Annual Report 2025

Rushworth & District Financial Services Limited

Community Bank
Rushworth & District

ABN 97 101 461 125

Contents

Chairman's report

For year ending 30 June 2025

On behalf of the Board of Rushworth & District Financial Services Limited trading as Community Bank Rushworth & District, it is my pleasure to present this year's Chair's Report.

This year has brought a number of changes within our Board. We acknowledged the resignation of Director and Company Secretary Michelle Baker and Director Brett Ould. On behalf of the Board, I would like to sincerely thank both Michelle and Brett for their contributions and commitment to our organisation, and we wish them all the very best in their future endeavours.

We also saw Director Jeff Perry take a leave of absence. These changes provided an opportunity to review and refresh our Board structure. In November, we welcomed Sharon Ebsworth as our new Company Secretary. Sharon has also taken on the responsibility for our marketing and community engagement portfolio. In the short time Sharon has been with us she has become an integral part of our company, and her efficient and effective work has been most appreciated. Additionally, existing Director Lyn Reade accepted the role of Treasurer, and her expertise and dedication in this area has been greatly appreciated.

At the end of the Financial Year our Board comprises a strong and dedicated group of individuals:

- Janice Smith (Chair)
- Christine Borger (Vice Chair)
- Lyn Reade (Treasurer)
- Rhonda Risstrom
- Jenny Bassett
- Cate Fraser
- Colin Moore
- Jeff Perry

Together, the Board has continued to work collaboratively to ensure the best decisions are made not only for the benefit of our Community Bank but also for the wider communities of Rushworth, Stanhope, Colbinabbin, Murchison, Girgarre, and Tatura.

Within our branch team, we also experienced some change this year. Bridie Baker accepted an exciting new role within Bendigo Bank. This opened the door for us to appoint a Business Development Manager, and we were pleased to welcome Crystal Pateman into this position in January. Crystal has hit the ground running and has already become an integral part of our branch team.

Branch Manager Alek Stokes has continued to lead the branch, guiding our Customer Relationship Officers, Georgia and Jahane, with a focus on customer service, growth, and community connection.

A key strength of the Community Bank model is our ability to reinvest profits back into the local community. This year we proudly returned $97,313 to our community through sponsorships, grants and scholarships. Of this $49,609 was paid directly from Rushworth & District Financial Services Limited and $47,704 through our Community Enterprise Foundation funds. Some highlights include:

- $12,000 to Rushworth Community House for the construction of a new kitchen
- $5,000 to Girgarre Development Group for the Girgarre Moosic Muster
- $7,500 to the Rushworth Easter Festival
- $5,656 to the Red Knights for various community functions.

We also proudly supported a number of local sporting clubs, including:

- Colbinabbin Football Netball Club
- Girgarre Football Netball Club
- Tatura Cricket Club
- Murchison Toolamba Football Netball Club
- Rushworth Football Netball Club
- Tatura Football Netball Club
- Stanhope Tennis Club

We continued our support of local schools with end of year awards and were pleased to award a $3,500 Bachelor Degree Scholarship to Michael Keegan of Stanhope.

This year, we achieved an after-tax profit of $116,341, another strong financial year.

As always, our Community Bank exists to support and strengthen our local region, and we thank our shareholders, customers, community partners and staff for helping us continue this important work.

With a dedicated team, both on the Board and within the branch, I'm confident we are well positioned for a strong and exciting year ahead.

Janice Smith
Board Chair

Manager’s report

For year ending 30 June 2025

I’m proud to present my second annual report as Branch Manager of Community Bank Rushworth & District.

As always, our commitment to our communities remains at the heart of everything we do. Since opening our doors, we’ve reinvested nearly $2 million back into the community through scholarships, grants, and sponsorships. This financial year alone, we’ve contributed $97,313 to local initiatives, schools, clubs, and events.

The 2024/25 financial year was a strong one for our branch, with performance leading the way across several key areas. We proudly supported 2,194 customers throughout the year, and our achievements speak to the strength and dedication of our team.

Our book at the end of the 2025 Financial Year stands at:

- Deposits: $61,343,456
- Loans: $35,057,853
- Agribusiness: $11,918,732

These results are a reflection of the hard work and commitment of both our staff and Board. I would like to extend a sincere thank you to each of them for continuing to champion our business and our community.

We’ve maintained a strong focus on customer centric conversations this year, taking the time to understand our customers’ needs and providing the right products and services to match. Flexibility and relevance continue to be our priorities, all while maintaining the high level of personal service we’re known for.

There were a few changes within our branch team this year. In January, we congratulated Bridie Baker on securing a new and exciting role within Bendigo Bank. This change made way for the introduction of a new position at our branch, a Business Development Manager, and we were thrilled to welcome Crystal Pateman into the role.

We also celebrated a significant milestone, with Georgia marking 5 years with the Community Bank Network and Bendigo Bank, a fantastic achievement!

To our shareholders and loyal customers - thank you for your ongoing support. Your choice to bank with us helps make a real difference in our local communities. And to those not yet banking with us, we invite you to make the switch. By banking with Community Bank Rushworth & District, you’re backing your community.

Throughout the year, we continued to support our six surrounding communities through grants and sponsorships. Some of the highlights include:

- Funding end of year awards for local schools
- Providing a scholarship to support a local student commencing their university journey
- Supporting two Rushworth P-12 College students to attend the ‘Magic Moments’ leadership summit in Sydney
- Assisting another student from the college to attend an agricultural exchange program in Queensland

Our branch team – Crystal, Georgia, and Jahnae – continue to go above and beyond for our customers and our community. Their passion and drive make a real difference every day, and I'm excited to see what we can achieve together in the year ahead.

To our dedicated Board and my fantastic staff, thank you for your continued support and collaboration over the past 12 months. I look forward to another exciting year as we set our sights on even bigger goals.

Finally, on behalf of the team and myself, thank you to everyone who supports their community by banking with Community Bank Rushworth & District. We couldn't do it without you

Alek Stokes
Branch Manager

Community contributions

Rushworth & District Financial Services Limited
Financial Year 2024/25

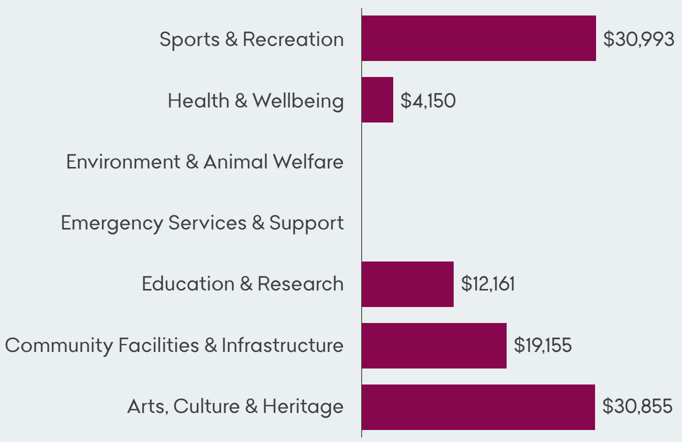
Contribution Totals by Type	
Donation	$7,003
Grant	$51,021
Scholarship	$3,500
Sponsorship	$35,789
Total	**$97,313**

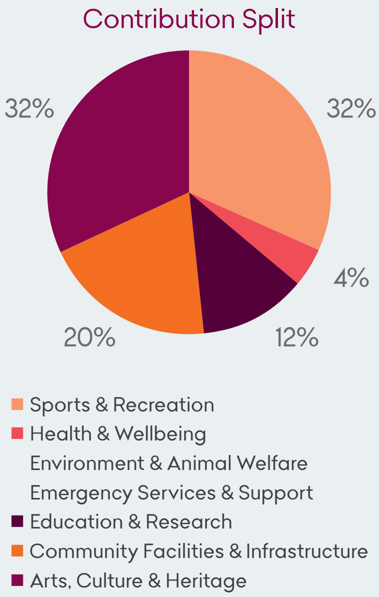
National Contribution	
FY24	$40,457,751
Projects funded	8021

$360 million reinvested back into local communities

Contribution Totals by Sector	
Sports & Recreation	$30,993
Health & Wellbeing	$4,150
Environment & Animal Welfare	$0
Emergency Services & Support	$0
Education & Research	$12,161
Community Facilities & Infrastructure	$19,155
Arts, Culture & Heritage	$30,855
Total	**$97,313**

Contribution Split by Sector





Bendigo and Adelaide Bank report

For year ending 30 June 2025

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 and $416 million since 1998. This funding enables community infrastructure development, strengthens the arts and culturally diverse communities, improving 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

Community Bank National Council report

For year ending 30 June 2025

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, 1,500+ volunteer Directors, 1,700 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.

Community Bank National Council

Directors' 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:	Janice Anne Smith
Title:	Non-executive director
Experience and expertise:	Diploma of Teaching and Advanced Dip Ed Early Childhood. Kindergarten teacher, partner in a large scale dairy farm, and Chair of Girgarre Development Group.
Special responsibilities:	Chair, Member of Business Development Committee

Name:	Christine Ann Borger
Title:	Non-executive director
Experience and expertise:	Farmer, past employee Business Manager Department Education, Rushworth P12 Coopted School Council member, Bowls Club Treasurer, on committee of Community Cottage
Special responsibilities:	Vice Chair, Member of Marketing and Sponsorship, Business Development and Governance Committees

Name:	Lynette Margaret Reade
Title:	Non-executive director
Experience and expertise:	Retired. Previous occupations include Software Installation Consultant, Software and Hardware Installation Manager, Dealership Accountant, Software Solution Trainer and Software Quality Analyst. Active member of the Rushworth Easter Heritage Festival, Moora Working Draught Horses and the Rushworth Community House. Tertiary Qualification - Bachelor of Business (Accounting)- Monash University
Special responsibilities:	Treasurer

Name:	Jeffrey Raymond Perry
Title:	Non-executive director
Experience and expertise:	Business owner with experience in business management and leadership.
Special responsibilities:	Member of Business Development Committee

Name:	Rhonda Ethel Risstrom
Title:	Non-executive director
Experience and expertise:	Director, Rushworth and District Financial Services, Fulltime Water Broker for Ruralco Water Brokers Pty Ltd, holding a Sub Agent's Licence. Member of Rushworth Country Women Association and Organist and member of Colbinabbin Uniting Church.
Special responsibilities:	Member of Business Development Committee

Name:	Catherine Mary Fraser
Title:	Non-executive director
Experience and expertise:	Primary School Teacher for 40+ years. School Leadership for 20 years. Current Principal of St Mary's School Rushworth for past 10 years. Waranga News Committee, St Mary's Parish Council, St Mary's School Board, St Vincent de Paul. Master of Educational Leadership. Management of staff and students, budgeting, negotiating and facilitating.
Special responsibilities:	Member of business Development Committee

Name:	Jennifer Joy Bassett
Title:	Non-executive director
Experience and expertise:	Jennifer was a director, secretary and finance officer at JS Brooke & Co for 11 years. She was also the secretary and treasurer for Girgarre Development Group Inc for 17 years. Bookkeeper for Girgarre Community Group Inc for 3 years and treasurer for 3 years. She was also treasurer for numerous other community organisations.
Special responsibilities:	Nil

Name:	Colin Phillip Moore
Title:	Non-executive director
Experience and expertise:	After leaving school Colin worked in the Commonwealth Bank before becoming an electrician. His career then moved into the emergency services field covering oil pollution, marine rescue, chemical handling and firefighting. He has been a director of 4 companies over the past 30 years and is currently the owner and Managing Director of safety services company providing risk management services to the oil and aviation sectors Australia wide. Colin has also been a CFA volunteer for in excess of 25 years.
Special responsibilities:	Nil

Name:	Michelle Louise Baker
Title:	Non-executive director *(resigned 8 November 2024)*
Experience and expertise:	Self Employed Company Secretary and Bookkeeper. Previously worked as Operations Manager for an investment banking business in Melbourne. Michelle holds a Bachelor of Arts; Advanced Diploma of Business (Marketing).
Special responsibilities:	Company secretary, Finance, Governance, Marketing and Sponsorship and Business Development Committees

Name:	Brett Raymond Ould
Title:	Non-executive director *(resigned 2 June 2025)*
Experience and expertise:	Degree in Social Science Presently employed as General Manager greyCare previous position Manager for Aged and Disability Care. He is currently on the Stanhope Development committee and the Stanhope Food and Wine Festival committee. Brett is also a Community Visitor for the Office of the Public Advocate. Brett has a lot of skills boards of management and running committees, he was previously a Councilor on Local Government, having many years of dealing with community groups the private sector and the public sector.
Special responsibilities:	Nil

Company secretary
There have been two company secretaries holding the position during the financial year:

- Sharon Marie Ebsworth was appointed company secretary on 10 October 2024.
- Michelle Baker was appointed company secretary on 28 June 2011 and ceased on 8 November 2024.

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 $116,341 (2024: $182,919).

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 8 cents per share (2024: 8 cents)	39,660	39,660

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.

Likely developments
No matter, circumstance or likely development in operations has arisen during or since the end of the financial year that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

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
Janice Anne Smith	11	11
Christine Ann Borger	11	9
Lynette Margaret Reade	11	11
Jeffrey Raymond Perry	11	2
Rhonda Ethel Risstrom	11	8
Catherine Mary Fraser	11	6
Jennifer Joy Bassett	11	9
Colin Phillip Moore	11	8
Michelle Louise Baker	4	4
Brett Raymond Ould	6	2

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.

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
Janice Anne Smith	500	2,000	2,500
Christine Ann Borger	3,000	-	3,000
Lynette Margaret Reade	-	-	-
Jeffrey Raymond Perry	1,000	-	1,000
Rhonda Ethel Risstrom	1,000	-	1,000
Catherine Mary Fraser	-	-	-
Jennifer Joy Bassett	-	681	681
Colin Phillip Moore	-	10,000	10,000
Michelle Louise Baker	1,400	200	1,600
Brett Raymond Ould	-	-	-

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.

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

Janice Anne Smith
Chair

15 September 2025

Auditor's independence declaration

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 Rushworth & District Financial Services Limited

As lead auditor for the audit of Rushworth & District Financial Services 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.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 15 September 2025

Lachlan Tatt
Lead Auditor

Financial statements

Rushworth & District Financial Services 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	859,455	903,757
Finance revenue		30,680	24,226
Total revenue		890,135	927,983
Employee benefits expense	7	(479,069)	(338,753)
Advertising and marketing costs		(30,743)	(24,347)
Occupancy and associated costs		(23,628)	(17,357)
System costs		(18,863)	(16,175)
Depreciation and amortisation expense	7	(43,753)	(44,862)
Finance costs		(3,152)	(3,696)
General administration expenses		(85,984)	(106,037)
Total expenses before community contributions and income tax expense		(685,192)	(551,227)
Profit before community contributions and income tax expense		204,943	376,756
Charitable donations and sponsorships expense	7	(49,609)	(133,796)
Profit before income tax expense		155,334	242,960
Income tax expense	8	(38,993)	(60,041)
Profit after income tax expense for the year		116,341	182,919
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		116,341	182,919
		Cents	**Cents**
Basic earnings per share	25	23.47	36.90
Diluted earnings per share	25	23.47	36.90

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

Rushworth & District Financial Services Limited
Statement of financial position
As at 30 June 2025

	Note	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	9	290,890	271,862
Trade and other receivables	10	72,182	74,924
Investments	11	500,000	459,007
Current tax assets	8	4,601	-
Total current assets		867,673	805,793
Non-current assets			
Property, plant and equipment	12	73,325	76,015
Right-of-use assets	13	37,114	50,800
Intangible assets	14	32,252	42,399
Deferred tax assets	8	9,886	6,929
Total non-current assets		152,577	176,143
Total assets		1,020,250	981,936
Liabilities			
Current liabilities			
Trade and other payables	15	58,229	67,852
Lease liabilities	16	18,555	18,050
Current tax liabilities	8	-	13,810
Employee benefits		13,520	773
Total current liabilities		90,304	100,485
Non-current liabilities			
Trade and other payables	15	14,681	29,362
Lease liabilities	16	24,987	40,614
Employee benefits		1,308	208
Provisions		24,846	23,824
Total non-current liabilities		65,822	94,008
Total liabilities		156,126	194,493
Net assets		864,124	787,443
Equity			
Issued capital	17	495,750	495,750
Retained earnings		368,374	291,693
Total equity		864,124	787,443

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

Rushworth & District Financial Services 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		495,750	148,434	644,184
Profit after income tax expense		-	182,919	182,919
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	182,919	182,919
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	19	-	(39,660)	(39,660)
Balance at 30 June 2024		495,750	291,693	787,443

	Note	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2024		495,750	291,693	787,443
Profit after income tax expense		-	116,341	116,341
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	116,341	116,341
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	19	-	(39,660)	(39,660)
Balance at 30 June 2025		495,750	368,374	864,124

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

Rushworth & District Financial Services 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)		950,753	1,004,745
Payments to suppliers and employees (inclusive of GST)		(759,110)	(701,076)
Interest received		29,477	25,403
Income taxes paid		(73,110)	(90,787)
Net cash provided by operating activities	24	148,010	238,285
Cash flows from investing activities			
Redemption of/(investment in) term deposits		(40,993)	(272,697)
Payments for property, plant and equipment		(16,237)	(4,228)
Payments for intangible assets		(13,347)	(13,347)
Net cash used in investing activities		(70,577)	(290,272)
Cash flows from financing activities			
Interest and other finance costs paid		(2,130)	(2,714)
Dividends paid	19	(39,660)	(39,660)
Repayment of lease liabilities		(16,615)	(15,325)
Net cash used in financing activities		(58,405)	(57,699)
Net increase/(decrease) in cash and cash equivalents		19,028	(109,686)
Cash and cash equivalents at the beginning of the financial year		271,862	381,548
Cash and cash equivalents at the end of the financial year	9	290,890	271,862

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

Notes to the financial statements

30 June 2025

Note 1. Reporting entity

The financial statements cover Rushworth & District Financial Services 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 23 High Street, Rushworth VIC 3612.

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 15 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.

Investments
Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets
The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Note 3. Material accounting policy information (continued)

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

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.

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

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.

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 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 December 2027.

Note 5. Economic dependency (continued)

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank.

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.

Note 6. Revenue from contracts with customers

	2025 $	2024 $
Margin income	737,595	777,987
Fee income	42,483	43,016
Commission income	79,377	82,754
	859,455	903,757

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.

Note 6. Revenue from contracts with customers (continued)

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

Revenue stream	Includes	Performance obligation	Timing of recognition
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 income 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.

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	400,616	281,754
Superannuation contributions	45,195	31,402
Expenses related to long service leave	2,665	4,410
Other expenses	30,593	21,187
	479,069	338,753

Depreciation and amortisation expense

	2025 $	2024 $
Depreciation of non-current assets		
Leasehold improvements	11,519	9,129
Plant and equipment	3,986	4,043
Furniture and fittings	2,076	2,921
Computer software	846	241
	18,427	16,334
Depreciation of right-of-use assets		
Leased land and buildings	15,179	14,563
Amortisation of intangible assets		
Franchise fee	1,481	2,139
Franchise renewal fee	8,666	11,826
	10,147	13,965
	43,753	44,862

Leases recognition exemption

	2025 $	2024 $
Expenses relating to low-value leases	5,805	4,510

Charitable donations and sponsorships expense

	2025 $	2024 $
Direct donation, sponsorship and grant payments	49,609	133,796

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).

Note 8. Income tax

	2025 $	2024 $
Income tax expense		
Current tax	41,950	64,811
Movement in deferred tax	(2,957)	(3,807)
Under/over adjustment	-	(963)
Aggregate income tax expense	38,993	60,041
Prima facie income tax reconciliation		
Profit before income tax expense	155,334	242,960
Tax at the statutory tax rate of 25%	38,834	60,740
Tax effect of:		
Non-deductible expenses	159	264
Under/over adjustment	-	(963)
Income tax expense	38,993	60,041

	2025 $	2024 $
Deferred tax assets/(liabilities)		
Property, plant and equipment	(1,812)	(1,831)
Employee benefits	3,707	245
Provision for lease make good	6,211	5,956
Accrued expenses	980	1,100
Income accruals	(807)	(507)
Lease liabilities	10,886	14,666
Right-of-use assets	(9,279)	(12,700)
Deferred tax asset	9,886	6,929

	2025 $	2024 $
Income tax refund due	4,601	-

	2025 $	2024 $
Provision for income tax	-	13,810

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.

Note 8. Income tax (continued)

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.

Note 9. Cash and cash equivalents

	2025 $	2024 $
Cash at bank and on hand	290,890	271,862

Note 10. Trade and other receivables

	2025 $	2024 $
Trade receivables	61,358	66,711
Accrued income	3,231	2,029
Prepayments	7,593	6,184
	10,824	8,213
	72,182	74,924

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 $
Current assets		
Term deposits	500,000	459,007

Note 12. Property, plant and equipment

	2025 $	2024 $
Leasehold improvements - at cost	98,048	174,483
Less: Accumulated depreciation	(47,808)	(126,759)
	50,240	47,724
Plant and equipment - at cost	34,813	78,576
Less: Accumulated depreciation	(19,685)	(61,164)
	15,128	17,412
Furniture and fittings - at cost	17,056	17,056
Less: Accumulated depreciation	(12,240)	(10,164)
	4,816	6,892
Computer equipment - at cost	4,228	4,228
Less: Accumulated depreciation	(1,087)	(241)
	3,141	3,987
	73,325	76,015

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 $	Furniture and fittings $	Computer equipment $	Total $
Balance at 1 July 2023	56,853	21,455	9,813	-	88,121
Additions	-	-	-	4,228	4,228
Depreciation	(9,129)	(4,043)	(2,921)	(241)	(16,334)
Balance at 30 June 2024	47,724	17,412	6,892	3,987	76,015
Additions	14,035	2,202	-	-	16,237
Disposals	-	(500)	-	-	(500)
Depreciation	(11,519)	(3,986)	(2,076)	(846)	(18,427)
Balance at 30 June 2025	50,240	15,128	4,816	3,141	73,325

Accounting policy for property, plant and equipment
Property, plant and equipment are measured at cost or fair value as applicable, 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 basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	4 to 10 years
Plant and equipment	2 to 20 years
Furniture and fittings	5 to 7 years
Computer equipment	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.

Note 12. Property, plant and equipment (continued)

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.

Note 13. Right-of-use assets

	2025 $	2024 $
Land and buildings - right-of-use	105,746	104,253
Less: Accumulated depreciation	(68,632)	(53,453)
	37,114	50,800

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	63,027
Remeasurement adjustments	2,336
Depreciation expense	(14,563)
Balance at 30 June 2024	50,800
Additions	1,493
Depreciation expense	(15,179)
Balance at 30 June 2025	37,114

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	43,678	43,678
Less: Accumulated amortisation	(38,302)	(36,821)
	5,376	6,857
Franchise renewal fee	185,834	185,834
Less: Accumulated amortisation	(158,958)	(150,292)
	26,876	35,542
	32,252	42,399

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 $	Franchise renewal fee $	Total $
Balance at 1 July 2023	8,996	47,368	56,364
Amortisation expense	(2,139)	(11,826)	(13,965)
Balance at 30 June 2024	6,857	35,542	42,399
Amortisation expense	(1,481)	(8,666)	(10,147)
Balance at 30 June 2025	5,376	26,876	32,252

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:

Asset class	Method	Useful life	Expiry/renewal date
Franchise fee	Straight-line	Over the franchise term (5 years)	December 2027
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	December 2027

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 $
Current liabilities		
Trade payables	1,670	35,114
Other payables and accruals	56,559	32,738
	58,229	67,852
Non-current liabilities		
Other payables and accruals	14,681	29,362

	2025 $	2024 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	72,910	97,214
Less: other payables and accruals (net GST payable to the ATO)	(15,973)	(14,801)
	56,937	82,413

Note 16. Lease liabilities

	2025 $	2024 $
Current liabilities		
Land and buildings lease liabilities	18,555	18,050
Non-current liabilities		
Land and buildings lease liabilities	24,987	40,614

Reconciliation of lease liabilities

	2025 $	2024 $
Opening balance	58,664	71,005
Remeasurement adjustments	1,493	2,984
Lease interest expense	2,130	2,714
Lease payments - total cash outflow	(18,745)	(18,039)
	43,542	58,664

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	Lease term end date used in calculations
Rushworth Branch	4.29%	5 years	November 2027

Note 17. Issued capital

	2025 Shares	2024 Shares	2025 $	2024 $
Ordinary shares - fully paid	495,750	495,750	495,750	495,750

Accounting policy for issued capital
Ordinary shares are recognised at the fair value of the consideration received by the company being $1 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 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.

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.

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

The following dividends were declared to shareholders during the financial year as presented in the Statement of changes in equity and Statement of cash flows.

	2025 $	2024 $
Fully franked dividend of 8 cents per share (2024: 8 cents)	39,660	39,660

Franking credits

	2025 $	2024 $
Franking account balance at the beginning of the financial year	118,805	41,239
Franking credits (debits) arising from income taxes paid (refunded)	73,110	90,786
Franking debits from the payment of franked distributions	(13,220)	(13,220)
	178,695	118,805
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	178,695	118,805
Franking credits (debits) that will arise from payment (refund) of income tax	(4,601)	13,810
Franking credits available for future reporting periods	174,094	132,615

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%.

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.

Note 20. Financial risk management (continued)

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 (note 10)	64,589	68,740
Cash and cash equivalents (note 9)	290,890	271,862
Investments (note 11)	500,000	459,007
	855,479	799,609
Financial liabilities		
Trade and other payables (note 15)	56,937	82,413
Lease liabilities (note 16)	43,542	58,664
	100,479	141,077

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.

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

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.

Note 20. Financial risk management (continued)

Financial liabilities

Classification
The company classifies its financial liabilities at amortised cost.

Derecognition
A financial liability is derecognised then 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 $290,890 at 30 June 2025 (2024: $271,862) and investments of $500,000 at 30 June 2025 (2024: $459,007).

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.

Exposure to liquidity risk
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.

2025	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives				
Trade and other payables	42,256	14,681	-	56,937
Lease liabilities	18,916	26,798	-	45,714
Total non-derivatives	61,172	41,479	-	102,651

2024	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives				
Trade and other payables	53,051	29,362	-	82,413
Lease liabilities	18,401	44,469	-	62,870
Total non-derivatives	71,452	73,831	-	145,283

Note 21. Key management personnel disclosures

The following persons were directors of Rushworth & District Financial Services Limited during the financial year and/or up to the date of signing of these Financial Statements.

Janice Anne Smith
Christine Ann Borger
Jeffrey Raymond Perry
Michelle Louise Baker
Rhonda Ethel Risstrom
Catherine Mary Fraser
Jennifer Joy Bassett
Lynette Margaret Reade
Colin Phillip Moore
Brett Raymond Ould

Compensation
Key management personnel compensation comprised the following.

	2025 $	2024 $
Short-term employee benefits	1,500	-
Post-employment benefits	172	-
	1,672	-

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
At 30 June 2025, the company recorded trade payables of nil (2024: $3,173) payable to Michelle Baker, for secretarial and bookkeeping/accounting services provided to the company.

There were no other 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 $
The company used the company secretary and bookkeeping/accounting services of one of its directors. The total benefit received was:	15,328	37,553
The company made donations and grants to local community groups where directors or their close family members are on the committee or part of management.	11,898	35,410

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Andrew Frewin Stewart, the auditor of the company:

	2025 $	2024 $
Audit services		
Audit or review of the financial statements	7,930	6,650
Other services		
Taxation advice and tax compliance services	265	700
General advisory services	3,590	3,070
Share registry services	7,390	4,263
	11,245	8,033
	19,175	14,683

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

	2025 $	2024 $
Profit after income tax expense for the year	116,341	182,919
Adjustments for:		
Depreciation and amortisation	43,753	44,862
Net loss on disposal of non-current assets	500	-
Lease liabilities interest	2,130	2,714
Change in operating assets and liabilities:		
Decrease in trade and other receivables	2,742	12,660
Increase in income tax refund due	(4,601)	-
Increase in deferred tax assets	(2,957)	(3,806)
Increase/(decrease) in trade and other payables	(10,957)	37,059
Decrease in provision for current tax liability	(13,810)	(37,682)
Increase/(decrease) in employee benefits	13,847	(1,424)
Increase in provisions	1,022	983
Net cash provided by operating activities	148,010	238,285

Note 25. Earnings per share

	2025 $	2024 $
Profit after income tax	116,341	182,919
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	495,750	495,750
Weighted average number of ordinary shares used in calculating diluted earnings per share	495,750	495,750

Note 25. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	23.47	36.90
Diluted earnings per share	23.47	36.90

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.

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

Janice Anne Smith
Chair

15 September 2025

Independent audit report

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 Rushworth & District Financial Services Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Rushworth & District 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 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 Rushworth & District Financial Services 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
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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.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated:15 September 2025

Lachlan Tatt
Lead Auditor

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Bendigo Bank