remeasurement adjustments		

c. Amounts recognised in the statement of profit or loss

AASB 16 related amounts		
Depreciation charge related to right-of-use assets	42,918	174,108
Depreciation charge related to right-of-use assets – expired	–	–
Interest expense on lease liabilities (under finance cost)	67,458	55,201
Interest expense on lease liabilities (under finance cost) – expired	–	–
Total AASB 16 related amounts	110,376	229,309
Cash outflows for leases	193,335	178,794

14. Total trade and other payables

Total current unsecured liabilities	171,074	157,247
Total non-current unsecured liabilities	–	30,927
Total trade and other payables	171,074	188,174
a. Financial liabilities at amortised cost classified as trade and other payables		
Total current	171,074	157,247
Total non-current	–	30,927
Total trade and other payables	171,074	188,174
Financial liabilities as trade and other payables	171,074	188,174

Notes to the financial statements (continued)

	2025 \$	2024 \$
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15. Tax balances

Current liabilities		
Income tax payable / (refundable)	258,301	118,231
Non-current liabilities		
Deferred tax liability / (asset)	(3,929)	(41,617)

	Balance as at 30 June 2025	(Charged)/ Credited to Income	Balance as at 30 June 2024	(Charged)/ Credited to Income	Balance as at 30 June 2023
Deferred tax liabilities					
Property, plant and equipment	9,512	(6,283)	15,795	(5,539)	21,334
Provisions	(15,732)	8,139	(23,871)	(2,358)	(21,513)
Other	2,291	35,832	(33,541)	2,681	(36,222)
	(3,929)	37,688	(41,617)	(5,216)	(36,401)

The amount of deductible temporary differences and unused tax losses for which no deferred tax asset has been brought to account:

- temporary differences \$932 (2024: \$20,573)
- tax losses: operating losses \$nil (2024: \$nil)

The benefits of the above temporary differences and unused tax losses will be realised when the conditions for deductibility set out in Note 1(a) occur. These amounts have no expiry date.

16. Lease liability

Current		
Lease liability	129,954	125,654
Non-current		
Lease liability	1,567,770	1,553,651
Total lease liability	1,697,723	1,679,305

Notes to the financial statements (continued)

17. Provisions

	Employee benefits	Other	Total Provisions
Analysis of provisions			
Opening balance at 1 July 2024	95,483	767	96,250
Amount provided / (utilised) during the year	(32,556)	–	(32,556)
Balance at 30 June 2025	62,927	767	63,694

	2025 \$	2024 \$
Current		
Annual leave	36,751	43,419
Long service leave	6,638	5,443
Dividends	767	767
Total current	44,156	49,629
Non-current		
Long service leave	19,538	46,621
Total non-current	19,538	46,621
Total provisions	63,694	96,250

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been discussed in Note 1(f).

Notes to the financial statements (continued)

	2025 \$	2024 \$
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18. Issued capital

624,750 fully paid ordinary shares	624,750	624,750
Less: bonus share reserve	(16,300)	(16,300)
Total share capital	608,450	608,450

a. Movements in issued capital

Fully paid ordinary shares:		
At the beginning of the reporting period	608,450	608,450
Shares issued during the year	-	-
At the end of the reporting period	608,450	608,450
Fully paid bonus ordinary shares:		
At the beginning of the reporting period	16,300	16,300
Shares issued during the year	-	-
Total fully paid bonus ordinary shares	16,300	16,300
At the end of the reporting period	624,750	624,750

Rights attached to shares

(i) Voting rights

Subject to some limited exceptions, each member has the right to vote at a general meeting.

On a show of hands or a poll, each member attending the meeting (whether they are attending the meeting in person or by attorney, corporate representative or proxy) has one vote, regardless of the number of shares held. However, where a person attends a meeting in person and is entitled to vote in more than one capacity (for example, the person is a member and has also been appointed as proxy for another member) that person may only exercise one vote on a show of hands. On a poll, that person may exercise one vote as a member and one vote for each other member that person represents as duly appointed attorney, corporate representative or proxy.

The purpose of giving each member only one vote, regardless of the number of shares held, is to reflect the nature of the company as a community based company, by providing that all members of the community who have contributed to the establishment and ongoing operation of the Community Bank branches have the same ability to influence the operation of the company.

(ii) Dividends

Generally, dividends are payable to members in proportion to the amount of the share capital paid up on the shares held by them, subject to any special rights and restrictions for the time being attaching to shares. The franchise agreement with Bendigo and Adelaide Bank Limited contains a limit on the level of profits or funds that may be distributed to shareholders. There is also a restriction on the payment of dividends to certain shareholders if they have a prohibited shareholding interest (see below).

(iii) Transfer

Generally, ordinary shares are freely transferable. However, the directors have a direction to refuse to register a transfer of shares.

Subject to the forgoing, shareholders may transfer shares by a proper transfer effected in accordance with the company's constitution and the *Corporations Act 2001*.

Notes to the financial statements (continued)

	2025 \$	2024 \$
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18. Issued capital (continued)

Prohibited shareholding interest

A person must not have a prohibited shareholding interest in the company. As with voting rights, the purpose of this prohibited shareholding provision is to reflect the community-based nature of the company.

Where a person has a prohibited shareholding interest, the voting and dividend rights attaching to the shares in which the person (and his or her associates) have a prohibited shareholding interest, are suspended.

The board has the power to request information from a person who has (or is suspended by the board of having) a legal or beneficial interest in any shares in the company or any voting power in the company, for the purpose of determining whether a person has a prohibited shareholding interest. If the board becomes aware that a member has a prohibited shareholding interest, it must serve a notice requiring the member (or the member's associate) to dispose of the number of shares the board considers necessary to remedy the breach. If a person fails to comply with such a notice within a specified period (that must be between three and six months), the board is authorised to sell the specified shares on behalf of that person. The holder will be entitled to the consideration from the sale of the shares, less expenses incurred by the board in selling or otherwise dealing with those shares.

In the constitution, members acknowledge and recognise that the exercise of the powers given to the board may cause considerable disadvantage to individual members, but that such a result may be necessary to enforce the prohibition.

b. Capital management

Management controls the capital of the company in order to maintain a satisfactory debt to equity ratio and to ensure that the company can fund its operations and continue as a going concern.

The company's debt and capital include ordinary share capital and financial liabilities, supported by financial assets. Currently, the company does not consider it necessary to finance its operations through debt capital. Accordingly, the company's only material financial liabilities at the end of the reporting period are trade and other payables.

Management manages the company's capital by assessing the company's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There have been no changes in the capital structure, the objectives, policies, processes and strategy adopted by management to manage the capital of the company from the previous year.

The capital structure is as follows:		
Total borrowings	-	-
Net debt	-	-
Total equity	7,033,368	5,145,483
Total capital	7,033,368	5,145,483
Gearing ratio (%)	-	-

Notes to the financial statements (continued)

	2025 \$	2024 \$
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19. Capital and leasing commitments

Non-cancellable operating leases contracted for but not recognised in the financial statements payables – minimum lease payments:		
Not later than 12 months	-	-
Between 12 months and 5 years	-	-
Later than 5 years	-	-
Total payables – minimum lease payments:	-	-
Total operating lease payables	-	-

20. Contingent liabilities and contingent assets

There has been no contingent liabilities after the end of the financial year that would materially affect the financial statements.

There has been no contingent assets after the end of the financial year that would materially affect the financial statements.

21. Events after the reporting period

The directors are not aware of any other significant events since the end of the reporting period.

22. Cash flow information

Profit after income tax		
Profit after income tax	2,317,858	1,794,221
Total profit after income tax	2,317,858	1,794,221
Non-cash items:		
Depreciation and amortisation	100,110	235,634
Net loss on disposal of property, plant and equipment	-	-
Adjustment on termination of lease AASB 16	7,352	-
Total non-cash items	107,462	235,634
Changes in assets and liabilities:		
Decrease/(increase) in trade and other receivables	(102,098)	(6,993)
Decrease/(increase) in prepayments	6,582	(29,351)
(Decrease)/increase in trade and other payables	(17,100)	(38,632)
(Decrease)/increase in provisions – employee benefits	(32,556)	9,433
(Decrease)/increase in provisions – other	-	-
(Decrease)/increase in current tax liabilities	177,759	(294,693)
(Decrease)/increase in deferred tax liabilities	-	-
Total changes in assets and liabilities:	32,587	(360,236)
Net cash provided by operating activities	2,457,907	1,669,619

Notes to the financial statements (continued)

2025
\$

2024
\$

23. Related party transactions

The company's main related parties are as follows.

a. Key management personnel of the company

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of the entity, is considered key management personnel.

b. Other related parties of the company

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

Transactions and outstanding balances with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties (i.e. at arm's length) unless the terms and conditions disclosed below state otherwise. The following transactions occurred with related parties:

Key management personnel		
Key management personnel compensation	240,802	231,365
Total compensation	240,802	231,365
Shares held by key management personnel		
Paul Vertullo	50,500	50,500
Ewald Gerhard (Garry) Kuppe	16,000	16,000
Lesley Karen Woodford-Carr	10,000	10,000
Martin Leopold Mankowski	5,000	5,000
Timo Henrik Oliver Dietrich	3,750	3,750
Eric James Lewis	2,250	2,250
Patrick William Crotty	2,100	2,100
William Matthews	2,100	2,100
Total shares held by key management personnel	91,700	91,700

A company substantially owned by the director Paul Vertullo has leased the Paradise Point branch premises to Paradise Point Financial Services Ltd, the board advises that prior to entering this lease an independent market appraisal was obtained.

During the year, directors were paid wages to assist with expenses to conduct of their duties.

The total wages including superannuation benefits was \$115,960 (2024: \$102,786).

Notes to the financial statements (continued)

	Notes	2025 \$	2024 \$
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24. Financial risk management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from related parties, bills, leases, preference shares, and derivatives. The totals for each category of financial instruments, measured in accordance with AASB 139: *Financial Instruments: Recognition and Measurement* as detailed in the accounting policies, are as follows.

Financial assets			
Cash and cash equivalents (net of bank overdrafts)	7	936,313	656,917
Trade and other receivables	8	597,299	495,201
Short-term investments			
Held-to-maturity investments	9	5,624,113	4,004,779
Total financial assets		7,157,725	5,156,897
Financial liabilities			
Trade and other payables	14	171,074	188,174
Borrowings		-	-
Total financial liabilities		171,074	188,174

Financial risk management policies

The board's overall risk management strategy seeks to assist the company in meeting its financial targets, while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the board on a regular basis. These include the credit risk policies and future cash flow requirements. Senior executives meet on a regular basis to analyse financial risk exposure in the context of the most recent economic conditions and forecasts.

Specific financial risk exposures and management

The main risks the company is exposed to through its financial instruments are liquidity risk, and market risk relating to interest rate risk. There have been no substantive changes in the types of risks the company is exposed to, how these risks arise, or the board's objectives, policies and processes for managing or measuring the risks from the previous period.

Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company is not currently exposed to any significant liquidity risk on the basis that the realisable value of financial assets is significantly greater than the financial liabilities due for settlement.

The company manages its liquidity risk through the following mechanisms:

- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The following table reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The company has no bank overdrafts. The company has no financial guarantee liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

24. Financial risk management (continued)

Financial liability and financial asset maturity analysis

		Within 1 year			1 to 5 years			Over 5 years			Total	
Notes		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	
Financial liabilities due												
Trade and other payables		14a	171,074	157,247	-	30,927	-	-	-	171,074	188,174	
Total expected outflows			171,074	157,247	-	30,927	-	-	-	171,074	188,174	
Financial assets realisable												
Cash and cash equivalents		7	936,313	656,917	-	-	-	-	-	936,313	656,917	
Trade and other receivables		8	597,299	495,201	-	-	-	-	-	597,299	495,201	
Short-term investments		9	5,624,113	4,004,779	-	-	-	-	-	5,624,113	4,004,779	
Total anticipate d inflows			7,157,725	5,156,897	-	-	-	-	-	7,157,725	5,156,897	
Net inflow (outflow)			6,986,651	4,999,650	-	(30,927)	-	-	-	6,986,651	4,968,723	

Notes to the financial statements (continued)

Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on interest-bearing financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect either the future cash flows (in the case of variable interest instruments) or the fair value financial instruments (in the case of fixed rate instruments). There is no effective variable interest rate borrowing (i.e. un-hedged debt). The company is not exposed to interest rate risk which will impact future cash flows and interest charges.

(ii) Other price risk

The company is not exposed to other price risks.

Fair values

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

	Notes	Carrying amount		Fair value	
		2025	2024	2025	2024
Financial assets					
Cash and cash equivalents (i)	7	936,313	656,917	936,313	656,917
Trade and other receivables (i)	8	597,299	495,201	597,299	495,201
Held-to-maturity investments	9	5,624,113	4,004,779	5,624,113	4,004,779
Total financial assets		7,157,725	5,156,897	7,157,725	5,156,897
Financial liabilities					
Trade and other payables (i)	14a	171,074	188,174	171,074	188,174
Chattel mortgage liabilities		–	–	–	–
Total financial liabilities		171,074	188,174	171,074	188,174

(i) Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments whose carrying amounts approximate their fair values. Trade and other payables exclude amounts relating to the provision of annual leave and deferred revenue, which are outside the scope of AASB 139.

25. Earnings per share

(a) Profit attributable to the ordinary equity holders of the company used in calculating earnings per share	2,317,858	1,794,221
(b) Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	624,750	624,750

26. Company details

The registered office of the company is:

- Paradise Point Financial Services Ltd
Shops 3 & 4, 34 The Esplanade Paradise Point QLD 4216

The registered place of business is:

- Paradise Point Financial Services Ltd
Shops 3 & 4, 34 The Esplanade Paradise Point QLD 4216

Directors' declaration

For the year ended 30 June 2025

In accordance with a resolution of the directors of Paradise Point Financial Services Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 16 to 48, are in accordance with the *Corporations Act 2001*, and:
 - Complying with the Australian Accounting Standards; and
 - Give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable

This declaration is made in accordance with a resolution of the Board of Directors.



Director: Paul Vertullo



Director: Lesley Woodford-Carr

30 September 2025

Independent audit report



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARADISE POINT FINANCIAL SERVICES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Paradise Point Financial Services Limited, which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion:

the accompanying financial report of Paradise Point Financial Services Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001;

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 : *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The company is a franchisee of Bendigo and Adelaide Bank Limited in respect of the operation of the community bank branch. The company therefore is bound by franchise agreements and income is calculated by Bendigo bank reporting systems to allocate revenue due to the company in line with the terms of the franchise agreements. The validation, including completeness and accuracy of the commission and revenue calculations in line with the franchise agreements are outside the scope of this audit.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARADISE POINT FINANCIAL SERVICES LIMITED

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

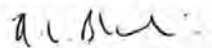
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF
PARADISE POINT FINANCIAL SERVICES LIMITED

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Boutique Audit Solutions Pty Ltd
Authorised Audit Company No.494151


Andrea Blank BBus CPA RCA
Director

Date: 30/9/25

Upper Coomera, Qld 4209

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