Annual Report 2026









Sarina and District Community Financial Services Limited

Community Bank Sarina

ABN 28 112 407 182

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Chair's report

For year ending 30 June 2026



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 focused 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'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.

We welcomed Erin Ryley as Branch Manager to lead our team. Unfortunately, due to family reasons, Erin resigned in June 2026 and Josephine Dahtler stepped into the acting Branch Manager role. Under Erin's leadership, we continued to see the business grow with increases across all areas. Thank you, Erin, for being part of Community Bank Sarina. In late 2025, we celebrated Kylie's (Customer Relationship Officer) 10 years of service and are very appreciative of not only her commitment to looking after customers, but also her passion for our community – thank you.

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. Communications with Bendigo Bank are delivered through online forums and weekly community bank notes delivered to every Director. 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, a local marketing agency, 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-one years of banking on 8 June 2026. I would like to thank the many people that have contributed to the success of Community Bank Sarina over the past twenty-one years.

Performance

This year has seen an increase in our overall profit. We have continued to contribute a significant amount of funds to the Bendigo Bank Community Foundation (formerly 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 $241.039 million. We have seen the Company's revenue increase from $1,650,680 to $1,833,048 while we have experienced a slight increase in operating costs from $1,104,802 to $1,162,839. This has resulted in an overall increase in the Company's profit before income tax of $159,193 compared to last year of $116,177. Overall, a very strong financial performance for the past twelve months.

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 contribute a direct benefit to the Sarina and district community. We have invested an amount of $511,016 in charitable donations, projects, sponsorships, advertising and promotions during the last financial year. Community contributions to the Bendigo Bank Community Foundation were $350,000 with $130,969 being distributed as community grants 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.

Over the past twelve months, the Board and branch team have continued to deliver the 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 also continue to deliver our Community Impact Strategy, which guides our decision making while enabling us to be responsive to community needs – the four pillars of the strategy 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 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 holders Chloe Paul graduated with a Bachelor of Agriculture and Taya Murray completed her Bachelor of Science (Chemistry). In 2026 we welcomed scholarship recipients Angus Lynch, who is studying a Bachelor of Business, Shaylee Noy who is completing a Bachelor of Education (Secondary) and Mackenzie Contor who is undertaking a Bachelor of Medical Laboratory Science (Honours).

We continue to offer our Vocational Education & Training (Apprenticeship) Scholarship and in 2026, the successful recipients were Jasmine Burke undertaking a Certificate III in Parks and Gardens, Reed Beveridge who is completing a mechanical apprenticeship and Luke Reeves, studying a Certificate III in Plumbing. We also acknowledge the apprenticeship completions of Andrew Vrbanic (Plumbing), Seumus Andrews (Parks & Gardens) and Jordan Ruddell (Boilermaking).

We continue to work with Sarina State High School, offering two scholarships for students commencing Year 11. This scholarship is for a two-year duration. The 2026 scholarships were awarded to Makayli Moyle and Makylha Bourke and last year's recipients – Katie Stevenson and Wyatt McKewen - continue to achieve great results as they complete Year 12. 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, Sarina District Schools Chaplaincy, Mackay Region Chamber of Commerce, and Resource Industry Network. We continue to achieve mutual benefits through these and many other relationships our team has in the community.

This year we partnered with Resource Industry Network to celebrate the new financial year, where Bendigo Bank Chief Economist David Robertson presented the July Economic Update. We also started the new financial year by hosting a special business networking event for our 21st birthday celebrations. 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. We also sponsored the Legacy Legends category at the Mackay Region Chamber of Commerce Business Awards 2026. 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 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, Stephen and State Manager, Gavin. Richard Fennell, as the Chief Executive Officer, continues to lead the Bank through an innovative change process. This year we have seen Bendigo Bank increase reporting requirements on community banks through a full attestation process and risk management reporting. It is only through our continued close working relationships with the Bendigo Bank team that our Company continues to be compliant and enables us to deliver to our shareholders a dividend of fifteen cents per share, fully franked, for 2025.

The Company could not continue to succeed without the commitment of the Board of Directors who have contributed their skills and 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 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, as well as Directors Nicholas McDougall, who resigned in November 2025, and Rainee Shepperson for their volunteer contribution. It is a privilege to lead a cohesive and innovative Board of Directors.

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 twelve 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 2026



To our valued Shareholders and Customers

With over seven years at Community Bank Sarina, I am proud to have the opportunity to step into the role of Acting Branch Manager. During my time with the branch, I have been fortunate to foster strong relationships with our customers and the wider community. I look forward to continuing the great work of our team and further enhancing our capabilities to support our customers' financial goals.

FY26 Results

It is my pleasure to announce that Community Bank Sarina once again achieved strong profitable growth for 2026. Our total business for the period 2025-2026 was $241.039 million, including small business, commercial, agribusiness and rural and financial markets. As of 30 June 2026, Community Bank Sarina held a deposit book of $152.042 million, demonstrating substantial growth. Our lending book increased to $88.997 million – admirable results across the board.

Performance

Our deposit book closed at $152.042 million, an increase of $14.678 million from June 2025, maintaining the strong trajectory of previous years by closing at 180% of our annual target. This demonstrates the continued confidence and trust that our customers and community place in the community bank model and our dedicated banking team.

Our lending book reached 131% of our consumer housing loan target. With 52 home loan settlements and 87 settlements between personal loans and credit cards, the lending activity in the branch remains strong. In an evolving financial landscape marked by increasing competition from online and brokerage channels, this is a favourable outcome. We remain highly competitive by offering market-leading products and relationship-driven service, supporting our customers at every stage of their financial lifecycle.

The team

Our banking team is the backbone of our business; their dedication, passion and consistent hard work underpin our continued achievements. In an evolving and fast-paced financial landscape, our team has demonstrated exceptional agility and resilience to navigate industry changes effectively. I extend my sincere gratitude to our branch staff for their unwavering commitment and the genuine care they provide to our shareholders, customers and the wider community. We were also delighted to welcome Di and Carlton to the team this year, each bringing valuable expertise and fresh perspectives to our branch.

Josephine – Acting Branch Manager

Kylie – Customer Relationship Officer

Terri – Customer Service Officer

Di – Customer Service Officer

Carlton – Customer Service Officer

Complementing our branch network, our Business and Agribusiness specialists deliver market-leading products and tailored solutions. In line with our *One Community* commitment, we remain dedicated to putting customers first. Sincere thanks to the teams.

Harriet – Regional Manager QLD & NT (Business Banking)

Luke – Senior Business Relationship Manager (Business Banking)

Harry – Agribusiness Relationship Manager (Agribusiness Banking)

Appreciation

It is difficult to overstate the contribution of our Board of Directors. The countless hours, advocacy and strategic stewardship they provide, in conjunction with strong governance, ensures Community Bank Sarina continues to operate as a profit for purpose organisation. On behalf of the entire banking team, thank you for your continued guidance, dedication and support.

We also acknowledge our former Regional Manager, Stephen Myers. While Steve is now enjoying a well-earned retirement, we remain deeply grateful for his valued leadership and mentorship.

To our shareholders and customers: thank you. By choosing to bank with Community Bank Sarina, you directly enable us to reinvest in the community where we live, work and grow. Your advocacy ensures we continue feeding into the prosperity of our region, creating real community impact for years to come.

As the proverb wisely notes, *"The best time to plant a tree was 20 years ago. The second-best time is now."* I encourage anyone considering joining Community Bank Sarina to partner with us today by allowing our team to support your financial goals while strengthening our region.

Thank you

Josephine Dahtler
Manager
Community Bank Sarina

Bendigo and Adelaide Bank report

For year ending 30 June 2026

This year marked the first chapter of delivering on Bendigo Bank's 2030 Strategy.

Our purpose remains central to who we are – to feed into the prosperity of our customers and community – and our strategy brings a new focus on areas including innovation, digital ease and setting the benchmark for trust and societal impact.

We are making strong progress with new digital features to enhance the customer experience. Notably, Community Link is allowing customers to join us through e-banking while retaining a connection to their local branch.

In FY26, more than $51.7 million was invested back into local communities, adding to a total of $467 million since 1998. Our Scholarship Program remains one of the largest of its kind in Australia, with an incredible 70 Community Banks participating in 2026, and more than $1.6m in scholarships awarded.

Our model evolution project is now helping to inform a holistic strategic review of the Community Bank model. The review is considering a broad range of factors to strengthen the model for the future, including growth, community impact, revenue share and non-financial risk. As an organisation, we remain committed to the Community Bank model and the important role it plays in achieving our 2030 Strategy.

Bendigo Bank has been supporting customers and communities across Australia for more than 160 years and for the past 27 years, the Community Bank model has been a driving force for positive impact.

On behalf of Bendigo Bank, thank you for being a shareholder in your local Community Bank. Your belief and support of our purpose have been instrumental in our success. I look forward to seeing us grow together and continue supporting our communities to prosper.

Warmest regards,

Justine Minne
Head of Community Banking, Bendigo Bank

Community Bank National Council

CBNC: Supporting Local Leadership and National Strategy

On behalf of the Community Bank network, we acknowledge and thank our shareholders for your continued support. The Community Bank model remains one of the most distinctive in Australian banking, combining commercial strength with genuine community purpose.

Over the past year, the Community Bank National Council (CBNC) has continued its important role as the conduit between Community Bank companies and Bendigo Bank (BEN). As the formally recognised representative body of the network, the CBNC ensures the voice of local Directors is heard in national discussions, while keeping Community Bank companies informed on strategic developments that shape our future.

Supporting BEN's 2030 Strategy

The Community Bank model continues to evolve as part of BEN's 2030 strategy, with a focus on long-term strength and sustainability. A jointly led BEN and CBNC Model Evolution project has enabled the CBNC to engage deeply with the network seeking feedback on the challenges and opportunities ahead. The priority being given to this ongoing work reflects the importance of Community Banks to BEN's success and commitment to local communities.

Gathering in our nation's capital

Last September, more than 500 Directors representing 142 Community Bank companies from every state and territory came together for the Community Bank National Conference. It was one of the largest gatherings of our network in recent years, and the CBNC played a key role in contributing to the agenda.

The conference created space for open dialogue between Directors and BEN executives, while also reinforcing the unique value of the Community Bank model. For many, it was also a timely reminder of the strength of peer connection - the opportunity to share challenges, exchange ideas, and look to the future.

Social enterprise leadership

With an entrenched "profit for purpose" approach, the Community Bank moves beyond traditional banking by helping to sustain local economies. The combined community impact of this approach is significant, with several recent examples evidenced across the network.

The partnership between the Bendigo Bank Community Foundation and the Australian Centre for Rural Entrepreneurship (ACRE) is just one example. It demonstrated what collective action can achieve through the buyback of the Old Beechworth Gaol.

The community asset buyback was supported by $8.6 million in capital, including $2.2 million from BEN and Community Bank companies. It has created a nationally significant example of community ownership in action and provides a tangible example of our social enterprise leadership.

New 'Community Link' feature returns profits to communities

As customer expectations evolve, BEN continues to invest in digital capability while protecting the strength of local connection. A clear example is Community Link, a new feature introduced to the Bank's App during the past year.

The feature allows new customers, who join digitally, to nominate a community or corporate branch as their home branch. Customers can have the satisfaction they're contributing to a community they care about without having to set foot in a branch to do so.

The CBNC have been very supportive of this new feature which powerfully bridges BEN's digital future with its renowned community focus. In many ways, it reinforces BEN's commitment to innovation, while serving its core purpose to feed into the prosperity of the community.

Together, these initiatives demonstrate the enduring strength of the Community Bank model in balancing both commercial success with community impact. As the network continues to evolve, the CBNC remains committed to ensuring the network has a strong voice in shaping the future. We thank shareholders for the ongoing support that makes this unique model possible.

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 underpin 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 2026



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 focuses 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 is only 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.

Defibrillator Initiative

The Defibrillator Initiative was introduced in 2026 to support improved health and wellbeing outcomes across the greater Sarina district community through the supply of a portable defibrillator and carry case to eligible local organisations. This is a device we would like to think would never need to be used, however we want to support organisations to ensure they are emergency ready with a lifesaving device should the situation arise.

Community Grants

A community grant is focused 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 Bendigo Bank Community Foundation.

Donations

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



L-R Josephine Dahtler (Acting Branch Manager Community Bank Sarina), Maree Franettovich (Deputy Chair), Mary-Ann Slater (President Sarina Art Gallery), Karen May (Chair), Di Owens & Kylie Schulze (Branch Team) celebrating the official opening of the new roof cover over the deck supported through a Community Grant.



Wongabeena Village signage acknowledging support through community grant for additional unit development.

Community Engagement Program (continued)



Higher Education Scholarship Presentation 2026

L-R Maree Franettovich (Deputy Chair), Karen May (Chair), Angus Lynch & Shaylee Noy (Scholarship Recipients), Josephine Dahtler (Acting Branch Manager), Prof Rob Brown (Assoc Vice-President Mackay & Greater Whitsunday CQUniversity). Absent: Mackenzie Contor Scholarship Recipient.

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 an undergraduate degree. There are two Scholarships available of $9,000 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 $6,000 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.



Apprentice Scholarship Presentation 2026

L-R Karen May (Chair), Luke Reeves, Reed Beveridge & Jasmine Bourke (Apprentice Scholarship Recipients), Josephine Dahtler (Acting Branch Manager), Prof Rob Brown (Assoc Vice-President Mackay & Greater Whitsunday CQUniversity), Maree Franettovich (Deputy Chair).

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 Years 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.



Sarina State High School Scholarship Presentation 2026

L-R Ann Fordyce (Director), Josephine Dahtler (Acting Branch Manager), Makayli Moyle & Makylha Bourke (Scholarship Recipients), Maree Franettovich (Deputy Chair).

Community Investment 2025-2026

The tables below set out the major financial investment of the Community Engagement Program actually disbursed in the 2025-2026 financial year.

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

SCHOLARSHIP PROGRAM	
Program	Amount $
Community Bank Sarina Higher Education Student Scholarship 2026-2027 in association with CQUniversity (2 x $9,000)	18,000.00
Community Bank Sarina Vocational Education and Training (Apprenticeship) Scholarship 2026-2029 in association with CQUniversity (2 x $6,000)	12,000.00
Community Bank Sarina Senior Schooling Community Citizenship Student Scholarship 2025-2026 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 $
Sarina Show Society Inc	Master Plan for Sarina Showgrounds	30,000.00
St Lawrence Recreation Group Inc	Facilities Upgrade – Cold-room, Bar & Kitchen	20,000.00
Mackay Isaac Koala Conservation Network - Koala Rescue and Trauma Care Inc	Specialist portable imaging equipment for sick & injured koalas	14,990.00
The Neighbourhood Hub	New Beginnings: Safety Skills & Connection Program	11,820.00
Sarina Landcare Catchment Management Association Inc	Facilities Upgrade – Potting Benches & Lighting	8,700.00
Sarina Fibre Arts Group Inc	Clubhouse External Refurbishment	8,187.00
Whitsunday STEM Challenge Inc	Drone Soccer Equipment	8,000.00
Mackay Men's Shed	Equipment – Table Saw & Lighting upgrade	4,720.00

(Note: These figures are ex GST unless otherwise stated.)

Sarina Fibre Arts Open Day celebrating the clubhouse refurbishment







Left: President Celia Gutschlag welcomes Josephine Dahtler (Acting Branch Manager).

Community Engagement Program (continued)

SPONSORSHIP PROGRAM		
Organisation	Project	Amount $
My Hospital Foundation (formerly Mackay Hospital Foundation)	Mackay Region Volunteer Program	10,000
Sarina & District Schools Chaplaincy	Transition to High School Program	10,000
Mackay Region Chamber of Commerce	Corporate Sponsorship Annual	7,500
Sarina Surf Life Saving Club	Naming Rights - Cruisin' the Coast Beach Run & Ocean Swim 2026	7,500
Bakers Creek Tigers AFL Club	Partnering Sponsorship	5,000
Sarina Cricket Club	Partnering Sponsorship	5,000
Sarina Show Society	Gold Sponsorship 2026	5,000
Sarina Poultry	Sponsorship 2026 incl 60-year celebration	3,000
Mackay Pet Rescue	Sponsorship 2026	3,000
Mackay City Rollers	Sponsorship 2026	3,000
Sarina Bowls Club	Club Sponsorship	3,000
Resource Industry Network	Gold Pass Sponsorship	2,500
Sarina Saints Football Club	Sponsorship 2025 & 2026 Women's Carnival	2,000
Sarina District Progress Assoc	Sponsorship 2026	1,000
St Lawrence Wetlands Festival Working Group	Wetlands Festival 2026	1,000
Cape Palmerston Holiday Park	Camp Oven Cook Off 2026	750
St Anne's Catholic Primary School P&F	Garden Party Event	500
Breakaway Horse Riders	Club Sponsorship incl Charity Ride 2026	500

(Note: Sponsorship totals are ex GST and represent direct payments to the organisation in 2025 – 26 however do not include the significant additional contributions for sponsorship 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.)

Sarina Cricket Club President celebrating the season with Junior players, coaches and support team



Community Engagement Program (continued)

DEFIBRILLATOR SPONSORSHIP PROGRAM

The total of $25,139 was invested through this program, which provides a lifesaving portable defibrillator and carry case to the following organisations.

131 Army Cadet Unit Sarina	Sarina & District Community Kindergarten
Homebush State School P&C	Sarina Museum
Kalyan Youth Service	Sarina Saints Football Club
Mackay City Rollers	Sarina Show Society
Mercenaries of Western Europe	Swayneville State School P&C
Queensland Mud Trials Assoc	Wongabeena Aged Housing Sarina

Saving Lives Defibrillator Initiative - presentation to recipients



MARQUEE SPONSORSHIP PROGRAM

The total of $9,885 was invested through this program, which provides a co-branded marquee and/or a range of physical promotional items to the following organisations:

Islamic Society of Mackay	Sarina Saints Football Club
Sarina District Schools Chaplaincy	Sarina Tourist Arts & Craft

Community Engagement Program (continued)

Donation presentation to support Crossroad Arts Annual Giving Program



DONATIONS

A number of organisations across the greater Sarina community benefitted through donations this year totalling $12,222. These organisations provide much needed support and services mostly through volunteers. The support ranged from $50 to $1,000.

131 Army Cadet Unit Sarina
Alligator Creek State School P&C (Playgroup)
Breakaway Horse Riders Club
Crossroad Arts
Eton State School P&C
Homebush State School P&C (Playgroup)
Kidney Support Network
Koumala Community Hall
Koumala State School P&C (Gumnuts Playgroup)
Mackay & District Turtle Watch Assoc
Mackay Pet Rescue
Mainly Music Sarina
My Hospital Foundation
Oakenden State School P&C (Playgroup)

Sarina Men's Shed
Sarina & District Community Kindergarten (Playgroup)
Sarina Food Hand Up
Sarina Junior Rugby League Football Club
Sarina Museum (Sarina & District Historical Society)
Sarina Scout Group
Sarina Western Performance & Equestrian Club
Swayneville State School (Playgroup - Swayney Little Buddies)
The Held Project
The Neighbourhood Hub
Wongabeena Aged Housing Sarina
Zonta Club of Mackay

A special donation of $10,000 was made to the 2026 Victorian Bushfire Appeal through the Bendigo Bank Community Foundation to support those communities impacted by the devastating bushfires.

Profit for Purpose in Action

For 21 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 $5.3 million supporting 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 local profits 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 powering positive change in Sarina and beyond.

That's the impact of profit for purpose.

Community Impact Award



131 Army Cadet Unit Sarina

The Community Impact Award recognises organisations that uplift the greater Sarina community through integrity, leadership, inclusion and a steadfast commitment to creating positive change. Each year, the award comprises a plaque and a $1,000 donation to the selected organisation.

In 2025, the Award was presented to 131 Army Cadet Unit Sarina in recognition of its dedication to developing confident, capable young people while strengthening community connections. Through leadership development, teamwork and service, the Unit provides local youth with opportunities to build confidence, discipline and lifelong skills, while fostering friendships and proudly supporting commemorative events and community activities across the greater Sarina region.

"Thank you to the Board of Community Bank Sarina for recognising our organisation with the Community Impact Award for 2025 – it warms my heart that we are seen as such a vital part of the community",

131 Army Cadet Unit Officer Commanding Captain (AAC) Amy Bradford

Directors' report

For the financial year ended 30 June 2026

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2026.

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 22 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 29 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 two-year period. Karen has been Director/Chair of Mackay Housing Company and Connect Housing Group for the past 15 years whose goal is to deliver affordable housing solutions. Karen also is 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 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 & Risk Committee, Member Business & Community Engagement Committee

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, Maree was a lecturer in Business at CQUniversity, where she co-founded 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; CS Environmental; former Director of Mackay Regional Housing Company Ltd and Connect Housing; and a former Committee Member of Regional Development Australia – Greater Whitsundays. Maree is an appointed member of CQUniversity Council since May 2026. She also 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.



Rainee Shepperson

Title: Non-executive director

Experience and expertise: Rainee 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 Master of Business Administration – Marketing (MBA) at Australian Institute of Business. As Marketing and Communications Manager for a major mining company and with past experience as a news reporter and in stakeholder engagement roles, Rainee 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. Rainee also is a Non-Executive Director of Mackay Isaac Tourism.

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

Directors (continued)



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 (CA ANZ). She holds a Bachelor of Financial Administration (B Fin Admin) 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 were 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 director 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 QLD") 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

Patrick Lewis Haughton

Title: Non-executive director (appointed 1 September 2026)

Experience and expertise: Patrick (Pat) is a Queensland Police Officer with 10 years of service and has been appointed as a Detective and Police Negotiator. Through his professional career, Pat has developed extensive experience in communication, critical decision-making, leadership, conflict resolution, risk management and working with people from diverse backgrounds. Pat is a passionate advocate for regional and rural communities and is actively involved in several community groups, committees and sporting organisations. He is involved as President of the St Lawrence Recreation Group and serves as Chairperson of the St Lawrence Wetlands Festival Working Group. His governance and leadership experience extends across a number of sporting organisations, including Tribunal and Judicial roles with Queensland Rugby League and Mackay Basketball. These roles have provided Pat with considerable experience in governance, integrity, policy, dispute resolution, stakeholder engagement and strategic decision-making. Pat is committed to supporting local communities and contributing to organisations that create positive and sustainable outcomes for regional Queensland.

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

Directors (continued)

Matthew Patrick Thomas Doyle

Title: Non-executive director (appointed 1 September 2026)

Experience and expertise: Matthew holds a Bachelor of Commerce from James Cook University and is a Certified Practising Accountant (CPA) with a strong background in finance, management and investment, having worked in various accounting and management positions across the finance and mining industries throughout his career. Matthew is currently the Executive Manager of Business Improvement at Dalrymple Bay Coal Terminal Pty Ltd, one of the world's leading export facilities. In his role, Matthew oversees key operational areas including Port Security & Supply (Warehousing, Contracts, Procurement & Inventory Management), Information Technology (incorporating Cyber Security), Control Systems, Major Projects and Business Planning & Strategy, driving continuous improvement and providing critical support services to the business. His extensive experience within leadership positions establishes him as a strong advocate for the application of proven leadership and personal effectiveness principles supported by experience in accounting, project management, business improvement, risk management, organisational culture and leadership.

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

Angela Julian

Title: Non-executive director (appointed 1 September 2026)

Experience and expertise: Angela (Ange) holds a Bachelor of Creative Arts from the University of Southern Queensland and is currently completing a Certificate in Engagement through IAP2 Australasia. She has more than 25 years' experience in communications, community engagement and stakeholder relations across media, industry and government, including 17 years in commercial radio in the Mackay region. As Community Relationship Advisor at North Queensland Bulk Ports, Ange is passionate about community investment and helping local organisations access the support they need. She has called Sarina home for 18 years and is committed to strengthening the community, remaining an active volunteer in local sport and community events.

Special responsibilities: Member Business & Community Engagement Committee

Nicholas Paul McDougall

Title: Non-executive director (resigned 13 November 2025)

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

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 $119,173 (2025: $87,133).

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.

	2026 $	2025 $
Fully franked dividend of 15 cents per share (2025: 14 cents)	**108,016**	**100,815**

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

On 18 August 2026, APRA imposed licence conditions on Bendigo Bank relating to its non-financial risk management framework. Bendigo Bank subsequently announced a multi-year rectification program in response to those conditions.

Whilst neither APRA's announcement nor Bendigo Bank's public announcement specifically refers to Community Bank companies, the directors acknowledge that remediation and review activities may extend across Bendigo Bank's broader branch network, which may include Community Bank branches. At the date of this report, the outcome of those activities, and any resulting impacts on the company, if any, are not known and cannot presently be determined.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments

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

Environmental regulation

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

Meetings of directors

The number of directors' meetings (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	10	11	10	10	10
Maree Gail Franettovich	11	10	11	10	10	10
Rainee Shepperson	11	9	11	8	10	8
Ann Fordyce	11	10	11	10	10	9
Patrick Lewis Haughton	-	-	-	-	-	-
Matthew Patrick Thomas Doyle	-	-	-	-	-	-
Angela Julian	-	-	-	-	-	-
Nicholas Paul McDougall	4	4	-	-	4	3

Directors' benefits

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

Directors' interests

The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Karen Lesley May	1,500	-	1,500
Maree Gail Franettovich	8,850	-	8,850
Rainee Shepperson	-	-	-
Ann Fordyce	1,000	-	1,000
Patrick Lewis Haughton	-	-	-
Matthew Patrick Thomas Doyle	-	-	-
Angela Julian	-	-	-
Nicholas Paul McDougall	3,400	-	3,400

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 2026 and up to the date of this report.

Indemnity and insurance of directors and officers

The company has indemnified all directors and management in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or management of the company except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

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

Indemnity and insurance of auditor

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

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

Non-audit services

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 24 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

15 September 2026



2025 AGM









Congratulations CEP 2025 Recipients









CEP Information Session



Small Business Month Luncheon





Congratulations Jordan







Resource Industry Network





B2B Birthday Brews











Kylie's 10 years' service





Evening Networking



Best in Business Awards



Congratulations Chloe





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 2026, I declare that, to the best of my knowledge and belief, there have been:

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 15 September 2026

Lachlan Tatt
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation.

Financial statements

Statement of profit or loss and other comprehensive income
for the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue from contracts with customers	7	1,792,420	1,592,995
Other revenue		4,350	-
Finance revenue		36,278	57,685
Total revenue		**1,833,048**	**1,650,680**
System costs		(22,432)	(22,047)
Advertising and marketing costs		(192,143)	(204,065)
Employee benefits expense	8	(611,474)	(567,090)
Occupancy and associated costs		(61,405)	(58,909)
Depreciation and amortisation expense	8	(70,866)	(67,228)
General administration expenses		(189,425)	(169,971)
Finance costs		(15,094)	(15,492)
Total expenses before community contributions and income tax expense		**(1,162,839)**	**(1,104,802)**
Profit before community contributions and income tax expense		**670,209**	**545,878**
Charitable donations, sponsorships, and grants expenses	8	(511,016)	(429,701)
Profit before income tax expense		**159,193**	**116,177**
Income tax expense	9	(40,020)	(29,044)
Profit after income tax expense for the year		**119,173**	**87,133**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**119,173**	**87,133**
		Cents	**Cents**
Basic earnings per share	26	16.55	12.10
Diluted earnings per share	26	16.55	12.10

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

Statement of financial position
for the year ended 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	10	32,905	504,569
Trade and other receivables	11	126,049	114,767
Investments	12	1,020,518	546,994
Current tax assets	9	-	20,199
Total current assets		**1,179,472**	**1,186,529**
Non-current assets			
Property, plant and equipment	13	96,729	111,126
Right-of-use assets	14	331,165	368,492
Intangible assets	15	55,949	70,233
Deferred tax assets	9	16,657	16,351
Total non-current assets		**500,500**	**566,202**
Total assets		**1,679,972**	**1,752,731**
Liabilities			
Current liabilities			
Trade and other payables	16	28,621	56,200
Lease liabilities	17	50,700	50,700
Current tax liabilities	9	3,010	-
Employee benefits		2,958	10,121
Total current liabilities		**85,289**	**117,021**
Non-current liabilities			
Trade and other payables	16	31,426	47,140
Lease liabilities	17	338,414	375,810
Lease make good provision		27,078	26,152
Total non-current liabilities		**396,918**	**449,102**
Total liabilities		**482,207**	**566,123**
Net assets		**1,197,765**	**1,186,608**
Equity			
Issued capital	18	688,018	688,018
Retained earnings		509,747	498,590
Total equity		**1,197,765**	**1,186,608**

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

Statement of changes in equity
for the year ended 30 June 2026

	Note	Issued capital $	Retained earnings $	Total equity $
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**
Transactions with owners in their capacity as owners:				
Dividend provided for or paid	20	-	(100,815)	(100,815)
Balance at 30 June 2025		**688,018**	**498,590**	**1,186,608**
Balance at 1 July 2025		**688,018**	**498,590**	**1,186,608**
Profit after income tax expense		-	119,173	119,173
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		**-**	**119,173**	**119,173**
Transactions with owners in their capacity as owners:				
Dividend provided for or paid	20	-	(108,016)	(108,016)
Balance at 30 June 2026		**688,018**	**509,747**	**1,197,765**

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

Statement of cash flows
for the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,975,956	1,731,104
Payments to suppliers and employees (inclusive of GST)		(1,810,696)	(1,587,008)
Interest received		37,132	52,707
Income taxes paid		(21,808)	(51,504)
Net cash provided by operating activities	**25**	**180,584**	**145,299**
Cash flows from investing activities			
Payments for investments		(473,524)	(24,763)
Payments for property, plant and equipment	13	(4,520)	(1,228)
Payments for intangible assets		(14,285)	(12,966)
Net cash used in investing activities		**(492,329)**	**(38,957)**
Cash flows from financing activities			
Interest and other finance costs paid		(14,169)	(14,598)
Dividends paid	20	(108,016)	(100,815)
Repayment of lease liabilities		(37,734)	(34,800)
Net cash used in financing activities		**(159,919)**	**(150,213)**
Net decrease in cash and cash equivalents		(471,664)	(43,871)
Cash and cash equivalents at the beginning of the financial year		504,569	548,440
Cash and cash equivalents at the end of the financial year	**10**	**32,905**	**504,569**

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 2026

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 15 September 2026. 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 recently 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 2026. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 (effective for annual reporting periods beginning on or after 1 January 2027) will replace AASB 101 *Presentation of Financial Statements*. Early adoption is permitted.

The new standard does not change how amounts are recognised or measured. However, it will change how information is presented and disclosed in the financial statements. This includes a revised structure for the statement of profit or loss and other comprehensive income, new subtotals, and additional disclosures for certain performance measures.

The company intends to adopt the standard from 1 July 2027. The impact is expected to be limited to changes in presentation and disclosure.

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 include 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.

Note 3. Material accounting policy information (continued)

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.

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 & Poor's, 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.

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

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.

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 economic 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 has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in June 2030.

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.

Note 5. Economic dependency (continued)

Bendigo Bank provides significant assistance in establishing and maintaining the Community Bank franchise operations. It also continues to provide ongoing management and operational support and other assistance and guidance in relation to all aspects of the franchise operation, including advice and assistance in relation to:

- the design, layout and fit out of the Community Bank premises
- training for the branch manager and other employees in banking, management systems and interface protocol
- methods and procedures for the sale of products and provision of services
- security and cash logistic controls
- calculation of company revenue and payment of many operating and administrative expenses
- the formulation and implementation of advertising and promotional programs
- sales techniques and proper customer relations
- providing payroll services.

Note 6. Restatement of comparatives

During the current year, the Company refined its approach to presenting financial assets and liabilities within the financial risk management note to better align with the requirements of AASB 132 *Financial Instruments: Presentation*.

As a result, comparative amounts have been updated to exclude prepayments and net refundable balances with the Australian Taxation Office, including GST, PAYG withholding and PAYG instalment balances, from financial assets at amortised cost.

This change relates solely to the presentation of financial instruments within the financial risk management note and has no impact on the Company's reported profit, net assets, cash flows or equity.

Note 7. Revenue from contracts with customers

	2026 $	2025 $
Margin income	1,546,819	1,363,317
Fee income	93,600	92,577
Commission income	152,001	137,101
	1,792,420	**1,592,995**

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.

Note 7. Revenue from contracts with customers (continued)

Margin income

Margin income on core banking products is arrived at through the following calculation:

	Interest paid by customers on loans less interest paid to customers on deposits
plus:	any deposit returns i.e. interest return applied by Bendigo Bank for a deposit
minus:	any costs of funds i.e. interest applied by Bendigo Bank to fund a loan.

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

Commission income

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

Fee income

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

Core banking products

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

Ability to change financial return

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

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

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

Note 8. Expenses

Employee benefits expense

	2026 $	2025 $
Wages and salaries	503,008	450,722
Non-cash benefits	-	2,665
Superannuation contributions	58,756	51,760
Expenses related to long service leave	8,615	7,004
Other expenses	41,095	54,939
	611,474	**567,090**

Accounting policy for employee benefits

The company seconds 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.

Note 8. Expenses (continued)

Depreciation and amortisation expense

	2026 $	2025 $
Depreciation of non-current assets		
Leasehold improvements	12,061	13,858
Plant and equipment	6,856	9,638
	18,917	**23,496**
Depreciation of right-of-use assets		
Leased land and buildings	**37,665**	**35,206**
Amortisation of intangible assets		
Franchise fee	2,380	1,422
Franchise renewal fee	11,904	7,104
	14,284	**8,526**
	70,866	**67,228**

Charitable donations, sponsorships and grants expense

	2026 $	2025 $
Direct donation, sponsorship and grant payments	161,016	154,701
Contribution to the Bendigo Bank Community Foundation	350,000	275,000
	511,016	**429,701**

The funds contributed to and held by the Bendigo Bank Community Foundation (BBCF) 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 BBCF. Directors are responsible for determination of the payment of community grants, however the funds are not refundable to the company.

Bendigo Bank Community Foundation contributions

	2026 $	2025 $
Disaggregation of BBCF funds		
Opening balance	841,689	1,208,791
Contributions paid in	350,000	275,000
Grants paid out	(130,969)	(706,686)
Interest received	38,437	51,946
Management fees incurred	(17,498)	(12,362)
GST refunded for grants	7,052	25,000
Balance available for distribution	**1,088,711**	**841,689**

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

Note 9. Income tax

	2026 $	2025 $
Income tax expense		
Current tax	40,326	35,883
Movement in deferred tax	(306)	(6,839)
Aggregate income tax expense	**40,020**	**29,044**
Prima facie income tax reconciliation		
Profit before income tax expense	**159,193**	**116,177**
Tax at the statutory tax rate of 25%	39,798	29,044
Tax effect of:		
Non-deductible expenses	222	-
Income tax expense	**40,020**	**29,044**

	2026 $	2025 $
Deferred tax assets/(liabilities) attributable to:		
expense accruals	1,350	1,225
employee provisions	740	2,885
make-good provision	6,770	6,538
lease liabilities	97,278	106,627
property, plant and equipment	(5,258)	(7,157)
income accruals	(1,432)	(1,644)
right-of-use assets	(82,791)	(92,123)
Deferred tax asset	**16,657**	**16,351**

	2026 $	2025 $
Income tax refund due	**-**	**20,199**

	2026 $	2025 $
Provision for income tax	**3,010**	**-**

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 10. Cash and cash equivalents

	2026 $	2025 $
Cash at bank and on hand	**32,905**	**504,569**

Note 11. Trade and other receivables

	2026 $	2025 $
Trade receivables	**94,265**	**93,774**
Other receivables and accruals	15,711	8,491
Accrued income	5,725	6,579
Prepayments	10,348	5,923
	31,784	**20,993**
	126,049	**114,767**

	2026 $	2025 $
Financial assets at amortised cost classified as trade and other receivables		
Total trade and other receivables	126,049	114,767
Less statutory receivables, included in trade and other receivables	(15,711)	(8,491)
Less prepayments, included in trade and other receivables	(10,348)	(5,923)
	99,990	**100,353**

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 12. Investments

	2026 $	2025 $
Current assets		
Term deposits	**1,020,518**	**546,994**

Note 13. Property, plant and equipment

	2026 $	2025 $
Leasehold improvements - at cost	272,237	272,237
Less: Accumulated depreciation	(184,984)	(172,923)
	87,253	**99,314**
Plant and equipment - at cost	208,491	203,971
Less: Accumulated depreciation	(199,015)	(192,159)
	9,476	**11,812**
	96,729	**111,126**

Note 13. Property, plant and equipment (continued)

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 $	Total $
Balance at 1 July 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**
Additions	-	4,520	4,520
Depreciation	(12,061)	(6,856)	(18,917)
Balance at 30 June 2026	**87,253**	**9,476**	**96,729**

Accounting policy for property, plant and equipment

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

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

Leasehold Improvements	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 14. Right-of-use assets

	2026 $	2025 $
Land and buildings - right-of-use	555,357	555,019
Less: Accumulated depreciation	(224,192)	(186,527)
	331,165	**368,492**

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 2024	365,498
Remeasurement adjustments	38,200
Depreciation expense	(35,206)
Balance at 30 June 2025	**368,492**
Remeasurement adjustments	338
Depreciation expense	(37,665)
Balance at 30 June 2026	**331,165**

Note 14. Right-of-use assets (continued)

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 17 for more information on lease arrangements.

Note 15. Intangible assets

	2026 $	2025 $
Franchise fee	105,677	105,677
Less: Accumulated amortisation	(96,352)	(93,972)
	9,325	**11,705**
Franchise renewal fee	228,385	228,385
Less: Accumulated amortisation	(181,761)	(169,857)
	46,624	**58,528**
	55,949	**70,233**

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 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**
Amortisation expense	(2,380)	(11,904)	(14,284)
Balance at 30 June 2026	**9,325**	**46,624**	**55,949**

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 16. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	3,830	11,001
Other payables and accruals	24,791	45,199
	28,621	**56,200**
Non-current liabilities		
Other payables and accruals	31,426	47,140
	60,047	**103,340**

Note 17. Lease liabilities

	2026 $	2025 $
Current liabilities		
Land and buildings lease liabilities	50,700	50,700
Non-current liabilities		
Land and buildings lease liabilities	338,414	375,810
	389,114	**426,510**

Reconciliation of lease liabilities

	2026 $	2025 $
Opening balance	426,510	423,110
Remeasurement adjustments	338	38,200
Lease interest expense	14,169	14,598
Lease payments - total cash outflow	(51,903)	(49,398)
	389,114	**426,510**

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 18. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
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**

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 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.

Note 18. Issued capital (continued)

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 19. Capital management

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

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

The distribution limit is the greater of:

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

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

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

Note 20. 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.

	2026 $	2025 $
Fully franked dividend of 15 cents per share (2025: 14 cents)	**108,016**	**100,815**

Franking credits

	2026 $	2025 $
Franking account balance at the beginning of the financial year	331,725	313,826
Franking credits (debits) arising from income taxes paid (refunded)	21,808	51,504
Franking debits from the payment of franked distributions	(36,004)	(33,605)
	317,529	**331,725**
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	317,529	331,725
Franking credits (debits) that will arise from payment (refund) of income tax	12,339	(6,179)
Franking credits available for future reporting periods	**329,868**	**325,546**

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 21. 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- by Standard & Poor's credit ratings.
- The company has no direct exposure to movements in commodity prices.
- The company's interest-bearing instruments are held at amortised cost which have fair values that approximate their carrying value since all cash and payables have maturity dates within 12 months.
- The company has no borrowings.

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

	2026 $	2025 $
Financial assets		
Cash and cash equivalents (note 10)	32,905	504,569
Trade and other receivables excluding prepayments (note 11)	99,990	100,353
Investments (note 12)	1,020,518	546,994
	1,153,413	**1,151,916**
Financial liabilities		
Trade and other payables (note 16)	60,047	103,340
Lease liabilities (note 17)	389,114	426,510
	449,161	**529,850**

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.

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

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

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.

Note 21. Financial risk management (continued)

Derecognition

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

Market risk

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

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of $32,905 and investments of $1,020,518 at 30 June 2026 (2025: $504,569 and $546,994).

Price risk

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

Liquidity risk

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

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

	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
2026				
Trade and other payables	28,621	31,426	-	60,047
Lease liabilities	51,565	206,258	193,367	451,190
Total non-derivatives	**80,186**	**237,684**	**193,367**	**511,237**

	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
2025				
Trade and other payables	56,200	47,140	-	103,340
Lease liabilities	51,565	206,258	244,932	502,755
Total non-derivatives	**107,765**	**253,398**	**244,932**	**606,095**

Note 22. 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	Maree Gail Franettovich	Patrick Lewis Haughton
Matthew Patrick Thomas Doyle	Rainee Shepperson	Ann Fordyce
Angela Julian	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 23. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 22.

Receivable from and payable to related parties

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

Terms and conditions of transactions with related parties

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

Transactions with related parties

The following sponsorships, community grants and donations were made by the company or through the Bendigo Bank Community Foundation to entities where a director or a close family member of a director also serves on the board or committee:

	2026 $	2025 $
Sarina Landcare and Catchment Association *Inc*	11,010	21,945
Sarina Show Society	37,095	-
Mackay Women's Services - Christmas appeal	-	250
Grasstree Beach Progress Association	-	1,000
Central Queensland Soil Health Systems Group	-	3,144
Sarina Neighbourhood Centre, Christmas Appeal	-	250
Domestic Violence Resource Service, Community Grant (Sarina Active Women's Group)	-	2,700

Note 24. 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:

	2026 $	2025 $
Audit services		
Audit or review of the financial statements	**8,240**	**8,180**
Other services		
Taxation advice and tax compliance services	2,162	1,967
General advisory services	4,745	3,485
Share registry services	14,079	8,777
	20,986	**14,229**
	29,226	**22,409**

Note 25. Reconciliation of profit after income tax to net cash provided by operating activities

	2026 $	2025 $
Profit after income tax expense for the year	119,173	87,133
Adjustments for:		
Depreciation and amortisation	70,866	67,228
Net loss on disposal of non-current assets	-	629
Lease liabilities interest	14,169	14,598
Change in operating assets and liabilities:		
Increase in trade and other receivables	(11,282)	(24,357)
Decrease/(increase) in income tax refund due	20,199	(20,199)
Increase in deferred tax assets	(306)	(6,839)
Increase/(decrease) in trade and other payables	(29,008)	19,000
Increase/(decrease) in provision for income tax	3,010	(2,909)
Increase/(decrease) in employee benefits	(7,163)	10,121
Increase in other provisions	926	894
Net cash provided by operating activities	**180,584**	**145,299**

Note 26. Earnings per share

	2026 $	2025 $
Profit after income tax	**119,173**	**87,133**

	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	16.55	12.10
Diluted earnings per share	16.55	12.10

Note 27. Commitments

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

Note 28. Contingencies

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

Note 29. Events after the reporting period

On 18 August 2026, APRA imposed licence conditions on Bendigo Bank relating to its non-financial risk management framework. Bendigo Bank subsequently announced a multi-year rectification program in response to those conditions.

Whilst neither APRA's announcement nor Bendigo Bank's public announcement specifically refers to Community Bank companies, the directors acknowledge that remediation and review activities may extend across Bendigo Bank's broader branch network, which may include Community Bank branches. At the date of this report, the outcome of those activities, and any resulting impacts on the company, if any, are not known and cannot presently be determined.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Directors' declaration

30 June 2026

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 2026 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

15 September 2026

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 members 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 (the company), 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 2026 and of its financial performance for the year ended on that date
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, which comprises:

- Statement of financial position as at 30 June 2026
- Statement of profit or loss and other comprehensive income for the year ended 30 June 2026
- Statement of changes in equity for the year ended 30 June 2026
- Statement of cash flows for the year ended 30 June 2026
- 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 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.

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 Directors' Report, which we obtained prior to the date of this auditor's report, and the remaining information included in the company's Annual Report for the year ended 30 June 2026, which is expected to be made available to us after the date of this auditor's report. The other information does not include the financial report and our auditor's report thereon.

Liability limited by a scheme approved under Professional Standards Legislation.

Andrew Frewin Stewart
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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

At the date of this auditor's report, we have received and read the Directors' Report and have not identified any material inconsistency between that information and the financial report or our knowledge obtained during the audit.

The remaining other information included in the Annual Report is expected to be made available to us after the date of this auditor's report. When we read that information, if we conclude that there is a material misstatement therein, we are required to take appropriate action in accordance with the Australian Auditing Standards.

Responsibilities of the directors for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 15 September 2026

Lachlan Tatt
Lead Auditor

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Bendigo Bank

Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL/Australian Credit Licence 237879. (BNPAR26003) (09/26)