

Annual Report 2025

Sarina and District
Community Financial
Services Limited



Community Bank
Sarina

ABN 28 112 407 182



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Centre spread feature:
Celebrating 20 years in the Community



Chair's report

For year ending 30 June 2025



Purpose

Our Company has developed strong relationships between our shareholders, Branch Manager, banking team, customers and the wider

community. The Board and the banking team improve and grow our business through maximising community and business relationships. The Board and branch activities are focussed on connecting with and servicing our customers, supporting and developing the capacity of our community by working with community organisations, sporting organisations, local schools and CQUniversity. This approach continues to deliver effective results for the business, customers, shareholders, and the wider community. Community Bank Sarina has also renewed our franchise arrangement with Bendigo Bank for a further five years.

Community Bank Sarina's purpose has not changed – to be a sustainable community focused enterprise that contributes to community prosperity. We very purposely feed into the community's prosperity, and not off it. We endeavour to create social impact through local initiatives that enhance the liveability of our community. This approach also enables us to increase our brand awareness and build our reputation in the community.

Over the past twelve months, our long serving Branch Manager Charmaine Matsen left and a recruitment process was undertaken. We thank Charmaine for 10 years of dedicated service and wish her well in her new endeavours. In June, we welcomed Erin Ryley as Branch Manager to lead our team. For the period we were without a Branch Manager, I would like to make mention of Kylie Schulze and Josie Dahler for stepping up and ensuring the branch was operating efficiently while recruitment took place. The whole team really banded together to ensure the customer experience was not compromised during this time. Well done team.

During the past year, Bendigo Bank has continued to develop strategies and transform the business so that it keeps pace with customer needs and improves profitability. The model evolution project has been a focus over the past twelve months and will continue over the next year. Bendigo Bank prides itself in conducting business ethically and to the highest possible standard, and again this year has been voted the **most trusted bank in Australia**.

Communications with Bendigo Bank are delivered through online forums and weekly community bank notes delivered to every Director. Four members of the Board were able to attend the State Connect forum held in Brisbane earlier this year. Bendigo Bank continues to implement the national marketing plan, enabling a more effective marketing spend and increased coverage in the marketplace. At a local level, our Company undertakes a complementary local marketing campaign. We continue to develop our marketing strategy, which is delivered by Rebel Nation, and includes marketing through social media platforms, regular advertising, stories in the Mackay Whitsunday Life paper, roadside electronic billboard as well as static billboards.

This year we reached a very significant milestone. We celebrated twenty years of banking on 8 June 2025. A fantastic night was held at the Sarina Bowls Club where past and present Directors, invited guests, the banking team and shareholders came together to reflect on the past twenty years. The reflection on the initial raising of capital by the steering committee and then the grand opening of the branch on 8 June 2005 gave everyone present an insight into how our community bank came into being. There are too many people to recognise individually, so I would like to say a huge thank you to everyone who has been part of the Community Bank Sarina journey, and I know there will be many more successful years to come.

Chair's report (continued)

Performance

This year has seen a slight decrease in our overall profit. We have continued to contribute a significant amount of funds to the Community Enterprise Foundation. These contributions enable the Board to carry out the Community Engagement Program and reduce our tax liabilities. Overall, we have experienced good growth on last year and this is mostly due to a significant uptake in deposits resulting in stable business of \$218,238m. We have seen the Company's revenue increased slightly from \$1,550,036 to \$1,650,680, while we have experienced a slight increase in operating costs. This has resulted in an overall decrease in the Company's profit before income tax of \$116,177, compared to last year of \$173,002.

The Board has been proactive in ensuring that we continue to meet the Community Engagement Program objectives: building the capacity of local community organisations, strengthening relationships between the Bank and community organisations, and providing a range of community grants, sponsorships, scholarships and donations that provide a direct benefit to the Sarina and district community. We have invested an amount of \$429,701 in charitable donations, projects, sponsorships, advertising and promotions during the past 12 months. Community grants paid out of the Community Enterprise Foundation were a record amount of \$706,686 – benefitting a broad range of community initiatives. The Community Impact Hub has proven to be an invaluable asset, enabling community organisations to submit applications through the portal and provide an enduring record of applications – making this a much simpler process for time-strapped volunteers.

During the past twelve months, the Board and branch team have developed a business performance plan. The plan focuses on growing our customer base, increasing our products per customer, developing a whole of bank customer journey and expanding our footprint to realise new business opportunities. We have also developed our Community Impact Strategy, which guides our decision making while enabling us to be responsive to community needs – the four pillars of this are community connection and leadership, health, wellbeing and liveability, economic and youth engagement and education. Community Bank Sarina is focused on enabling a connected community with a strong sense of pride and enhancing the community capacity through our investment in people, organisations and infrastructure.

The Board also continues to operate with the Business and Community Engagement sub-committee and the Finance, Audit and Risk sub-committee. These sub-committees enable a deeper dive into the business before referring matters to the Board for decisions.

Connection

The Board has continued to invest in the Scholarship Program with CQUniversity. The scholarship is for two students who are studying at CQUniversity. During the past 12 months, our scholarship holder Jaymi Cook, who was studying a Bachelor of Digital Media, graduated. Last year we welcomed as scholarship recipients Brooke Jensen, who is studying a Bachelor of Accounting, and Jordana Kelly, who is studying a Bachelor of Business. In 2025, we welcomed two new scholarship holders, Taylah Hayles, who is completing a Bachelor of Education (Primary), and Neve Macdonald, who is studying a Bachelor of Education (Early Childhood).

We continue to offer our Vocational Education & Training (Apprenticeship) Scholarship to two apprentices at CQUniversity. Last year the recipients were Emma Simpson, who is completing a mechanical apprenticeship, and Matthew Dorl, who is studying to be an electrician. The successful apprentice recipient in 2025 was Fletcher McFadzen, also completing his electrical apprenticeship.

We continue to work with Sarina State High School, offering two scholarships for students commencing grade eleven. This scholarship is for a two-year duration. The 2025 scholarships were awarded to Katie Stevenson and Wyatt McKewen and last year's recipients – Sophie Steindl and Jacob Adams – continue to achieve great results. All our awardees have been worthy recipients of the scholarship, and it is a great way for Community Bank Sarina to assist in the development of our young people through educational and networking opportunities. It is important that we continue to invest in our future leaders.

Over the past 12 months, we have continued to build on our relationship with Mackay Regional Council and work with our major sponsorship recipients; Sarina Surf Lifesaving Club, Sarina Bowls Club, Sarina Cricket Club, Bakers Creek AFL Club, Mackay Hospital Foundation Volunteer Program, Mackay Region Chamber of Commerce and the Sarina District Schools Chaplaincy. We continue to achieve mutual benefits through these and many other relationships our team has in the community.

Chair's report (continued)

This year we also partnered with Mackay Region Chamber of Commerce to celebrate Small Business Week and the July economic update presented Bendigo Bank Chief Economist David Robertson. These two events were a huge success, with well over 120 attendees at both events. We also started the new year with hosting a special business networking event to start the celebration for our 20th birthday. We continue to hold half yearly networking events in Sarina, and these were attended by Mackay Region Chamber of Commerce members, Mackay Regional Council, community members, small business owners, our banking team and Board of Directors. These successful events have enabled the banking team to realise new business opportunities.

An important component of the Bendigo Bank community banking model is the telling of the success stories in our local community. We encourage all recipients of the Community Engagement Program to help us spread the word regarding the benefits of doing business with Community Bank Sarina. We continue to tell our story using digital media and social media platforms. We also utilise our digital sign located at the Sarina Showgrounds to advertise our banking business and help local community organisations to advertise their local events.

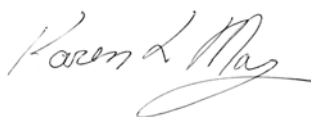
Our People

The success of Community Bank Sarina would not be possible without our banking partner, Bendigo Bank, and the contribution and support of Central Queensland Regional Manager Steve Myers and State Manager Gavin Holden. Richard Fernell as the CEO continues to lead the Bank through an innovative change process. It is only through continued close working relationships with the Bendigo Bank team that the Company can deliver to our shareholders a dividend of fourteen cents per share, fully franked, for 2024.

The Company could not continue to succeed without the commitment of the Board of Directors who have devoted many volunteer hours to ensure the business continues to grow and service the Sarina and district community well. Maree Franettovich continues to represent Central and North Queensland on the Community Bank National Council. The National Council is the conduit between the Bendigo Bank Executive and the Community Bank Companies. The Community Bank National Council continues to develop and progress the banking model.

I would like to make special mention of our Company Secretary, Maree Franettovich, who has worked tirelessly to ensure we are fulfilling all the governance requirements. I would also like to thank Ann Fordyce as the Chair of the Finance, Audit and Risk sub-committee and Maree Franettovich as Chair of the Business and Community Engagement sub-committee and our Directors Nicholas McDougall and Raine Shepperson for their volunteer contribution. It is a privilege to lead a cohesive and innovative Board of Directors. I would like to also thank our Executive Assistant Sheryl Brown for providing secretarial support to the Board at the monthly Board meetings.

Lastly, I would like to thank my fellow Directors, our Branch Manager and banking team for supporting me as Director / Chair of the Board over the past 12 months. I look forward to working with the team, our customers, our shareholders and our community to continue to build a sustainable banking business together.



Karen May GAICD
Chair

Manager's report

For year ending 30 June 2025



To our Shareholders and Customers

As the new Branch Manager of Community Bank Sarina, I'd like to introduce myself.

I began my banking

career at 17 in customer service and, by 24, was appointed a Branch Manager. Over the past 20+ years – including 11 in management – I've gained broad experience across the banking sector, particularly in regional Queensland. I joined Community Bank Sarina in June 2025 and look forward to working with our skilled team to deliver exceptional service to Sarina and the surrounding communities.

Before moving to the financial year results, I would like to commend the branch team on a highly successful year – these results are a credit to each of you.

FY25 Results

It is a pleasure to announce that Community Bank Sarina once again achieved a strong, profitable growth for 2025. Our total business for the period 2024-2025 was \$221.766 million, including small business, commercial, agribusiness and rural and financial markets – which is a \$32 million increase on FY24. As of 30 June 2025, Community Bank Sarina held a deposit book of \$137.364 million featuring significant growth throughout the year. Our lending book also increased by nearly \$10 million, to \$80.874 million – an impressive result all round.

Performance

Despite the economic uncertainty, our deposit book saw substantial growth – reaching more than 300% of target totalling \$26.792 million. This growth is testament to the expertise our team provides to customers, maintaining existing relationships and fostering new connections.

With the volatile nature of the housing market, our home loan book still saw an uplift of \$215,000, including discharges due to properties being sold, loans being paid

out or refinancing. Some contributory factors include volatility in the market, interest rates still rising and cost of living increasing – which caused some uncertainty in our community. Fortunately, strong customer retention allowed us to build deposit funds as a result of sale proceeds.

Our Customer Experience Principles remained a strong focus for the year, allowing the team to build their expertise and deliver the best possible result for our customers and community. These principles guide us to anticipate needs, build trust and achieve outcomes that truly matter locally.

As a team, we're always looking for ways to improve. The Customer Satisfaction Survey (CSAT) helps us celebrate successes while identifying areas for growth, giving us a valuable benchmark for customer sentiment. With recent enhancements, customers can share feedback on the in branch experience across select services. We're proud to report that, as at 30 June 2025, our CSAT rating remained above 9.77 out of 10 – a strong reflection of the team's commitment to living our values every day.

Staff

The team faced every challenge head on throughout the year, ensuring the best for our customers, community and shareholders. The varying skills and expertise delivered by each team member allows for a strong and cohesive branch, their effort and dedication are a testament to each of them.

Erin Ryley	Branch Manager 20 years' experience
Kylie Schulze	Customer Relationship Officer 15 years' experience
Josephine Dahrtler	Customer Service Officer 6 years' experience
Terri Bella	Customer Service Officer 3 years' experience
Ingrid Hanley	Customer Service Officer 1 year experience

Manager's report (continued)

Appreciation

I'd like to begin by thanking our Board of Directors for their guidance and support as I settle into this role. The Board provides strong governance and ensures Community Bank Sarina continues to operate as a profit for purpose organisation – making decisions that strengthen our business and enable meaningful investment in our community.

I also reiterate my thanks to our branch team for a successful year. Their professionalism, care for customers and commitment to community are evident in the results achieved. We also appreciate the direct support of our business banking colleagues, who work alongside us to deliver excellent service to our customers and assisting us to grow the business, while building confidence and trust across the region.

I'd also acknowledge our Regional Manager, Stephen Myers, whose mentorship and support has been invaluable as I transition into this role.

Finally, thank you to our shareholders, customers and the broader community for your continued trust. Your support is what allows us to assist people achieve their financial and lifestyle goals – and at the same time create real and lasting positive community impact for Sarina and the surrounding region.

As the African proverb reminds us, 'If you want to go fast, go alone. If you want to go far, go together'. It's a sentiment that perfectly reflects the spirit of our community banking model and the work we achieve together, and I'm excited about what we can accomplish in the year ahead.

Thank you



Erin Ryley
Manager
Community Bank Sarina

Community Impact Strategy

“Community Bank Sarina has a mission to be a sustainable community-focused enterprise that contributes to community prosperity.”

This strategy sets out our community investment and impact priorities, to guide decisions while ensuring we remain adaptable and responsive to community needs. Community Bank Sarina is focused on enabling a connected community with a strong sense of community pride, with enhanced community capacity through our investment in our people, organisations and infrastructure.



Community Connection and Leadership

Facilitate the community's connectedness through the strengthening of local community organisations, enhancing capability and encouraging collaborative partnership opportunities.



Health, Wellbeing and Liveability

Enhance the health, wellbeing and liveability of our community through the support of relevant initiatives.



Economic

Engage with thriving and connected business and industry networks that underpins growth, innovation and infrastructure development.



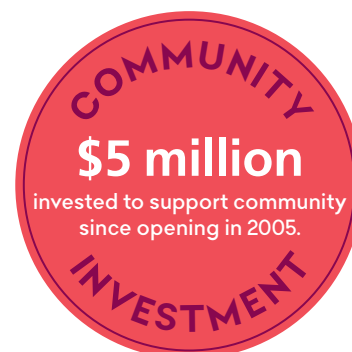
Youth Engagement and Education

Improve the connectedness of youth to our community and enhance educational opportunities and community leadership skills.

Community Engagement Program

For year ending 30 June 2025

Sarina and District Community Financial Services Ltd (SDCFSL) operates Community Bank Sarina and is proud to invest in our community through the Community Engagement Program. Our overarching aim of this community investment is to influence positive impact in the community and develop social capital leaving a legacy for future generations.



Objectives

The objectives of the Community Engagement Program are to

Build community capacity and enhance our community as a great place to live

Develop an ongoing mutually beneficial relationship between community and Community Bank Sarina

Enhance visibility of the community impact and benefits of the ethos of Community Bank Sarina as a profit for purpose entity.

The Community Engagement Program focusses on the four pillars of the Community Impact Strategy



Community Connection and Leadership



Health, Wellbeing and Liveability



Economic



Youth Engagement and Education

Community Bank Sarina through its Community Engagement Program proudly invests in our community through Sponsorships, Scholarships, Donations and Community Grants.

Since opening Community Bank Sarina in 2005, SDCFSL has invested over \$5 million directly in community initiatives through Sponsorships, Community Grants and Donations. In addition, we support Scholarships, as well as a range of School Awards at Sarina State High School and our district's primary schools.

This only is possible thanks to our community choosing to become customers with Community Bank Sarina. Growing the customer base underpins the sustainability of the business and allows this unique banking model to thrive and prosper, which in turn allows us to continue to support a range of activities in our community, impact positive change, and leave a legacy for future generations.

Community Engagement Program (continued)

Sponsorship

Sponsorship is a business relationship whereby the parties receive a mutual benefit. When Community Bank Sarina provides sponsorship investment to an organisation, it supports and contributes to that organisation achieving its goal and these activities also provide a benefit to the community.

Sponsorship is a strategic relationship that benefits both Community Bank Sarina and the sponsored entity. It is about working together to build a relationship for mutual benefit.

The sponsorship relationship should provide exposure and opportunities for Community Bank Sarina to expand its customer base, which underpins our sustainability and allows us to continue to invest a percentage of our profits back into the community. This is how we are different from other banks.

Marquee Program

This is a dedicated sponsorship initiative of Community Bank Sarina to support organisations in their activities by providing a marquee (3m x 3m) with the respective logos and promotional banners. We appreciate the importance of being sun smart so that we can enjoy the great outdoors. The marquee and associated promotional items enable organisations to have a highly visible presence at events as well as afford some sun protection.



Wongabeena marquee suite shading Committee members - Shanara Adamson and Stacey Adamson Secretary,

Community Grants

A community grant is focussed on building capacity to address local needs and make a positive contribution to the Sarina and district community with an ongoing benefit to the community. When Community Bank Sarina provides a community grant investment to an organisation, there must be positive benefit and impact to the broader community. Community grant applications are encouraged that develop the capacity of the organisation to meet the needs of local residents, or to develop innovative programs that address local issues. Our community grants are supported by funds that we place in the Community Enterprise Foundation.

Donations

Donations are distinct from sponsorship and grants. A donation is focussed on charitable purposes to directly support an organisation and its community work.



Karen May Community Bank Sarina Chair, Alica Jane Knowles Chances House Fundraising Coordinator, Erin Ryley Community Bank Sarina Manager

Community Engagement Program (continued)



L-R: Allison Dahtler, Josephine Dahtler, Peter Dahtler



Congratulations to our Customer Service Officer Josephine Dahtler graduating with a Bachelor of Science (CQUniversity). As a Community Bank Sarina team member and our inaugural Sarina State High School scholarship recipient, we could not be prouder to have witnessed you achieve this important milestone in your career – well done!

Scholarships

Community Bank Sarina Bendigo Bank Higher Education Scholarship in association with CQUniversity

The Scholarship aims to encourage the local community to study, live and work locally, by providing financial support to attend CQUniversity preferably with Mackay as the home campus to undertake and undergraduate degree. There are two Scholarships available of \$9000 each payable over three years. This Scholarship supports students within the Sarina/Mackay district studying across a range of disciplines.. Applications usually open in December and close end February the following year.

Community Bank Sarina Bendigo Bank Vocational Education and Training (Apprenticeship) Scholarship in association with CQUniversity

The Scholarship aims to encourage the local community to study, live and work locally, by providing financial support and encouragement to take up a trade and undertake apprenticeship training at the local Mackay campus of CQUniversity. There are two Scholarships available of \$6000 each payable over four years. The Scholarship supports students within the Sarina / Mackay district undertaking an Apprenticeship in a range of fields. Applications usually open in December and close end February the following year.



L-R: Josephine Dahtler Community Bank Sarina Customer Service Officer , Raine Shepperson Community Bank Sarina Director, Neve Macdonald, Fletcher McFadzen and Taylah Hayles 2025 Scholarship Recipients, Karen May Community Bank Sarina Chair, Maree Franettovich Community Bank Sarina Deputy Chair, Prof Rob Brown CQUniversity Associate Vice-President

Community Engagement Program (continued)

Community Bank Sarina Bendigo Bank Senior Schooling Community Citizenship Scholarship in association with Sarina State High School

The Scholarship supports students intending to complete Grades 11 and 12 (consecutively) attending Sarina State High School. The total Scholarship value is \$2000 paid over two years and there are two scholarships available. The aim is to encourage students in the Sarina community to pursue higher studies and understand the importance of community service and citizenship.

A successful banking business that is commercially viable, yet community spirited, underpins this community investment.



Jane Grieger Sarina State High School Principal, Karen May Community Bank Sarina Chair, Katie Stevenson and Wyatt McKewen 2025 Scholarship Recipients, Maree Franettovich Community Bank Sarina Deputy Chair

Community Investment 2024-2025

The tables below set out the major financial investment of the Community Engagement Program actually disbursed in the 2024-2025 financial year.

(Note: The amounts are incl GST where applicable.)

SCHOLARSHIP PROGRAM	
Program	Amount \$
Community Bank Sarina Higher Education Student Scholarship 2025-2027 in association with CQUniversity (2 x \$9,000)	18,000.00
Community Bank Sarina Vocational Education and Training (Apprenticeship) Scholarship 2025-2028 in association with CQUniversity (2 x \$6,000)	12,000.00
Community Bank Sarina Senior Schooling Community Citizenship Student Scholarship 2024-2025 in association with Sarina State High School (2 x \$2,000)	4,000.00

(Note: The Scholarships represent the total value of the Scholarship for the respective period.)

Community Engagement Program (continued)

COMMUNITY GRANTS		
Organisation	Project	Amount \$
Wongabeena Aged Housing Sarina	Wongabeena Building Project	330,000.00
Swayneville State School P&C	Swayneville Playground	69,000.00
Mackay Hospital Foundation	Sarina Patient Transfer Vehicle	52,020.28
Sarina & District BMX Club	Facilities Upgrade	33,000.00
Sarina Arts Council	Sheltering Creativity Outdoor Area Upgrade	29,360.00
Sarina & District Community Kindergarten Assoc	Playground Upgrade	28,507.60
Sarina Landcare Catchment Assoc	Enhancing Sarina Community Native Gardens	24,139.50
Mackay Hospital Foundation	LUCAS Chest Compression – Sarina Hospital	20,707.50
Sarina Kennel Club	All Purpose Weather Shelter	20,000.00
St Lawrence Sportsground Committee	BBQ Extension & Stage Area	20,000.00
131 Army Cadet Unit Sarina	Training Equipment Drones and Cameras	8,642.74
Chelona State School P&C	Student Swimming Program	7,570.60
Alligator Creek State School P&C	Gators Learn to Swim	4,000.00
Mackay Women's Services	Sarina Active Women's Group	2,970.00
QCWA Koumala	Office Equipment	2,768.00



L-R: Judy Wilson MHF Volunteer, Erin Ryley Community Bank Sarina Manager, Carmel O'Shea MHF Volunteer

"For each individual patient who utilises this service, it will make a significant difference in providing them with a better health outcome – so that transport is not a barrier."



L-R: Erin Ryley Community Bank Sarina Manager, Karen May Community Bank Sarina Chair, Sharon Johnston Mackay Hospital Foundation Board Member, Ann Fordyce Community Bank Sarina Director, Maree Franettovich Community Bank Sarina Deputy Chair

Community Engagement Program (continued)

SPONSORSHIP PROGRAM		
Organisation	Project	Amount \$
Mackay Hospital Foundation	Mackay Region Volunteer Program	11,000.00
Sarina District Schools Chaplaincy	Transition to High School Program	9,000.00
Mackay Region Chamber of Commerce	Corporate Sponsorship Annual	8,250.00
QCWA Pioneer Division	NQ Conference 2025 (Sarina)	5,500.00
Sarina Surf Life Saving Club	Cruisin' The Coast Beach Run & Ocean Swim - Naming Rights	5,500.00
Sarina & District Athletics Club	Club Sponsorship	5,000.00
Sarina Bowls Club	Club Sponsorship - Men's Invitational Carnival 2025	4,000.00
Sarina Cricket Assoc	Partnering Sponsorship	4,000.00
QCWA Pioneer Division	Qld State Conference 2024 (Mackay)	3,300.00
Bakers Creek Tigers Australian Football Club	Partnering Sponsorship	3,300.00
Sarina Bowls Club	Club Sponsorship - Men's Invitational Carnival 2024	3,000.00
Sarina Show Society	Bronze Sponsorship 2024	2,500.00
Blue Mountain Cattle Dog Trial	Cattle Dog Trials 2025	1,500.00
Road Accident Action Group	Road Safety Program	1,100.00
Koumala Community Hall	Centenary Celebrations	1,100.00
Alligator Creek State School P&C	Breakfast Club	1,000.00
Mackay Pet Rescue	Sponsorship 2025	1,000.00
Sarina District Progress Assoc	Sponsorship 2025	1,000.00
Grasstree Beach Progress Assoc	Sponsorship 2025	1,000.00
Homebush State School P&C	Homebush Hoedown	700.00
National Barrel Horse Assoc	NBHA D8 Season Sponsorship	600.00
St Annes Catholic Primary School P&F	Garden Party	500.00
Breakaway Horse Riders Club	Charity Ride 2025	500.00
Cape Palmerston Holiday Park	Camp Oven Cook Off	500.00

(Note: Sponsorship totals include GST where applicable and represent direct payments to the organisation however do not include additional contributions for activation activities, such as promotion, promotional items and signage, to support the relationship. Operational expenses associated with the overall Community Engagement Program, including marketing advertising and printing are not included here unless specified. Any sponsorships under \$500 are not listed here.)



Community Bank Sarina Directors, banking team and scholarship recipients participated in the SSLC Sarina Beach Run & Ocean Swim 2025

Community Engagement Program (continued)

MARQUEE SPONSORSHIP PROGRAM

The total of \$77,205 was invested through this program, which provides a co-branded Marquee and/or a range of physical promotional items supporting the following organisations:

Bakers Creek Tigers Australian Football Club	QCWA Mackay
Cape Palmerston Holiday Park Camp Oven Cook Off	QCWA Pioneer Division
Carmila Christmas Tree	QCWA Sarina
Carmila State School P&C	Queensland Mud Trials Assoc
Central Queensland Soil Health Systems	Sarina and District Athletics Club
Mackay Men's Shed	Sarina Arts Council
Mackay Pet Rescue	Sarina District Progress Assoc
Mackay Vintage Car Club	Sarina Scout Group
Pioneer Valley Classic Car Club	St Annes Catholic Primary School P&F
Pioneer Valley Machinery Preservationists Society	St Lawrence Sportsground Committee
QCWA Gargett	Wongabeena Aged Housing Sarina
QCWA Koumala	

DONATIONS

Organisation	Amount \$
Sarina Junior Rugby League Football Club	1,100.00
Sarina Men's Shed	1,000.00
131 Army Cadet Unit Sarina	1,000.00
Kidney Support Network	1,000.00
Pioneer Catchment & Landcare	1,000.00
Crediton Hall Recreation Club	1,000.00
Finch Hatton Progress Assoc	1,000.00
BMA CQ Rescue	1,000.00
Dows Creek Hall Committee	1,000.00
Orange Sky	750.00
Chances House	750.00
Mackay Hospital Foundation	700.00
RSPCA Qld Ltd	500.00
Crossroad Arts	500.00
Mackay & District Turtle Watch Assoc	500.00
Sarina Youth Centre	250.00
Rotary Club of Sarina	250.00
Mackay Animal Rescue Society	250.00
Mackay Women's Services	250.00
Community Christmas Lunch (Roshni)	250.00
Sarina Food Hand Up	250.00
Sarina Neighbourhood Centre	250.00
Koumala Community Hall Committee	250.00
Rotary Club of West Mackay	200.00

(Note: Donations under \$200 are not listed.)

Profit for Purpose in Action

For 20 years, Sarina and District Community Financial Services Limited has demonstrated the impact of profit for purpose. Since opening in 2005, we've invested more than \$5 million back into our community – strengthening organisations, creating opportunities and building a more resilient region.

We are proud to be Queensland's first community bank company certified as a Social Enterprise by Social Traders Australia, providing assurance that the impact we create is genuine and measurable.

Our purpose is clear: generate profit that delivers more than financial returns. Through our Community Engagement Program, we direct earnings into community grants, sponsorships, donations and scholarships – supporting projects and people that drive health and wellbeing, youth engagement, economic growth and community connection.

When you bank with us, you're not just accessing trusted financial services – you're fuelling positive change in Sarina and beyond.

That's the impact of profit for purpose.



Community Impact Award



Breakaway Horse Riders Club - Joanne Davis Treasurer, Vicki Crowley Vice President, Natalie McIntosh Member and Roxanne Aprile President

The Community Impact Award recognises organisations that uplift the greater Sarina community through integrity, leadership, inclusion and a steadfast commitment to 'doing good'. Each year, the award is symbolised by a plaque and a \$500 donation to the chosen organisation.

In 2024, the Award was presented to Breakaway Horse Riders Club in recognition of their dedication to uniting locals through outdoor adventure, building connections and raising funds for vital health services and local causes. With 89 members and 20 juniors, the Club's annual charity rides, educational weekends and community service projects have made a significant difference across our region.

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

For the financial year ended 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:



Karen Lesley May

Title: Non-executive director

Experience and expertise: Councillor/Deputy Mayor of Mackay Regional Council. She is a graduate of the Australian Institute of Company Directors. Karen holds a Certificate III in Frontline Management, a Certificate in Community Development and has completed a leadership course for Women in Local Government and completed a course in Financial Management for Local Government. She has 21 years' experience in local government during which time she has held the position of councillor, Deputy Mayor and Mayor of Sarina Shire Council and Councillor and Deputy Mayor of Mackay Regional Council. Karen has been a small business owner for the past 28 years, having owned Sarina Motor Inn and Hideaway Restaurant, Eagle Boys Pizza Sarina, Sarina Laundromat and vending business. Karen managed the Sarina RSL Club for a 2 year period. Karen is Director/Chair of Mackay Housing Company and Connect Housing Group for the past 15 years whose goal is to deliver affordable housing solutions. Karen is also Chair of Greater Whitsunday Communities, Chair of Mackay Women's Service, Secretary of Sarina Landcare and Catchment Management Association and Deputy Chair of Sarina Rural Skills Centre Community Board Inc. Karen is also a Committee Member of Regional Development Australia -Greater Whitsundays. She holds memberships of Australian Institute of Company Directors and Australian Women in Local Government Association. Karen is a strong advocate for regional and local communities.

Special responsibilities: Chair of the Board, Member Finance, Audit and Risk Committee, Member Business and Community Engagement Committee

Directors' report (continued)

Directors (continued)



Maree Gail Franettovich

Title: Non-executive director

Experience and expertise: Maree is a graduate of the Australian Institute of Company Directors. She also holds a Bachelor of Business (Management and Human Resources), a Graduate Diploma of Management, Certificate in Governance Practice (GIA), Workplace Trainer accreditation, and is a DISC Advanced® Accredited Consultant. Maree is founder and Director of CareerForce Australia, a career development and management consultancy, as well as a Director of Business Services Network Pty Ltd, a boutique consultancy dedicated to tailored strategic business solutions with a key focus on the right people management, developing managers and implementing specialised business frameworks. She also held a role with Chamber of Commerce and Industry Queensland as Regional Stakeholder Manager. Maree has extensive business experience having worked in a diverse range of industries in Australia and overseas. She brings this professional acumen and expertise to her Director and community leadership roles. For many years, she was a lecturer in Business at CQUniversity, where she cofounded the highly successful Engage Mentor Program. She is a passionate regional advocate, career development coach and a trusted advisor. Maree is a Director of: Reef Catchments Ltd; Catchment Solutions; former Director of Mackay Regional Housing Company Ltd and Connect Housing; and a Committee Member of Regional Development Australia – Greater Whitsundays. Maree is the elected representative for CQ/NQ on the Community Bank National Council.

Special responsibilities: Deputy Chair, Company Secretary, Chair Business & Community Engagement Committee; Member, Finance Audit & Risk Committee



Nicholas Paul McDougall

Title: Non-executive director

Experience and expertise: Nicholas holds a Bachelor of Heritage, Museums and Conservation from the University of Canberra and serves as Chair of the Sugar City Art Deco and Modernist Society, where he advocates for the preservation of Central Queensland's unique architectural heritage. Professionally, he is a skilled French Polisher and Furniture Restorer, with extensive experience in conserving fine timberwork and antique furniture. Nicholas recently joined the Sarina office of Glen Kelly MP, State Member for Mirani, as an Electorate Officer. In this role, he assists constituents with state government matters, coordinates community engagement, and supports the delivery of local initiatives and events across the electorate. In addition, Nicholas remains actively involved in his family's diversified agricultural business, which encompasses cattle grazing, cropping, and sugar cane production.

Special responsibilities: Member Business & Community Engagement Committee

Directors' report (continued)

Directors (continued)



Raine Shepperson

Title: Non-executive director

Experience and expertise: Raine is a Sarina local who after graduating DUX of Sarina State High School went on to complete a Bachelor of Business Management and Bachelor of Journalism at CQUniversity, followed by a MBA. As Marketing and Communications Manager for a major mining company and with past experience as a news reporter and in stakeholder engagement roles, Raine is passionate about brand strategy and digital media. She is also committed to encouraging Sarina youth to pursue their aspirations and use their small-town upbringing to their advantage by taking every opportunity. Raine also is a Director of Mackay Isaac Tourism.

Special responsibilities: Deputy Chair Business & Community Engagement Committee, Member Finance, Audit & Risk Committee



Ann Fordyce

Title: Non-executive director

Experience and expertise: Chartered Accountant and non-executive director. Ann is a fellow member of the Institute of Chartered Accountants in Australia and New Zealand (ACANZ). She holds a Bachelor of Financial Administration (B Fin Ad min) and a Master of Business Administration (MBA) and is a graduate of the Australian Institute of Company Directors (AICD). Ann's professional experience and skills have been gained as an accountant in private practice for over 35 years, of which 18 was as a partner in a Brisbane based accounting firm, Pilot Partners. Ann was a Registered Liquidator from 1998 to 2022 and a Registered Trustee in Bankruptcy from 2001 to 2022. Ann's experience extends to consulting, insolvency and restructuring services across multiple industries from private owner managed businesses, not-for-profit organisations and high net worth individuals through to large corporates obtained through various roles within the professional accounting industry. Ann is a director of Flare Advisory Pty Ltd. Ann has her own consulting business offering her skills and experience as a non-executive to organisations. Ann is also a voluntary Member and Treasurer of the Sarina Rural Skills Centre Community Board Inc and has previously held a voluntary position as a skilled director on the Board and Finance Risk and Audit Committee of the Australian Medical Association Queensland ("AMA OLD") from November 2019 to May 2022. Ann is also a Justice of the Peace (JP).

Special responsibilities: Chair Finance, Audit & Risk Committee, Member Business & Community Engagement Committee

George Edward (Ted) Malone

Title: Non-executive director (resigned 13 November 2024)

Experience and expertise: Retired MP. Ted is a retired Member of the Queensland Parliament (1994-2015) and was Assistant Minister for Emergency Services Volunteer with special responsibility for a review of the Queensland Rural Fire Service and Volunteers. His Shadow Ministries included Emergency Services, Local Government, Public Works, Employment and Training. Previously Ted has been a contractor, cane farmer, grazier, and property developer. He was a delegate to sugar industry conferences for 24 years; served five years on the Board of a growers' organisation with three years as Chairman until April 1994. Ted was a member of the Sugar Industry Policy Council and the Sugar Research and Development Corporation Selection Committee and discussions leading up to the division of sugar monies. He is a Life Member of Apex Club of Sarina and Patron and Committee Member of the Ted Malone MP Rural Skills Centre (Sarina Rural Skills Centre Community Board Inc).

Special responsibilities: Member Business & Community Engagement Committee

Directors' report (continued)

Company secretary

The company secretary is Maree Franettovich. Maree was appointed to the position of company secretary on 12 November 2019.

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 \$87,133 (2024: \$130,388).

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 14 cents per share (2024: 13 cents)	100,815	93,614

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

Subsequent to year end, on 17 July 2025, the company entered into a new franchise agreement with Bendigo Bank. The agreement provides the company with rights to operate as a Community Bank franchisee for a further term of five years.

No other 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.

Directors' report (continued)

Meetings of directors

The number of directors' meetings (including meetings of committees of directors) attended by each of the directors of the company during the financial year were:

	Board		Finance, Audit & Risk Committee		Business & Community Engagement Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Karen Lesley May	11	11	11	11	10	10
Maree Gail Franettovich	11	11	11	10	10	10
Nicholas Paul McDougall	11	10	-	-	10	8
Rainee Shepperson	11	8	11	6	10	8
Ann Fordyce	11	9	11	9	10	8
George Edward (Ted) Malone	4	4	-	-	4	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 21 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
Karen Lesley May	1,500	-	1,500
Maree Gail Franettovich	8,850	-	8,850
Nicholas Paul McDougall	3,400	-	3,400
Rainee Shepperson	-	-	-
Ann Fordyce	1,000	-	1,000
George Edward (Ted) Malone	16,000	-	16,000

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.

Directors' report (continued)

Indemnity and insurance of directors and officers (continued)

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



Karen Lesley May
Chair

29 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 Sarina And District Community Financial Services Ltd

As lead auditor for the audit of Sarina And District Community Financial Services Ltd 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'.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 29 September 2025

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

Lachlan Tatt
Lead Auditor

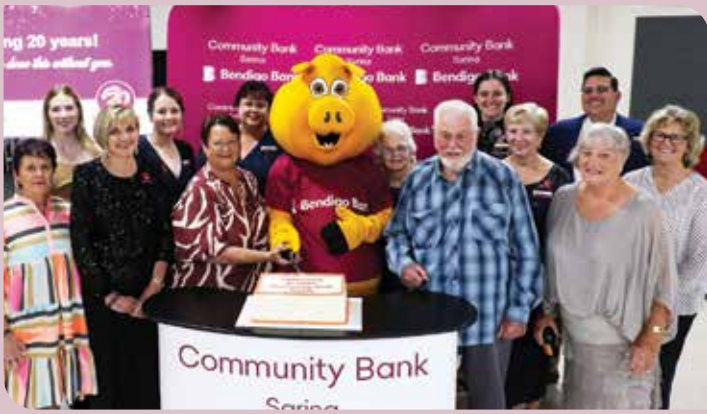


As we celebrate 20 years of Community Bank Sarina Bendigo Bank, the Board extends its sincere thanks to our Branch team, customers, shareholders and the greater Sarina district community for your continued trust and support. Together, we have built more than a successful banking business – we have created a legacy of local investment, community impact and connection. Since dividends were first paid in 2009, our shareholders have continued to benefit from a sustainable profit for purpose model that balances financial strength with positive community outcomes. Over the past two decades, more than \$5 million has been reinvested locally through community grants, sponsorships, donations and scholarships. We are proud of what has been achieved together and remain committed to strengthening the prosperity and wellbeing of our community for years to come.



in the community









Celebrating
20
Years

in the community



Community Bank Sarina in the community



Financial statements

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	1,592,995	1,527,015
Other revenue		-	790
Finance revenue		57,685	22,231
Total revenue		1,650,680	1,550,036
Employee benefits expense	7	(567,090)	(520,597)
Advertising and marketing costs		(204,065)	(157,988)
Occupancy and associated costs		(58,909)	(51,711)
System costs		(22,047)	(18,483)
Depreciation and amortisation expense	7	(67,228)	(100,701)
Finance costs	7	(15,492)	(16,163)
General administration expenses		(169,971)	(139,842)
Total expenses before community contributions and income tax expense		(1,104,802)	(1,005,485)
Profit before community contributions and income tax expense		545,878	544,551
Charitable donations, sponsorships, and grants expenses	7	(429,701)	(371,549)
Profit before income tax expense		116,177	173,002
Income tax expense	8	(29,044)	(42,614)
Profit after income tax expense for the year		87,133	130,388
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		87,133	130,388
		Cents	Cents
Basic earnings per share	25	12.10	18.11
Diluted earnings per share	25	12.10	18.11

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

Financial statements (continued)

Statement of financial position As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	9	504,569	548,440
Trade and other receivables	10	106,276	81,919
Investments	11	546,994	522,231
Current tax assets	8	20,199	-
Total current assets		1,178,038	1,152,590
Non-current assets			
Property, plant and equipment	12	111,126	134,023
Right-of-use assets	13	368,492	365,498
Intangible assets	14	70,233	7,335
Deferred tax assets	8	16,351	9,512
Total non-current assets		566,202	516,368
Total assets		1,744,240	1,668,958
Liabilities			
Current liabilities			
Trade and other payables	15	47,709	17,391
Lease liabilities	16	50,700	46,369
Current tax liabilities	8	-	2,909
Employee benefits		10,121	-
Total current liabilities		108,530	66,669
Non-current liabilities			
Trade and other payables	15	47,140	-
Lease liabilities	16	375,810	376,741
Lease make good provision		26,152	25,258
Total non-current liabilities		449,102	401,999
Total liabilities		557,632	468,668
Net assets		1,186,608	1,200,290
Equity			
Issued capital	17	688,018	688,018
Retained earnings		498,590	512,272
Total equity		1,186,608	1,200,290

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

Financial statements (continued)

Statement of changes in equity For the year ended 30 June 2025

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023		688,018	475,498	1,163,516
Profit after income tax expense		-	130,388	130,388
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	130,388	130,388
<i>Transactions with owners in their capacity as owners:</i>				
Dividend provided for or paid	19	-	(93,614)	(93,614)
Balance at 30 June 2024		688,018	512,272	1,200,290
Balance at 1 July 2024		688,018	512,272	1,200,290
Profit after income tax expense		-	87,133	87,133
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	87,133	87,133
<i>Transactions with owners in their capacity as owners:</i>				
Dividend provided for or paid	19	-	(100,815)	(100,815)
Balance at 30 June 2025		688,018	498,590	1,186,608

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

Financial statements (continued)

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)		1,731,104	1,708,919
Payments to suppliers and employees (inclusive of GST)		(1,587,008)	(1,399,635)
Interest received		52,707	22,231
Income taxes paid		(51,504)	(76,293)
Net cash provided by operating activities	24	145,299	255,222
Cash flows from investing activities			
Payments for investments		(24,763)	(22,231)
Payments for property, plant and equipment	12	(1,228)	(13,654)
Payments for intangible assets		(12,966)	(12,966)
Net cash used in investing activities		(38,957)	(48,851)
Cash flows from financing activities			
Interest and other finance costs paid		(14,598)	(15,297)
Dividends paid	19	(100,815)	(93,614)
Repayment of lease liabilities		(34,800)	(31,863)
Net cash used in financing activities		(150,213)	(140,774)
Net increase/(decrease) in cash and cash equivalents		(43,871)	65,597
Cash and cash equivalents at the beginning of the financial year		548,440	482,843
Cash and cash equivalents at the end of the financial year	9	504,569	548,440

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

Notes to the financial statements

For the year ended 30 June 2025

Note 1. Reporting entity

The financial statements cover Sarina and District Community Financial Services Ltd (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 37 Broad Street, Sarina QLD 4737.

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 29 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.

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.

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.

Notes to the financial statements (continued)

Note 3. Material accounting policy information (continued)

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.

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. The directors did not identify any impairment indications during the financial year.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Notes to the financial statements (continued)

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

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, 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. Such a 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 June 2030.

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 this franchise agreement. On 17 July 2025, the company entered into a new franchise agreement for a further term of five years.

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.

Notes to the financial statements (continued)

Note 6. Revenue from contracts with customers

	2025 \$	2024 \$
Margin income	1,363,317	1,314,663
Fee income	92,577	80,952
Commission income	137,101	131,400
	1,592,995	1,527,015

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:

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.

Notes to the financial statements (continued)

Note 6. Revenue from contracts with customers (continued)

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	450,722	416,569
Non-cash benefits	2,665	6,209
Superannuation contributions	51,760	45,581
Expenses related to long service leave	7,004	8,129
Other expenses	54,939	44,109
	567,090	520,597

Accounting policy for employee benefits

The company seconded employees from Bendigo and Adelaide Bank Limited. 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.

The company also has one employee not seconded from Bendigo Bank. The short-term employee benefits and superannuation contributions associated with this employment are expensed as the related service is provided.

Depreciation and amortisation expense

	2025 \$	2024 \$
<i>Depreciation of non-current assets</i>		
Leasehold improvements	13,858	15,363
Plant and equipment	9,638	32,320
Motor vehicles	-	5,080
	23,496	52,763
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	35,206	33,987
<i>Amortisation of intangible assets</i>		
Franchise fee	1,422	2,325
Franchise renewal fee	7,104	11,626
	8,526	13,951
	67,228	100,701

Notes to the financial statements (continued)

Note 7. Expenses (continued)

Finance costs

	2025 \$	2024 \$
Lease interest expense	14,598	15,297
Unwinding of make-good provision	894	866
	15,492	16,163

Charitable donations, sponsorships and grants expense

	2025 \$	2024 \$
Direct donation, sponsorship and grant payments	154,701	130,640
Contribution to the Community Enterprise Foundation™	275,000	240,909
	429,701	371,549

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

The company funds are managed by CEF. Directors are responsible for determination of the payment of community grants, however the funds are not refundable to the company.

Community Enterprise Foundation™ contributions

	2025 \$	2024 \$
<i>Disaggregation of CEF funds</i>		
Opening balance	1,208,791	962,872
Contributions paid in	275,000	240,909
Grants paid out	(706,686)	(31,555)
Interest received	51,946	46,609
Management fees incurred	(12,362)	(12,044)
GST refunded for grants	25,000	2,000
Balance available for distribution	841,689	1,208,791

During the financial year the company contributed funds to the Community Enterprise Foundation™ (CEF), the philanthropic arm of Bendigo Bank. These contributions paid in form part of the community grants expense and are exclusive of GST.

Note 8. Income tax

	2025 \$	2024 \$
<i>Income tax expense</i>		
Current tax	35,883	52,909
Movement in deferred tax	(6,839)	(8,802)
Under/over adjustment	-	(1,493)
Aggregate income tax expense	29,044	42,614
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	116,177	173,002

Notes to the financial statements (continued)

Note 8. Income tax (continued)

	2025 \$	2024 \$
Tax at the statutory tax rate of 25%	29,044	43,251
Tax effect of:		
Non-deductible expenses	-	856
	29,044	44,107
Under/over adjustment	-	(1,493)
Income tax expense	29,044	42,614

	2025 \$	2024 \$
<i>Deferred tax assets/(liabilities) attributable to:</i>		
expense accruals	1,225	50
employee provisions	2,885	337
make-good provision	6,538	6,315
lease liabilities	106,627	105,778
property, plant and equipment	(7,157)	(11,182)
income accruals	(1,644)	(410)
right-of-use assets	(92,123)	(91,376)
Deferred tax asset	16,351	9,512

	2025 \$	2024 \$
Income tax refund due	20,199	-

	2025 \$	2024 \$
Provision for income tax	-	2,909

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.

Note 9. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank and on hand	504,569	548,440

Notes to the financial statements (continued)

Note 10. Trade and other receivables

	2025 \$	2024 \$
Trade receivables	93,774	72,584
Accrued income	6,579	1,640
Prepayments	5,923	7,695
	12,502	9,335
	106,276	81,919

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	546,994	522,231

Note 12. Property, plant and equipment

	2025 \$	2024 \$
Leasehold improvements - at cost	272,237	272,237
Less: Accumulated depreciation	(172,923)	(159,065)
	99,314	113,172
Plant and equipment - at cost	203,971	206,452
Less: Accumulated depreciation	(192,159)	(185,601)
	11,812	20,851
Motor vehicles - at cost	58,271	58,271
Less: Accumulated depreciation	(58,271)	(58,271)
	-	-
	111,126	134,023

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 \$	Motor vehicles \$	Total \$
Balance at 1 July 2023	119,343	48,709	5,080	173,132
Additions	9,192	4,462	-	13,654
Depreciation	(15,363)	(32,320)	(5,080)	(52,763)
Balance at 30 June 2024	113,172	20,851	-	134,023
Additions	-	1,228	-	1,228
Disposals	-	(629)	-	(629)
Depreciation	(13,858)	(9,638)	-	(23,496)
Balance at 30 June 2025	99,314	11,812	-	111,126

Notes to the financial statements (continued)

Note 12. Property, plant and equipment (continued)

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:

Motor Vehicles	5 years
Leasehold Improvements	5 to 20 years
Plant and equipment	1 to 40 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.

Note 13. Right-of-use assets

	2025 \$	2024 \$
Land and buildings - right-of-use	555,019	516,819
Less: Accumulated depreciation	(186,527)	(151,321)
	368,492	365,498

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	397,039
Remeasurement adjustments	2,446
Depreciation expense	(33,987)
Balance at 30 June 2024	365,498
Remeasurement adjustments	38,200
Depreciation expense	(35,206)
Balance at 30 June 2025	368,492

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	105,677	93,773
Less: Accumulated amortisation	(93,972)	(92,550)
	11,705	1,223

Notes to the financial statements (continued)

Note 14. Intangible assets (continued)

	2025 \$	2024 \$
Franchise renewal fee	228,385	168,865
Less: Accumulated amortisation	(169,857)	(162,753)
	58,528	6,112
	70,233	7,335

Reconciliations of the written down 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	3,548	17,738	21,286
Amortisation expense	(2,325)	(11,626)	(13,951)
Balance at 30 June 2024	1,223	6,112	7,335
Additions	11,904	59,520	71,424
Amortisation expense	(1,422)	(7,104)	(8,526)
Balance at 30 June 2025	11,705	58,528	70,233

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)	June 2030
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	June 2030

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	11,001	6,292
Other payables and accruals	36,708	11,099
	47,709	17,391
Non-current liabilities		
Other payables and accruals	47,140	-

Notes to the financial statements (continued)

Note 15. Trade and other payables (continued)

	2025 \$	2024 \$
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	94,849	17,391
Less: other payables and accruals (net GST refundable from the ATO)	24,023	1,961
	118,872	19,352

Note 16. Lease liabilities

	2025 \$	2024 \$
<i>Current liabilities</i>		
Land and buildings lease liabilities	50,700	46,369
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	375,810	376,741

Reconciliation of lease liabilities

	2025 \$	2024 \$
Opening balance	423,110	452,795
Remeasurement adjustments	38,200	2,178
Lease interest expense	14,598	15,297
Lease payments - total cash outflow	(49,398)	(47,160)
	426,510	423,110

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 available	Reasonably certain to exercise options	Lease term end date used in calculations
Sarina Branch	3.54%	5 years	1 x 5 years	Yes	April 2035

Note 17. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	720,109	720,109	720,109	720,109
Less: Equity raising costs	-	-	(32,091)	(32,091)
	720,109	720,109	688,018	688,018

Notes to the financial statements (continued)

Note 17. Issued capital (continued)

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.

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").

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.

Notes to the financial statements (continued)

Note 18. Capital management (continued)

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 provided for and paid during the period

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 14 cents per share (2024: 13 cents)	100,815	93,614

Franking credits

	2025 \$	2024 \$
Franking account balance at the beginning of the financial year	295,927	250,839
Franking credits (debits) arising from income taxes paid (refunded)	51,504	76,293
Franking debits from the payment of franked distributions	(33,605)	(31,205)
	313,826	295,927
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	313,826	295,927
Franking credits (debits) that will arise from payment (refund) of income tax	(6,179)	9,442
Franking credits available for future reporting periods	307,647	305,369

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.

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.

Notes to the financial statements (continued)

Note 20. Financial risk management (continued)

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

	2025 \$	2024 \$
Financial assets		
Trade and other receivables (note 10)	100,353	74,224
Cash and cash equivalents (note 9)	504,569	548,440
Investments (note 11)	546,994	522,231
	1,151,916	1,144,895
Financial liabilities		
Trade and other payables (note 15)	118,872	19,352
Lease liabilities (note 16)	426,510	423,110
	545,382	442,462

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

Accounting policy for financial instruments

Financial assets

Classification

Financial assets are measured 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.

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 \$504,569 and investments of \$546,994 at 30 June 2025 (2024: \$548,440 and \$522,231).

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.

Notes to the financial statements (continued)

Note 20. Financial risk management (continued)

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	71,732	47,140	-	118,872
Lease liabilities	51,565	206,258	244,932	502,755
Total non-derivatives	123,297	253,398	244,932	621,627

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2024				
Trade and other payables	19,352	-	-	19,352
Lease liabilities	47,160	188,640	271,170	506,970
Total non-derivatives	66,512	188,640	271,170	526,322

Note 21. Key management personnel disclosures

The following persons were directors of Sarina and District Community Financial Services Ltd during the financial year and up to the date of signing of these Financial Statements.

Karen Lesley May	Rainee Shepperson
Maree Gail Franettovich	Ann Fordyce
George Edward (Ted) Malone	Nicholas Paul McDougall

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.

Notes to the financial statements (continued)

Note 22. Related party transactions (continued)

Transactions with related parties

The following sponsorship transactions occurred with entities where a or multiple directors also sit on the board or committee:

	2025 \$	2024 \$
Mcckay Women's Services - Christmas appeal	250	500
Sarina Neighbourhood Centre - Christmas Appeal	250	-
Sarina Landcare and Catchment Association	21,945	1,808
Sarina Rural Skills Centre - Agricultural Competition	-	720
Grasstree Beach Progress Association	1,000	1,000
Sponsorship to Central Queensland Soil Health Systems Group where a directors son is the Secretary	3,144	-
Domestic Violence Resource Service - Community Grant Sarina Active Women's Group (Facilitated Group for Women Impacted by DFV)	2,700	-

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 \$
<i>Audit services</i>		
Audit or review of the financial statements	8,180	6,845
<i>Other services</i>		
Taxation advice and tax compliance services	1,967	700
General advisory services	3,485	4,285
Share registry services	8,777	5,350
	14,229	10,335
	22,409	17,180

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	87,133	130,388
Adjustments for:		
Depreciation and amortisation	67,228	100,701
Net loss on disposal of non-current assets	629	-
Lease liabilities interest	14,598	15,295

Notes to the financial statements (continued)

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

	2025 \$	2024 \$
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(24,357)	27,645
Increase in income tax refund due	(20,199)	-
Increase in deferred tax assets	(6,839)	(8,801)
Increase in trade and other payables	19,000	6,596
Decrease in provision for income tax	(2,909)	(17,468)
Increase in employee benefits	10,121	-
Increase in other provisions	894	866
Net cash provided by operating activities	145,299	255,222

Note 25. Earnings per share

	2025 \$	2024 \$
Profit after income tax	87,133	130,388

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	720,109	720,109
Weighted average number of ordinary shares used in calculating diluted earnings per share	720,109	720,109

	Cents	Cents
Basic earnings per share	12.10	18.11
Diluted earnings per share	12.10	18.11

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

Subsequent to year end, on 17 July 2025, the company entered into a new franchise agreement with Bendigo Bank. The agreement provides the company with rights to operate as a Community Bank franchisee for a further term of five years.

No other 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

For the financial year ended 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



Karen Lesley May
Chair

29 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 Sarina And District Community Financial Services Ltd

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Sarina And District Community Financial Services Ltd, 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 Sarina And District Community Financial Services Ltd (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
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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: 29 September 2025

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

Lachlan Tatt
Lead Auditor

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/communitybanksarina

