

Annual Report 2025

Pine Rivers Community
Finance Limited

Community Bank
Samford

ABN 14 098 199 476



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Chairman's Report

For the year ending 30 June 2025

It is my privilege to present the Chairman's Report for Pine Rivers Community Finance Limited, providing an overview of our strategic achievements, key milestones, and financial performance for the fiscal year ending 30 June 2025. In a dynamic economic environment marked by both challenges and opportunities, I am pleased to report that our institution successfully navigated the landscape with strategic foresight, resulting in a year of strong financial performance.

Financial Performance Amidst Dynamic Economic Conditions

The fiscal year under review was a period of sustained performance, with Pine Rivers Community Finance Limited achieving strong profitability. This was accomplished despite a shifting monetary policy environment. Following a period of significant tightening, the Reserve Bank of Australia (RBA) initiated a new phase of monetary policy. While the official cash rate reached a peak of 4.35% in late 2023, it has since demonstrated a downward trajectory, standing at 3.85% as of mid-2024. Our organisation has effectively navigated this environment of moderating interest rates, enabling us to maintain solid financial results and continue delivering value to our members and the wider community.

Staff Excellence

At the heart of our success is our exceptional team, under the dedicated leadership of our Senior Branch Manager, Mandy Bell. Mandy's strategic acumen and dedication have been pivotal to our achievements this year. I also extend my sincere appreciation to Nadine, Kylie B, Courtney, Sheona, Seb, Louise, Laura, Olivia, Elise, and Kylie for their invaluable contributions. Their professionalism and commitment have significantly enhanced our operational efficiency and effectiveness, propelling us towards this year's accomplishments. As a Board, we take this opportunity to honour their outstanding performance.

Board Directors

Our institution is uniquely powered by a group of dedicated individuals who serve as volunteer Directors. Their tireless commitment to Pine Rivers Community Finance Limited, demonstrated through their selfless contributions, forms the foundation of our success. During the second half of 2024, our Board Administrator Cynthia Mollison retired. Cynthia was a great asset to the Board, and we wish her a fulfilling new chapter of travel and leisure. Cynthia seamlessly transitioned her duties to our new Board Administrator, Lauren Rennick. Lauren has integrated into the role with exceptional proficiency, continuing to provide the Board with a very high calibre of governance management and workflow. Her expertise has ensured our Board can fulfill its fiduciary requirements with excellence. It is with deep appreciation that I recognise the Board's dedication and acknowledge the exceptional work they have undertaken to ensure the realisation of our mission. I am truly honoured to collaborate with such a highly skilled and visionary Board.

A Community Bank with Purpose

We are proud to maintain our firm commitment to "Profit with Purpose." Our deep-rooted dedication to the community is evident not only in our financial results but also in the positive impact we have made. This year, Pine Rivers Community Finance Limited contributed \$585,000 back to the community, a testament to our pledge to support the growth and well-being of the communities we serve.

Financial Performance Summary

Amidst a moderating interest rate environment, the lending sector encountered intense competition throughout the past year. Customers, both new and existing, were targeted by rival banking institutions, while heightened cost of living pressures drove them to seek the most competitive rates in the market. Despite these challenges, our experienced team demonstrated exceptional commitment in assisting existing customers with their mortgage needs in a highly competitive landscape.

I am pleased to report strong financial performance for the fiscal year 24-25, with total revenue reaching \$2.265 million, resulting in an EBITDA of \$139,657. The Board has diligently formulated a sustainable and resilient business plan for the upcoming year, ensuring our business remains well-positioned to deliver consistent value to our shareholders, while embarking on an expansion program to extend our services in the greater Moreton Bay Region.

Shareholders

The company's fiscal health proved strong, driven by a sustained upward trajectory in profitability. This success in the 2025 financial year, has empowered us to maintain our fully franked dividend payout at 6.5 cents per share.

Furthermore, to acknowledge our continued outstanding performance, the Board is delighted to declare a special dividend of 4.5 cents per share. This announcement reflects a full-year dividend of 11 cents per share, payable on 30 September 2025, and signifies the Board's commitment to delivering exceptional shareholder value, acknowledging your continued trust.

Closing Remarks

In conclusion, the accomplishments of Pine Rivers Community Finance Limited in this fiscal year stand as a testament to the dedicated commitment, resilience, and collaborative spirit demonstrated by our Community Bank Samford team, Directors, and community. These financial achievements extend beyond mere numbers; they underscore our firm commitment to equipping individuals and businesses with meaningful financial solutions.

On behalf of the entire organisation, I extend my sincere gratitude to our valued shareholders, customers, stakeholders, and our dedicated staff. Together, we remain firmly committed to our community, leveraging our banking services to deliver on our mission and core values for a more resilient and sustainable future.

Sincerely



Malcolm Frizzell
Chairman
Pine Rivers Community Finance Limited

Senior Branch Manager's Report

For the year ending 30 June 2025

The past financial year has been one of positive change and continued growth for Community Bank Samford. With interest rates easing over the course of the year, many of our customers have felt some welcome relief. This shift has allowed us to spend more time helping our clients explore opportunities, rather than focusing solely on navigating pressures, and has strengthened our relationships across the community.

Our financial results reflect this optimism. Business growth exceeded \$33 million, and settlements reached \$57 million, which represents a 43% increase on the previous year. These figures show not only the trust our community has in us but also the effort and dedication of our staff in supporting customers with their lending and financial needs.

Community Investment

Our commitment to reinvesting into the community has remained as strong as ever. This year saw the introduction of a targeted homelessness grant round, which directed more than \$100,000 in funding to local organisations working on the frontline of housing insecurity and domestic violence. These grants focused on delivering practical, immediate support to those experiencing or at risk of homelessness, while also investing in long-term solutions that promote stability and dignity.



The funded projects are already making a tangible impact – from providing essential services and safe spaces to supporting programs that address the root causes of homelessness. This initiative reflects our deep commitment to responding to emerging community needs and ensuring that our funding reaches the people and families who need it most.

In addition to this, several grants stood out for their positive local impact:

- **Pine Rivers Catchment Association** – This multi-year grant supports vital environmental programs designed to protect and restore local waterways and ecosystems. The Association plays an important role in improving water quality, enhancing biodiversity, and raising awareness of environmental stewardship within the community. The project we are funding is unique. I would like to include the actual wording of that instead of general work PRCA does. Example: This project will establish the first comprehensive water quality monitoring project in the Pine Rivers area. The North and South Pine Rivers, including their major tributaries, will be sampled for their key environmental health values. PRCA and their partners will be better equipped to prioritise the actions that will ensure the health of our local environment. The public will also be provided an opportunity to take part in the fieldwork component of this project, providing an additional citizen science opportunity to a region that does not have many at present.



- **Stationery Aid** – Stationery Aid's program is a powerful example of social and environmental sustainability. By collecting, sorting, and redistributing unused or gently used school stationery, the project prevents tonnes of materials from ending up in landfill. Instead, these resources are repurposed into learning packs for students experiencing hardship. This year, our grant has helped them deliver hundreds of packs to local schools, giving children the tools they need to learn with confidence and dignity. Families struggling with the rising costs of education benefit directly, and the initiative reinforces our community's commitment to both equity and sustainability.



- **Meals on Wheels Moreton Bay** – Our funding has enabled Moreton Bay Meals on Wheels to introduce a broader menu of fresh, nutritious options for their clients. This expansion goes beyond just meals – it provides comfort, choice, and a sense of independence for older residents and those with limited mobility. Volunteers delivering meals also provide regular social contact, reducing isolation for many in our community. The program's success this year demonstrates how small enhancements in service can make a big difference in health, wellbeing, and quality of life for some of our most valued community members.

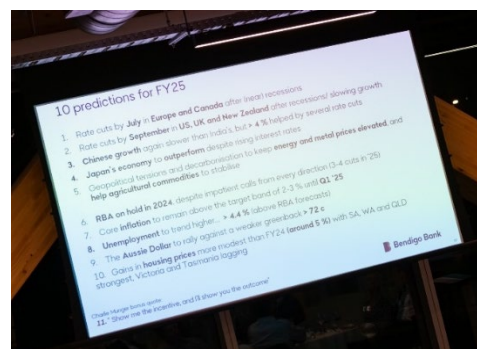


These are just a few examples of the wide-ranging community initiatives we are proud to back. Each grant not only provides immediate benefits but also strengthens the fabric of our region for the long term.

Over the past financial year, we are proud to have contributed \$585,000 in funding to our community, supporting programs and initiatives that make a genuine difference and positively impact people and places.

Event

In October, we were delighted to host an Economic Outlook event with David Robertson, Chief Economist and Head of Economic and Markets Research at Bendigo Bank. David provided valuable insights into the challenges and opportunities within the global and domestic economy, highlighting the delicate balance between inflation and growth. His presentation sparked thoughtful discussion among our guests, reminding us that while recent years have brought uncertainty and pressures, there are still strong reasons for optimism. Australia's reputation as the "lucky country" remains relevant, and with the right reforms and policies, we are well-positioned to continue building prosperity into the future. This event provided a fantastic opportunity to showcase the talent and knowledge that powers Bendigo Bank, reinforcing our credibility to our clients, partners and future customers.



Our People

Our team continues to grow and evolve. This year, we welcomed **Elise** to the branch, bringing our team to **11 members** in total. Their hard work, professionalism, and commitment to customer service are the driving force behind our results. Every milestone we have achieved has been the result of their collective effort and dedication.

Acknowledgements

I want to express my sincere thanks to our **Board of Directors**. Their ongoing support and guidance have been invaluable to both myself and the wider team. On behalf of all staff, we extend our gratitude for the role the Board plays in helping us achieve our goals and deliver positive outcomes for our customers and community.

With strong results, a growing team, and an unwavering commitment to community, we look forward to building on this year's successes and continuing to make a meaningful difference in the year ahead.

Mandy Bell
Senior Branch Manager
Community Bank Samford



Pine Rivers Community Finance Limited

ABN 14 098 199 476

Financial Report - 30 June 2025

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2025.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name:	Malcolm Frizzell
Title:	Chairman
Experience and expertise:	Grad Dip in Business, Grad Cert in Governance & Risk Management from GIA, Grad Cert in Commerce from Securities Institute of Australia. Malcolm Frizzell offers 35 years of banking expertise, including 20 years at Bendigo Bank where he developed over 50 community bank companies across Australia. He possesses strong risk management and corporate governance skills, aligning with his membership in the Australian Institute of Company Directors. Malcolm has served on the PRCF Ltd Board since October 2020.
Special responsibilities:	Chairman, Member of Finance, Governance & Risk Committee, Oversight of all Board Committees

Name:	Terence Hogan (Terry)
Title:	Non-executive director
Qualifications:	Bachelors of Arts (Hons) from the University of New England.
Experience and expertise:	Terry Hogan has lengthy executive experience in government, higher education and the community sector. He was Chair of the Steering Committee that established the Samford Community Bank Branch of Bendigo Bank and chaired Pine Rivers Community Finance Limited's Finance and Audit Committee. He has been a member of the Board of Pine Rivers Community Finance since 2009. His professional career in the public sector included positions as Director General, Chief Executive and other senior roles in Local, State and Federal Government agencies. He is an Adjunct Professor in the School of Government and International Relations at Griffith University and was Principal Policy Adviser to the Vice-Chancellor. He was a member of the Sustainability Advisory Panel for the 2018 Commonwealth Games, and is a member of a national advisory panel making recommendations in the field of medical research.
Special responsibilities:	Member of Community, Engagement & Brand Committee

Name:	Kriton Panagiotopoulos (Kris)
Title:	Company Secretary
Qualifications:	Degree in Agriculture Science, Masters of Business Administration.
Experience and expertise:	Kris Panagiotopoulos has over 20 years of experience in portfolio/program/project management within an infrastructure environment across Government. Kris' previous experience includes industry development in agriculture and agribusiness. Kris has led and/or advised on complex infrastructure funding, reviews, assessments, feasibility studies and business cases to guide community, industry and business outcomes. Kris has previously been involved in the Samford Community Kindergarten committee and the Samford Scouts. He is a Director for the Queensland Department of Transport and Main Roads overseeing a diverse portfolio agenda of road and rail projects which are part of the jointly funded federal/state program for transport infrastructure. Board member since March 2021.
Special responsibilities:	Secretary, and Member of the Finance, Governance & Risk Committee

Pine Rivers Community Finance Limited

Directors' report

30 June 2025

Name:	MaryAnne Morgan
Title:	Non-executive director, Chair Community, Engagement & Brand Committee
Qualifications:	QUT Post Grad Cert in Business majoring in Philanthropy and Non-profit studies (ACPNS)
Experience and expertise:	MaryAnne Morgan has been involved in the non-profit sector for more than 30 years. With a background in fundraising, advertising and media, MaryAnne's extensive experience encompasses oversight, management and implementation of stakeholder engagement, strategic fundraising, marketing/communications and business development. MaryAnne is passionate about supporting the business and community sectors to work together for mutually beneficial outcomes. Her current role is Editor of Samford's community newspaper, The Village Pump. Board member since February 2021.
Special responsibilities:	Chair of the Community, Engagement & Brand Committee

Name:	William Rayment (Bill)
Title:	Treasurer
Qualifications:	Degree in Accounting (London School of Economics), former member of the Institute of Chartered Accountants England and Wales.
Experience and expertise:	Bill Rayment is a Chartered Accountant with almost 40 years of practical financial management and leadership experience. He is currently the Chief Financial Officer of a Brisbane based international steel fabrication and construction business. Bill gained an accounting degree from the London School of Economics and went on to qualify with Deloitte in London. Joining the Rentokil Initial Group, Bill held a number of senior roles in financial management and internal audit across this business, operating in more than 40 countries. Bill brings to the board a keen desire to demystify financial information in order to facilitate informed decision making and enable a better understanding of the business. Board member since May 2022.
Special responsibilities:	Treasurer, and Member of the Finance, Governance & Risk Committee

Name:	Darren Grimwade
Title:	Non-executive director (<i>resigned 9 January 2025</i>)
Qualifications:	Graduate Australian Institute of Company Directors (GAICD)
Experience and expertise:	Darren Grimwade has extensive experience in both private and public sectors. Darren has previously held roles in economic and taxation fields working as a director for a leading Australian taxation firm and has run multiple successful family run small businesses including currently being a Company Director in his family run property business. Darren was elected to the Queensland Parliament in March 2012 and served on the Transport, Housing & Local Government Committee and was elected as a Councillor to the City of Moreton Bay Council in 2016 where he has been appointed to the Audit Committee and is the Portfolio Councillor for Infrastructure & Transport. Darren is a Graduate of the Australian Institute of Company Directors (GAICD), is currently completing a Grad Cert Business Administration and was named the Qld Young Entrepreneur of the Year in 2008. Darren is very active in the local community and is a patron and life member at a number of community organisations.
Special responsibilities:	Nil

Company secretary

The company secretary is Kriton Panagiotopoulos (Kris). Kris was appointed to the position of company secretary in October 2021.

Principal activity

The principal activity of the company during the financial year was facilitating Community Bank services under management rights of Bendigo and Adelaide Bank Limited (Bendigo Bank).

There have been no significant changes in the nature of this activity during the financial year.

Review of operations

The profit for the company after providing for income tax amounted to \$63,788 (30 June 2024: \$132,754).

Operations have continued to perform in line with expectations.

Dividends

During the financial year, the following dividends were provided for and paid. The dividends have been provided for in the financial statements.

	2025 \$	2024 \$
Fully franked dividend of 9.5 cents per share (2024: 9 cents)	104,691	99,181

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Meetings of directors

The number of directors meetings attended by each of the directors of the company during the financial year were:

	Board	
	Eligible	Attended
Malcolm Frizzell	11	9
Terence Hogan (Terry)	11	11
Kriton Panagiotopoulos (Kris)	11	8
MaryAnne Morgan	11	10
William Rayment (Bill)	11	10
Darren Grimwade	5	5

Eligible: represents the number of meetings held during the time the director held office.

Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in note 22 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

Pine Rivers Community Finance Limited
Directors' report
30 June 2025

Directors' interests

The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Malcolm Frizzell	2,400	-	2,400
Terence Hogan (Terry)	500	-	500
Kriton Panagiotopoulos (Kris)	-	-	-
MaryAnne Morgan	500	-	500
William Rayment (Bill)	-	-	-
Darren Grimwade	16,301	1,200	17,501

Shares under option

There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Indemnity and insurance of directors and officers

The company has indemnified all directors and management in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or management 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.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the *Corporations Act 2001*.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Non-audit services

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 23 to the accounts.

The board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of the non-audit services is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the board to ensure they do not impact on the impartiality, integrity and objectivity of the auditor
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the company, acting as an advocate for the company or jointly sharing risks and rewards.

Pine Rivers Community Finance Limited
Directors' report
30 June 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 immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Malcolm Frizzell
Chair

25 September 2025



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
afs@afsbendigo.com.au
03 5443 0344

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Pine Rivers Community Finance Limited

As lead auditor for the audit of Pine Rivers Community Finance Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart', is positioned above the printed name and contact details.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 25 September 2025

A handwritten signature in black ink, appearing to read 'Joshua Griffin', is positioned above the printed name and title.

Joshua Griffin
Lead Auditor

Pine Rivers Community Finance Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue from contracts with customers	6	2,264,469	2,026,383
Other revenue		314	40,716
Finance revenue		10,875	24,778
Total revenue		2,275,658	2,091,877
Employee benefits expense	7	(1,209,947)	(995,180)
Occupancy expenses		(51,056)	(70,879)
IT expenses		(36,919)	(31,861)
Depreciation and amortisation expense	7	(114,576)	(114,697)
Loss on disposal of property, plant and equipment		(35,394)	-
Finance costs	7	(20,967)	(22,698)
Administration and general expenses		(209,985)	(168,482)
Total expenses before community contributions and income tax expense		(1,678,844)	(1,403,797)
Profit before community contributions and income tax expense		596,814	688,080
Charitable donations and sponsorships expense	7	(592,700)	(509,794)
Profit before income tax (expense)/benefit		4,114	178,286
Income tax (expense)/benefit	8	59,674	(45,532)
Profit after income tax (expense)/benefit for the year		63,788	132,754
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		63,788	132,754
		Cents	Cents
Basic earnings per share	25	5.79	12.05
Diluted earnings per share	25	5.79	12.05

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Pine Rivers Community Finance Limited
Statement of financial position
As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	9	198,338	699,965
Trade and other receivables	10	155,823	151,993
Investments	11	500,000	-
Total current assets		854,161	851,958
Non-current assets			
Property, plant and equipment	12	310,015	390,642
Right-of-use assets	13	452,029	488,563
Intangible assets	14	57,277	71,056
Deferred tax assets	8	4,561	-
Total non-current assets		823,882	950,261
Total assets		1,678,043	1,802,219
Liabilities			
Current liabilities			
Trade and other payables	15	75,886	93,661
Lease liabilities	16	64,930	63,812
Current tax liabilities	8	9,911	97,522
Employee benefits		12,207	-
Provisions		22,037	27,036
Total current liabilities		184,971	282,031
Non-current liabilities			
Trade and other payables	15	46,120	-
Lease liabilities	16	403,540	441,044
Deferred tax liabilities	8	-	14,998
Provisions		7,000	-
Total non-current liabilities		456,660	456,042
Total liabilities		641,631	738,073
Net assets		1,036,412	1,064,146
Equity			
Issued capital	17	916,808	916,808
Retained earnings		119,604	147,338
Total equity		1,036,412	1,064,146

The above statement of financial position should be read in conjunction with the accompanying notes

Pine Rivers Community Finance Limited
Statement of changes in equity
For the year ended 30 June 2025

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023		916,808	113,765	1,030,573
Profit after income tax expense		-	132,754	132,754
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	132,754	132,754
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for	19	-	(99,181)	(99,181)
Balance at 30 June 2024		<u>916,808</u>	<u>147,338</u>	<u>1,064,146</u>
Balance at 1 July 2024		916,808	147,338	1,064,146
Profit after income tax expense		-	63,788	63,788
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	63,788	63,788
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	19	-	(91,522)	(91,522)
Balance at 30 June 2025		<u>916,808</u>	<u>119,604</u>	<u>1,036,412</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Pine Rivers Community Finance Limited
Statement of cash flows
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,487,416	2,275,392
Payments to suppliers and employees (inclusive of GST)		(2,273,349)	(2,012,648)
Interest received		10,875	24,778
Income taxes paid		(47,496)	(31,055)
Net cash provided by operating activities	24	177,446	256,467
Cash flows from investing activities			
Redemption of/(investment in) term deposits		(500,000)	501,812
Payments for property, plant and equipment		(3,470)	(3,988)
Net cash provided by/(used in) investing activities		(503,470)	497,824
Cash flows from financing activities			
Interest and other finance costs paid		(20,967)	(22,698)
Dividends paid		(109,690)	(90,794)
Repayment of lease liabilities		(44,946)	(42,522)
Net cash used in financing activities		(175,603)	(156,014)
Net increase/(decrease) in cash and cash equivalents		(501,627)	598,277
Cash and cash equivalents at the beginning of the financial year		699,965	101,688
Cash and cash equivalents at the end of the financial year	9	<u>198,338</u>	<u>699,965</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Reporting entity

The financial statements cover Pine Rivers Community Finance Limited (the company) as an individual entity, which is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is Shop 3, 37 Main Street, Samford, QLD, 4520.

A description of the nature of the company's operations and its principal activity is included in the directors' report, which is not part of the financial statements.

Note 2. Basis of preparation and statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). The financial statements have been prepared on an accrual and historical cost basis and are presented in Australian dollars, which is the company's functional and presentation currency.

The directors have a reasonable expectation that the company has adequate resources to pay its debts as and when they fall due for the foreseeable future. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 September 2025. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

The accounting policies that are material to the company are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Adoption of new and revised accounting standards

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The company has assessed and concluded there are no material impacts.

Accounting standards issued but not yet effective

Australian Accounting Standards and Interpretations that have been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2025. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Impairment of non-financial assets

At each reporting date, the company reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Note 4. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The directors continually evaluate their judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

The directors base their judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that it believes to be reasonable under the circumstances. Differences between the accounting judgements and estimates and actual results and outcomes are accounted for in future reporting periods. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Judgements

Timing of revenue recognition associated with trail commission

The company receives trailing commission from Bendigo Bank for products and services sold. Ongoing trailing commission payments are recognised on a monthly basis when earned as there is insufficient detail readily available to estimate the most likely amount of revenue without a high probability of significant reversal in a subsequent reporting period. The receipt of ongoing trailing commission revenue is outside the control of the company.

Allowance for expected credit losses on trade and other receivables

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

The company has not recognised an allowance for expected credit losses in relation to trade and other receivables for the following reasons:

- The company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end.
- The credit risk (i.e. the risk that a customer will not make repayments) is for Bendigo Bank 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 credit. The directors are not aware of any such non-compliance at balance date.
- The company has reviewed credit ratings provided by Standard & Poors, Moody's and Fitch Ratings to determine the level of credit exposure to the company.
- The company has not experienced any instances of default in relation to receivables owed to the company from Bendigo Bank.

Impairment of non-financial assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term.

In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations, comparison of terms and conditions to prevailing market rates, incurrence of significant penalties, existence of significant leasehold improvements and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

The company includes extension options applicable to the lease of branch premises in its calculations of both the right-of-use asset and lease liability except where the company is reasonably certain it will not exercise the extension option. This is due to the significant disruption of relocating premises and the loss on disposal of leasehold improvements fitted out in the leased premises.

Note 4. Critical accounting judgements, estimates and assumptions (continued)

Estimates and assumptions

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives or assets that have been abandoned or sold will be written off or written down.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, which is generally the case for the company's lease agreements, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. This rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in August 2029.

The company operates as a franchise of Bendigo Bank, using the name "Bendigo Bank" and the logo and system of operations of Bendigo Bank. The company manages the Community Bank on behalf of Bendigo Bank, however all transactions with customers conducted through the Community Bank are effectively conducted between the customers and Bendigo Bank.

All deposits are made with Bendigo Bank, and all personal and investment products are products of Bendigo Bank, 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 Bank, must be approved by Bendigo Bank. All credit transactions are made with Bendigo Bank, and all credit products are products of Bendigo Bank.

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

The credit risk (i.e. the risk that a customer will not make repayments) is for Bendigo Bank 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 credit.

Bendigo Bank provides significant assistance in establishing and maintaining the Community Bank 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 and assistance in relation to:

- the design, layout and fit out of the Community Bank premises
- 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
- providing payroll services.

Pine Rivers Community Finance Limited
Notes to the financial statements
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Note 6. Revenue from contracts with customers

	2025 \$	2024 \$
Margin income	1,972,423	1,729,949
Fee income	86,619	87,240
Commission income	205,427	209,194
	<u>2,264,469</u>	<u>2,026,383</u>

Accounting policy for revenue from contracts with customers

The company has entered into a franchise agreement with Bendigo Bank. The company delivers banking and financial services of Bendigo Bank to its community. The franchise agreement provides for a share of interest, fee, and commission revenue earned by the company. Interest margin share is based on a funds transfer pricing methodology which recognises that income is derived from deposits held, and that loans granted incur a funding cost. Fees are based on the company's current fee schedule and commissions are based on the agreements in place. All margin revenue is recorded as non-interest income when the company's right to receive the payment is established.

The company acts as an agent under the franchise agreement and revenue arises from the rendering of services through its franchise agreement.

Revenue is recognised on an accruals basis, at the fair value of consideration specified in the franchise agreement, as follows:

<u>Revenue stream</u>	<u>Includes</u>	<u>Performance obligation</u>	<u>Timing of recognition</u>
Franchise agreement profit share	Margin, commission, and fee income	When the company satisfies its obligation to arrange for the services to be provided to the customer by the supplier (Bendigo Bank as franchisor).	On completion of the provision of the relevant service. Revenue is accrued monthly and paid within 10 business days after the end of each month.

All revenue is stated net of the amount of GST. There was no revenue from contracts with customers recognised over time during the financial year.

Revenue calculation

The franchise agreement provides that three forms of revenue may be earned by the company which are margin, commission and fee income. Bendigo Bank 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, interest rates and funds transfer pricing and other factors, such as economic and local conditions.

Margin income

Margin on core banking products 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 Bank for a deposit
minus:	any costs of funds i.e. interest applied by Bendigo Bank to fund a loan.

The company is entitled to a share of the margin earned by Bendigo Bank. If this reflects a loss, the company incurs a share of that loss.

Commission income

Commission income is generated from the sale of products and services. This commission is recognised at a point in time which reflects when the company has fulfilled its performance obligation. Refer to note 4 for further information regarding key judgements applied by the directors in relation to the timing of revenue recognition from trail commission.

Fee income

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

Pine Rivers Community Finance Limited
Notes to the financial statements
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Note 6. Revenue from contracts with customers (continued)

Core banking products

Bendigo Bank has identified some 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.

Ability to change financial return

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

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

Note 7. Expenses

Employee benefits expense

	2025 \$	2024 \$
Wages and salaries	1,000,737	815,565
Superannuation contributions	115,193	89,040
Expenses related to long service leave	96	23
Other expenses	93,921	90,552
	<u>1,209,947</u>	<u>995,180</u>

Accounting policy for employee benefits

The company secondes the majority of its employees from Bendigo and Adelaide Bank Limited with some being directly employed. The total cost of these employees, including an allowance for accrued annual and long service leave, is charged to the company by Bendigo and Adelaide Bank Limited by offsetting against the monthly profit share arrangement. The company recognises these costs as an expense on a monthly basis.

Depreciation and amortisation expense

	2025 \$	2024 \$
<i>Depreciation of non-current assets</i>		
Leasehold improvements	32,069	32,128
Plant and equipment	10,953	11,384
Furniture and fittings	4,589	5,323
Computer equipment	1,092	1,083
	<u>48,703</u>	<u>49,918</u>
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	52,094	51,711
<i>Amortisation of intangible assets</i>		
Franchise fee	13,779	13,068
	<u>114,576</u>	<u>114,697</u>

Pine Rivers Community Finance Limited
Notes to the financial statements
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Note 7. Expenses (continued)

Finance costs

	2025	2024
	\$	\$
Lease interest expense	20,967	22,698

Charitable donations, sponsorships and grants

	2025	2024
	\$	\$
Direct donation, sponsorship and grant payments	192,700	509,794
Contribution to the Community Enterprise Foundation™	400,000	-
	592,700	509,794

The overarching philosophy of the Community Bank model, is to support the local community in which the company operates. This is achieved by circulating the flow of financial capital into the local economy through community contributions (such as donations, sponsorships and grants).

The funds contributed are held by the Community Enterprise Foundation™ (CEF) and are available for distribution as grants to eligible applicants for a specific purpose in consultation with the directors.

When the company pays a contribution in to the CEF the directors remain involved in the payment of grants. However, the company loses the ability to have those funds refunded.

Community Enterprise Foundation™ contributions

	2025	2024
	\$	\$
<i>Disaggregation of CEF funds</i>		
Opening balance	880,525	927,541
Contributions paid in	400,002	-
Grants paid out	(409,084)	(87,301)
Interest received	32,470	40,285
Balance available for distribution	903,913	880,525

During the previous financial year the company contributed funds to the Community Enterprise Foundation™ (CEF), the philanthropic arm of the Bendigo Bank. These contributions paid in form part of charitable donations and sponsorship expenditure included in profit or loss.

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Note 8. Income tax

	2025	2024
	\$	\$
<i>Income tax expense/(benefit)</i>		
Current tax	21,911	51,268
Movement in deferred tax	(19,559)	(5,736)
Under/over adjustment - deferred tax movement	(10,297)	-
Under/over adjustment	(51,729)	-
Aggregate income tax expense/(benefit)	<u>(59,674)</u>	<u>45,532</u>
<i>Prima facie income tax reconciliation</i>		
Profit before income tax (expense)/benefit	4,114	178,286
Tax at the statutory tax rate of 25%	1,029	44,572
Tax effect of:		
Non-deductible expenses	1,323	960
	2,352	45,532
Under/over adjustment - deferred tax movement	(10,297)	-
Under/over adjustment	(51,729)	-
Income tax expense/(benefit)	<u>(59,674)</u>	<u>45,532</u>
	2025	2024
	\$	\$
<i>Deferred tax assets/(liabilities)</i>		
Employee benefits	3,051	(275)
Provision for make good	1,750	-
Lease liabilities	117,118	126,214
Right-of-use assets	(113,007)	(122,141)
Property, plant and equipment	(4,351)	(18,796)
Deferred tax asset/(liability)	<u>4,561</u>	<u>(14,998)</u>
	2025	2024
	\$	\$
Provision for income tax	<u>9,911</u>	<u>97,522</u>

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Accounting policy for current tax

Current tax assets and liabilities are measured at amounts expected to be recovered from or paid to the taxation authorities. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Accounting policy for deferred tax

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Pine Rivers Community Finance Limited
Notes to the financial statements
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Note 9. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank and on hand	198,338	699,965

Note 10. Trade and other receivables

	2025 \$	2024 \$
Trade receivables	140,906	140,941
Other receivables	14,917	11,052
	155,823	151,993

	2025 \$	2024 \$
<i>Financial assets at amortised cost classified as trade and other receivables</i>		
Total trade and other receivables	155,823	151,993
less other receivables and accruals (net GST receivable from the ATO)	(3,865)	(3,911)
	151,958	148,082

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. The company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end.

Note 11. Investments

	2025 \$	2024 \$
<i>Current assets</i>		
Term deposits	500,000	-

Pine Rivers Community Finance Limited
Notes to the financial statements
30 June 2025

Note 12. Property, plant and equipment

	2025	2024
	\$	\$
Leasehold improvements - at cost	337,896	557,525
Less: Accumulated depreciation	(110,040)	(285,796)
	<u>227,856</u>	<u>271,729</u>
Plant and equipment - at cost	102,776	231,224
Less: Accumulated depreciation	(41,522)	(153,122)
	<u>61,254</u>	<u>78,102</u>
Fixtures and fittings - at cost	29,899	170,361
Less: Accumulated depreciation	(11,251)	(132,899)
	<u>18,648</u>	<u>37,462</u>
Computer equipment - at cost	15,933	15,933
Less: Accumulated depreciation	(13,676)	(12,584)
	<u>2,257</u>	<u>3,349</u>
	<u><u>310,015</u></u>	<u><u>390,642</u></u>

Reconciliations of the carrying values at the beginning and end of the current and previous financial year are set out below:

	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computer equipment	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2023	303,857	85,998	42,785	3,932	436,572
Additions	-	3,488	-	500	3,988
Depreciation	(32,128)	(11,384)	(5,323)	(1,083)	(49,918)
Balance at 30 June 2024	271,729	78,102	37,462	3,349	390,642
Additions	-	3,470	-	-	3,470
Disposals	(11,804)	(9,365)	(14,225)	-	(35,394)
Depreciation	(32,069)	(10,953)	(4,589)	(1,092)	(48,703)
Balance at 30 June 2025	<u><u>227,856</u></u>	<u><u>61,254</u></u>	<u><u>18,648</u></u>	<u><u>2,257</u></u>	<u><u>310,015</u></u>

Accounting policy for property, plant and equipment

Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line and diminishing value basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	5 to 40 years
Plant and equipment	2.5 to 40 years
Fixtures and fittings	2.5 to 20 years
Computer equipment	1 to 5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

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Note 13. Right-of-use assets

	2025	2024
	\$	\$
Land and buildings - right-of-use	805,536	789,976
Less: Accumulated depreciation	(353,507)	(301,413)
	<u>452,029</u>	<u>488,563</u>

Reconciliations of the carrying values at the beginning and end of the current and previous financial year are set out below:

	Land and buildings \$
Balance at 1 July 2023	544,468
Remeasurement adjustments	(4,194)
Depreciation expense	(51,711)
Balance at 30 June 2024	488,563
Additions	7,000
Remeasurement adjustments	8,560
Depreciation expense	(52,094)
Balance at 30 June 2025	<u>452,029</u>

Accounting policy for right-of-use assets

Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease. Right-of-use assets are subject to impairment and are adjusted for any remeasurement of lease liabilities.

Refer to note 16 for more information on lease arrangements.

Note 14. Intangible assets

	2025	2024
	\$	\$
Franchise fee	135,218	135,218
Less: Accumulated amortisation	(77,941)	(64,162)
	<u>57,277</u>	<u>71,056</u>

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Note 14. Intangible assets (continued)

Reconciliations of the carrying values at the beginning and end of the current and previous financial year are set out below:

	Franchise fee \$
Balance at 1 July 2023	14,246
Additions	69,878
Amortisation expense	(13,068)
Balance at 30 June 2024	71,056
Amortisation expense	(13,779)
Balance at 30 June 2025	<u>57,277</u>

Accounting policy for intangible assets

Intangible assets of the company relate to the franchise fees paid to Bendigo Bank which conveys the right to operate the Community Bank franchise.

Intangible assets are measured on initial recognition at cost. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

The franchise fees paid by the company are amortised over their useful life and assessed for impairment whenever impairment indicators are present.

The estimated useful life and amortisation method for the current and comparative periods are as follows:

<u>Asset class</u>	<u>Method</u>	<u>Useful life</u>	<u>Expiry/renewal date</u>
Franchise fee	Straight-line	Over the franchise term (5 years)	August 2029
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	August 2029

Amortisation methods, useful life, and residual values are reviewed and adjusted, if appropriate, at each reporting date.

Note 15. Trade and other payables

	2025 \$	2024 \$
<i>Current liabilities</i>		
Trade payables	291	759
Other payables and accruals	75,595	92,902
	<u>75,886</u>	<u>93,661</u>
<i>Non-current liabilities</i>		
Other payables and accruals	46,120	-

Note 16. Lease liabilities

	2025 \$	2024 \$
<i>Current liabilities</i>		
Land and buildings lease liabilities	64,930	63,812
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	403,540	441,044

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Note 16. Lease liabilities (continued)

Reconciliation of lease liabilities

	2025 \$	2024 \$
Opening balance	504,856	573,278
Remeasurement adjustments	8,560	(25,900)
Lease interest expense	20,967	22,698
Lease payments - total cash outflow	(65,913)	(65,220)
	<u>468,470</u>	<u>504,856</u>

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially measured at the present value of the lease payments to be made over the term of the lease, including renewal options if the company is reasonably certain to exercise such options, discounted using the company's incremental borrowing rate.

The company has applied the following accounting policy choices in relation to lease liabilities:

- The company has elected not to separate lease and non-lease components when calculating the lease liability for property leases.
- The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases and low-value assets, which include the company's lease of information technology equipment. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Renewal options	Reasonably certain to exercise options	Lease term end date used in calculations
Samford Branch - Unit 3	4.39%	5 years	1 x 5 years	Yes	December 2033
Samford Branch - Unit 12	4.39%	5 years	1 x 5 years	Yes	December 2033

Note 17. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	1,102,010	1,102,010	960,308	960,308
Less: Equity raising costs	-	-	(43,500)	(43,500)
	<u>1,102,010</u>	<u>1,102,010</u>	<u>916,808</u>	<u>916,808</u>

Accounting policy for issued capital

Ordinary shares are recognised at the fair value of the consideration received by the company being \$0.83 per share. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Rights attached to issued capital

Ordinary shares

Voting rights

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

Note 17. Issued capital (continued)

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 branch have the same ability to influence the operation of the company.

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 Bank 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).

Transfer

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

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

Prohibited shareholding interest

A person must not have a prohibited shareholding interest in the company.

In summary, a person has a prohibited shareholding interest if any of the following applies:

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). The base number is 100. As at the date of this report, the company had 441 shareholders (2024: 446 shareholders).

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 their associates) has a prohibited shareholding interest in are suspended.

The board has the power to request information from a person who has (or is suspected 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 any 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.

Pine Rivers Community Finance Limited
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Note 18. Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board monitor the return on capital and the level of distributions to shareholders. Capital is represented by total equity as recorded in the statement of financial position.

In accordance with the franchise agreement, in any 12 month period the funds distributed to shareholders shall not exceed the distribution limit.

The distribution limit is the greater of:

- 20% of the profit or funds of the company otherwise available for distribution to shareholders in that 12 month period; and
- subject to the availability of distributable profits, the relevant rate of return multiplied by the average level of share capital of the company over that 12 month period where the relevant rate of return is equal to the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%.

The board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the company is such that amounts will be paid in the form of charitable donations and sponsorship. Charitable donations and sponsorship paid for the financial year can be seen in the statement of profit or loss and other comprehensive Income.

There were no changes in the company's approach to capital management during the year.

Note 19. Dividends

Dividends paid during the period

The following dividends were paid to shareholders during the reporting period as presented in the Statement of cash flows.

	2025 \$	2024 \$
Fully franked dividend of 9.5 cents per share (2024: 9 cents)	104,691	99,181
Less historical adjustment	(13,169)	-
	<u>91,522</u>	<u>99,181</u>

During the year ended 30 June 2025, the company reversed an over provision for dividends that related to a prior period. This has resulted in a historical adjustment to dividends paid during the current period.

Franking credits

	2025 \$	2024 \$
Franking account balance at the beginning of the financial year	94,034	96,039
Franking credits (debits) arising from income taxes paid (refunded)	32,395	31,055
Franking debits from the payment of franked distributions	(34,897)	(33,060)
Franking credits from income tax instalments paid	15,101	-
	<u>106,633</u>	<u>94,034</u>
<i>Franking transactions that will arise subsequent to the financial year end:</i>		
Balance at the end of the financial year	106,633	94,034
Franking credits (debits) that will arise from payment (refund) of income tax	9,911	97,522
Franking credits available for future reporting periods	<u>116,544</u>	<u>191,556</u>

The ability to utilise franking credits is dependent upon the company's ability to declare dividends. The tax rate at which future dividends will be franked is 25%.

Pine Rivers Community Finance Limited
Notes to the financial statements
30 June 2025

Note 19. Dividends (continued)

Accounting policy for dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Note 20. Financial risk management

The company's financial instruments include trade receivables and payables, cash and cash equivalents, investments and lease liabilities. The company does not have any derivatives.

The directors are responsible for monitoring and managing the financial risk exposure of the company, to which end it monitors the financial risk management policies and exposures and approves financial transactions within the scope of its authority.

The directors have identified that the only significant financial risk exposures of the company are liquidity and market (price) risk. Other financial risks are not significant to the company due to the following factors:

- The company has no foreign exchange risk as all of its account balances and transactions are in Australian Dollars.
- The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo Bank. The company monitors credit worthiness through review of credit ratings, Bendigo Bank is rated A- on Standard & Poor's credit ratings.
- The company has no direct exposure to movements in commodity prices.
- The company's interest-bearing instruments are held at amortised cost which have fair values that approximate their carrying value since all cash and payables have maturity dates within 12 months.
- The company has no borrowings.

Further details regarding the categories of financial instruments held by the company that hold such exposure are detailed below.

	2025	2024
	\$	\$
Financial assets at amortised cost		
Trade and other receivables	151,958	148,082
Cash and cash equivalents	198,338	699,965
Term deposits	500,000	-
	850,296	848,047
Financial liabilities		
Trade and other payables	122,006	93,661
Lease liabilities	468,470	504,856
	590,476	598,517

At balance date, the fair value of financial instruments approximated their carrying values.

Accounting policy for financial instruments

Financial assets

Classification

The company classifies its financial assets at amortised cost.

Financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset.

The company's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and investments in term deposits.

Note 20. Financial risk management (continued)

Derecognition

A financial asset is derecognised when the company's contractual right 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.

Impairment of trade and other receivables

Impairment of trade receivables is determined using the simplified approach which uses an estimation of lifetime expected credit losses. The company has not recognised an allowance for expected credit losses in relation to trade and other receivables. Refer to note 4 for further information.

Financial liabilities

Classification

The company classifies its financial liabilities at amortised cost.

Derecognition

A financial liability is derecognised when it is extinguished, cancelled or expires.

Market risk

Market risk is the risk that changes in market prices - e.g. foreign exchange rates, interest rates, and equity prices - will affect the company's income or the value of its holdings in financial instruments.

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of \$198,338 and term deposits of \$500,000 at 30 June 2025 (2024: cash and cash equivalents \$699,965 and term deposits \$nil).

Price risk

The company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. The company is not exposed to commodity price risk.

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The following are the company's remaining contractual maturities of financial liabilities. The contractual cash flow amounts are gross and undiscounted and therefore may differ from their carrying amount in the statement of financial position.

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities
2025				
Trade and other payables	35,886	46,120	-	82,006
Lease liabilities	66,363	265,449	226,739	558,551
Total non-derivatives	102,249	311,569	226,739	640,557
	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2024				
Trade and other payables	93,661	-	-	93,661
Lease liabilities	65,220	260,880	288,055	614,155
Total non-derivatives	158,881	260,880	288,055	707,816

Pine Rivers Community Finance Limited
Notes to the financial statements
30 June 2025

Note 21. Key management personnel disclosures

The following persons were directors of Pine Rivers Community Finance Limited during the financial year and/or up to the date of signing of these Financial Statements.

Malcolm Frizzell	MaryAnne Morgan
Terence Hogan (Terry)	William Rayment (Bill)
Kriton Panagiotopoulos (Kris)	Darren Grimwade

No director of the company receives remuneration for services as a company director or committee member.

There are no executives within the company whose remuneration is required to be disclosed.

Note 22. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 21.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Terms and conditions of transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties

The following transactions occurred with related parties:

	2025 \$	2024 \$
A director is an employee of Samford & District Progress & Protection Association, who was sponsored by the company for Christmas on Main Street.	2,000	2,000
A director is a representative of the Samford & District Show Society who was sponsored by the company	2,500	2,500

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSD Audit, the previous auditor of the company, no fees were paid or payable to the current auditor, Andrew Frewin Stewart:

	2025 \$	2024 \$
<i>Audit services</i>		
Audit or review of the financial statements	7,870	5,900
<i>Other services</i>		
Non-audit services	2,575	2,670
	<u>10,445</u>	<u>8,570</u>

Pine Rivers Community Finance Limited
Notes to the financial statements
30 June 2025

Note 24. Reconciliation of profit after income tax to net cash provided by operating activities

	2025 \$	2024 \$
Profit after income tax (expense)/benefit for the year	63,788	132,754
Adjustments for:		
Depreciation and amortisation	114,576	114,697
Net loss on disposal of non-current assets	35,394	-
Finance costs - lease liabilities	20,967	22,698
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(3,830)	5,655
Increase in deferred tax assets	(4,561)	-
Increase/(decrease) in trade and other payables	28,345	(33,814)
Increase/(decrease) in provision for income tax	(87,611)	20,213
Decrease in deferred tax liabilities	(14,998)	(5,736)
Increase in employee benefits	12,207	-
Increase in other provisions	13,169	-
Net cash provided by operating activities	<u>177,446</u>	<u>256,467</u>

Note 25. Earnings per share

	2025 \$	2024 \$
Profit after income tax	<u>63,788</u>	<u>132,754</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,102,010</u>	<u>1,102,010</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,102,010</u>	<u>1,102,010</u>
	Cents	Cents
Basic earnings per share	5.79	12.05
Diluted earnings per share	5.79	12.05

Note 26. Commitments

The company has no commitments contracted for which would be provided for in future reporting periods.

Note 27. Contingencies

There were no contingent liabilities or contingent assets at the date of this report.

Note 28. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Pine Rivers Community Finance Limited

Directors' declaration

30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Malcolm Frizzell
Chair

25 September 2025



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
afs@afsbendigo.com.au
03 5443 0344

Independent auditor's report to the Directors of Pine Rivers Community Finance Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Pine Rivers Community Finance 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 ended on that date; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

We have audited the financial report of Pine Rivers Community Finance Limited (the company), which comprises the:

- Statement of financial position as at 30 June 2025
- Statement of profit or loss and other comprehensive income
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements, including material accounting policies, and the
- Directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other information

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 will 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.



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
afs@afsbendigo.com.au
03 5443 0344

Independence

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 (including Independence Standards)* (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.

Responsibilities of the directors for the financial report

The directors of the company are responsible for the preparation of the financial report that it 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 is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability 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 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. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

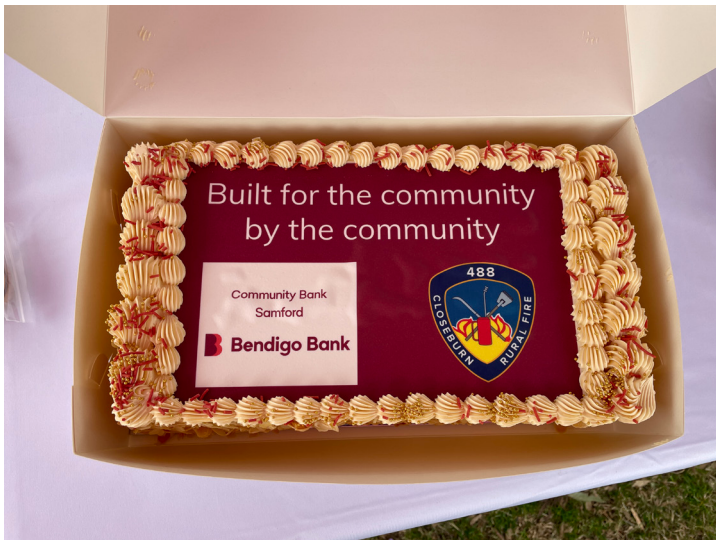
A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/home.aspx>. This description forms part of our auditor's report.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart'.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 25 September 2025

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

Joshua Griffin
Lead Auditor





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