



# Annual Report 2025

Stanthorpe Regional Community  
Financial Services Limited

ABN 48 605 478 680

## OUR VISION

To be the most approachable, visible and customer connected bank in the Stanthorpe region

## OUR MISSION STATEMENT

To provide continued personalised, professional service by building on the existing client base, increasing the profitability of the Stanthorpe **Community Bank** branch for the benefit of the customers, shareholders and community projects.

## OBJECTIVES

To have a community working together to achieve common objectives;

To build a team within the community to coordinate major initiatives and projects;

To be broadly representative and link to appropriate formal and informal community groups to assist and support initiatives;

To provide strong leadership by the community, in the community and for the community.

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# Chairman's Report

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For the year ending 30<sup>th</sup> June 2025

It is my pleasure to present this, our tenth Annual Report of Stanthorpe Regional Community Financial Services Limited.

Our second term of our Franchise Agreement and our Building lease will be finalising in February 2026, and we will be entering into our third 5 year term for each. This last financial year has seen changes and challenges arise but in any business this is an ongoing part of doing business. We, your Directors, have taken these in our stride and worked with our staff to provide you, our shareholders, with another successful year.

The support which was given to us initially by our Shareholders, and since we commenced operation, has again been rewarded this year with an increased dividend payment.

Date Dividend paid	Amount per share	Franking level	Total Paid
29/01/2021	\$0.01c	\$0.00	\$7553.60
28/02/2022	\$0.01c	\$0.00	\$7553.60
28/02/2023	\$0.01c	\$0.00	\$7553.60
29/02/2024	\$0.02c	\$0.00	\$15107.20
28/02/2025	\$0.03c	\$0.00	\$22660.80

Since commencement of our business we have paid dividends to our Shareholders a total of \$60,428.80.

As with any business the Staff are an integral part of that business and I would like to thank them for their efforts. A special thank you from the Board for the four month period that we were without an appointed Branch Manager. We have to thank our Customer Relationship Officer, Tania Cobon who stepped up and covered the Branch Managers role during that time. She was ably assisted by Danielle Andreatta, Carmen Patane, and Marina Waterworth as Customer Services Officers. Te Neil Bullow has since been appointed as our Branch Manger and is very competently filling that role.

There has been stability with members of the Board and I would thank Catherine Orford, our Company Secretary, Todd Sutherland, our Treasurer, as well as Jim Barnes and Leeanne Gangemi for attending to the Marketing and other roles required. Each of your Directors is a volunteer and receive no remuneration for the tasks they perform. Job satisfaction is payment enough, especially when you can gauge the benefits our Community receives from our Donations and Sponsorships. That said we are always on the lookout for new volunteers to join our Board. Thank you to them for their assistance and input.

This financial year we have been in a position to be able to contribute \$50,000 to the Bendigo Bank Community Enterprise Foundation. These funds will be available for a future project or projects yet to be determined. The Community Donations and Sponsorships and Dividends returned to our Community since inception has now amounted to \$612,536.80. A figure every shareholder, account holder and supporter of The Community Bank Stanthorpe should be extremely proud of.



Whilst the above is impressive we must continue to spread our Community Bank story across the Stanthorpe and Granite Belt Region. We can only continue to support our local Clubs, Associations and Organisations to this extent with the support of our Community, and I believe that this is being recognised. Our account holder base is continuing to grow. Our staff and our customers realise that the digital world is not going away and the new types of banking are a way of the future. Our continued support and display of Face to Face Banking is very well received and continues to be very popular in our Community.

I am proud to be Chairman of this Company.



**Don Gaske**  
**Chairman/Director**



*Back - Don Gaske, Jim Barnes, Todd Sutherland  
Front - Catherine Orford, Leanne Gangemi*

# Branch Manager's Report

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For the year ending 30<sup>th</sup> June 2025

It is my pleasure to present the ninth Annual Branch Manager's Report for Community Bank Stanthorpe, for the year ending 30 June 2025.

This year has presented both opportunities and challenges, and I am proud of how our team has continued to support our customers and contribute to the growth of our local community. Through strong relationships and dedicated service, we have worked to deliver meaningful impact with our commitment remaining firmly with the people and businesses of Stanthorpe. The following report outlines our branch's performance and key activities over the past year.

## Performance

Our Community Bank Stanthorpe continued to demonstrate strong deposit performance over the past year. Growth in customer deposits reflects the trust and confidence our community has placed in our bank. Our team remained focused on building relationships and delivering tailored banking solutions resulting in consistent inflows across personal, business and community accounts.

Customers increasingly embraced a mix of traditional and digital options supported by our team's proactive engagement and financial literacy support. As we look ahead, continuing to attract core deposits remains a key priority to support local lending and investment in community initiatives.

Lending activity during the year remained stable with continued demand for residential mortgages, agribusiness finance and small business lending. We supported both new and existing customers through tailored lending solutions that aligned with their financial goals and life stages.

Despite broader economic challenges, we maintained a disciplined approach to credit quality while assisting clients with their lending needs. As housing and commercial development in the region evolves, we are well positioned to continue to grow our lending portfolio.

Our wealth offering remains an important part of our service to the Stanthorpe Community. Through in-branch conversations and specialist referrals, we connected individuals, families and businesses to wealth management support. Whether its preparing for retirement, investing for the future or protecting income and assets, our focus remained on helping our customers plan with confidence. We continued to raise awareness around available services whilst supporting our customers through life changes and financial milestones.

As financial needs become more complex, our team remained committed to providing accessible and meaningful advice pathways to support our community long term.

## Scams

Throughout 2024, we remained committed to protecting customers from the growing threat of financial scams. A range of enhanced security measures and internal protocols were introduced to strengthen fraud protection and detection. Staff received regular training to stay informed on emerging risks, while customers were supported through increased awareness and education initiatives. These actions reflect our ongoing dedication to ensuring a safe and secure banking experience.

## Our team

Following a review of the company's financial and operational performance, it is important to acknowledge the vital contributions of our staff. Our staff remain one of our most valuable assets. Their professionalism, dedication, and commitment to the values of community banking have continued to drive positive outcomes. Our staff have served the business and wider community for a number of years, bringing a depth of experience, strong local knowledge and continuity that is highly valued by customers and stakeholders alike. Their long tenure reflects a high level of engagement and job satisfaction. Professionalism, integrity, and a strong customer focus is what makes our team, and they consistently go above and beyond to deliver personalised service and build trusted relationships within our community.

In a rapidly evolving financial services landscape, their ability to embrace change while maintaining high service standards has ensured that our Community Bank Stanthorpe remains a trusted and accessible banking option for our region.

Community remains central to everything we do. Our locally owned and operated structure ensures that decisions are made with the interests of the Stanthorpe region in mind. We are proud of the ongoing support from shareholders, customers and community partners who contribute to our purpose of reinvesting profits back into our community.

## Community

The Community Bank model was launched by Bendigo Bank in 1998 and since then the network has grown into one of the largest and most successful examples with over \$416 million being returned to communities - supporting schools, healthcare, sporting clubs and regional development.

For Stanthorpe, this model has enabled the community to retain access to vital banking services. The success of our Community Bank Stanthorpe reflects the strength of this partnership and the community's commitment to shaping its own financial future.

On behalf of our team at Community Bank Stanthorpe we thank you for your ongoing support to our business and community.

### Teneil Bullow

#### Branch Manager



Branch team: Teneil Bullow, Tania Cobon, Danielle Andreatta, Marina Waterworth and Bree Elmer.



## Community Bank Network: Embracing Our Guiding Principles

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

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

- Relationships based on goodwill, trust and respect
- Local ownership, local decision making, local investment
- Decisions which are commercially focussed and community spirited
- Shared effort reward and risk; and
- Decisions which have broad based benefits

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

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

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

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

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

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

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

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

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

As we look to the future, we remain committed to the founding principles of the Community Bank model. Community is at the centre of everything we do, and our purpose remains clear: to create meaningful, lasting value for the communities we serve.

### Community Bank National Council



# Community Bank Report 2025

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## Community Bank Report 2025

### BEN Message

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

We began 2025 with a renewed focus on **model evolution**, a top priority that guided our decisions and initiatives throughout the year. This involved navigating the Franchising Code and broader regulatory changes to the **Franchise Agreement**. Thanks to the network's proactive engagement and cooperation, we successfully reviewed the agreement, and the necessary changes were implemented smoothly.

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


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

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

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

**Justine Minne**

**Head of Community Banking, Bendigo Bank**



# **Stanthorpe Regional Community Financial Services Ltd**

## **Directors' report**

### **30 June 2025**

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

#### **Directors**

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

Name:	Donald Charles Gaske
Title:	Non-executive director
Experience and expertise:	Don has spent 57 years in the banking, finance, insurance and financial planning industries. 21 years with a major Australian bank, roles included Branch Accountant and Branch Manager. Associate of the Financial Planning Association of Australia 1999-2013, Financial Planning PS 146, 2005. Previously owner/operator of the Bendigo Bank Agency in Stanthorpe, commenced 1992. Has spent 30 years as a prime lamb producer, 18 years as a lavender grower and retailer. Rotarian since 1985. He is a Commissioner for Declarations.
Special responsibilities:	Chairman of the Board, Human Resources, Property & Building, Business & Strategic Planning, Marketing and Finance Committees.
Name:	Leeanne Josephine Gangemi
Title:	Non-executive director
Experience and expertise:	Leeanne is the Client Relations Manager in her family business, Ballandean Estate Wines and has held many positions on both National and State industry bodies including her current position as the Queensland Representative of the Winemakers Federation of Australia. Leeanne was on the Steering Committee for the formation of the Stanthorpe Community Bank and continues to help drive the growth of the organisation for the benefit of the community.
Special responsibilities:	Marketing Committee & South West Cluster Committee.
Name:	Catherine Margaret Orford
Title:	Non-executive director
Experience and expertise:	Retired. Was an Educator; Teacher and Trainer. M.Phil (Tourism Mgt); M.Arts (Aust Studies); B.Ed.
Special responsibilities:	Secretary.
Name:	James William Barnes
Title:	Non-executive director
Experience and expertise:	Retire. B.AppSc (Chem); B.App Sc (Wine). President - Stanthorpe Rotary Club; Board Member - Granite Belt Neighbourhood Centre and Apple and Grape Festival Committee. Management and Governance Skills.
Special responsibilities:	Marketing
Name:	Todd Cameron Sutherland
Title:	Non-executive director
Experience and expertise:	38 years in retail management including store management, area supervision and Human resource roles with a major supermarket chain. Todd is also experienced in managing a field sales team and most recently a boutique independent mixed business.
Special responsibilities:	Treasurer

#### **Company secretary**

The company secretary is Catherine Margaret Orford. Catherine was appointed to the position of secretary on 15 November 2017.

#### **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.

**Stanthorpe Regional Community Financial Services Ltd**  
**Directors' report**  
**30 June 2025**

**Review of operations**

The profit for the company after providing for income tax amounted to \$56,168 (2024: \$84,821).

Operations have continued to perform in line with expectations.

**Dividends**

During the financial year, the following dividends were declared and paid.

	2025 \$	2024 \$
Unfranked dividend of 3 cents per share (2024: 2 cents)	22,661	15,108

**Significant changes in the state of affairs**

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

**Matters subsequent to the end of the financial year**

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

**Likely developments and expected results of operations**

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

**Environmental regulation**

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

**Meetings of directors**

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

	Board Eligible	Attended
Donald Charles Gaske	10	10
Leeanne Josephine Gangemi	10	8
Catherine Margaret Orford	10	10
James William Barnes	10	10
Todd Cameron Sutherland	10	10

**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.

**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
Donald Charles Gaske	53,501	-	53,501
Leeanne Josephine Gangemi	3,001	-	3,001
Catherine Margaret Orford	10,000	-	10,000
James William Barnes	10,000	-	10,000
Todd Cameron Sutherland	-	-	-

**Stanthorpe Regional Community Financial Services Ltd**  
**Directors' report**  
**30 June 2025**

**Shares under option**

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

**Shares issued on the exercise of options**

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

**Indemnity and insurance of directors and officers**

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

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

**Proceedings on behalf of the company**

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

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

**Indemnity and insurance of auditor**

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

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

**Non-audit services**

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

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

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

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.



**Stanthorpe Regional Community Financial Services Ltd**  
**Directors' report**  
**30 June 2025**

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



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Donald Charles Gaske  
Chair

29th August 2025



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

## Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Stanthorpe Regional Community Financial Services Ltd

As lead auditor for the audit of Stanthorpe Regional Community Financial Services Ltd for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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

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

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

A handwritten signature in black ink, appearing to read 'Lachlan Tatt', is positioned above the printed name.

**Lachlan Tatt**  
Lead Auditor

**Stanthorpe Regional Community Financial Services Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2025**

	<b>Note</b>	<b>2025 \$</b>	<b>2024 \$</b>
Revenue from contracts with customers	6	609,989	597,318
Finance revenue		14,052	11,987
Total revenue		<u>624,041</u>	<u>609,305</u>
Employee benefits expense	7	(315,700)	(326,697)
Advertising and marketing costs		(3,836)	(1,433)
Occupancy and associated costs		(14,929)	(15,849)
System costs		(19,143)	(15,761)
Depreciation and amortisation expense	7	(58,732)	(57,564)
Finance costs	7	(10,397)	(11,543)
General administration expenses		(49,038)	(48,049)
Total expenses before community contributions and income tax expense		<u>(471,775)</u>	<u>(476,896)</u>
<b>Profit before community contributions and income tax expense</b>		152,266	132,409
Charitable donations and sponsorships expense		<u>(75,356)</u>	<u>(18,509)</u>
<b>Profit before income tax expense</b>		76,910	113,900
Income tax expense	8	<u>(20,742)</u>	<u>(29,079)</u>
<b>Profit after income tax expense for the year</b>		56,168	84,821
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><u>56,168</u></u>	<u><u>84,821</u></u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	25	7.44	11.23
Diluted earnings per share	25	7.44	11.23

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

**Stanthorpe Regional Community Financial Services Ltd**  
**Statement of financial position**  
**As at 30 June 2025**

	<b>Note</b>	<b>2025</b> \$	<b>2024</b> \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	166,501	132,148
Trade and other receivables	10	44,659	51,625
Investments	11	352,981	324,900
Total current assets		<u>564,141</u>	<u>508,673</u>
<b>Non-current assets</b>			
Property, plant and equipment	12	93,178	111,365
Right-of-use assets	13	121,064	142,421
Intangible assets	14	100,744	119,932
Deferred tax assets	8	17,654	13,043
Total non-current assets		<u>332,640</u>	<u>386,761</u>
<b>Total assets</b>		<u>896,781</u>	<u>895,434</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	15	18,183	40,838
Lease liabilities	16	32,328	31,797
Current tax liabilities	8	8,610	2,123
Employee benefits		16,793	14,505
Total current liabilities		<u>75,914</u>	<u>89,263</u>
<b>Non-current liabilities</b>			
Lease liabilities	16	137,151	160,811
Employee benefits		13,472	9,573
Provisions		18,568	17,618
Total non-current liabilities		<u>169,191</u>	<u>188,002</u>
<b>Total liabilities</b>		<u>245,105</u>	<u>277,265</u>
<b>Net assets</b>		<u>651,676</u>	<u>618,169</u>
<b>Equity</b>			
Issued capital	17	723,076	723,076
Accumulated losses		<u>(71,400)</u>	<u>(104,907)</u>
<b>Total equity</b>		<u>651,676</u>	<u>618,169</u>

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



**Stanthorpe Regional Community Financial Services Ltd**  
**Statement of changes in equity**  
**For the year ended 30 June 2025**

	Note	Issued capital \$	Accumulated losses \$	Total equity \$
<b>Balance at 1 July 2023</b>		723,076	(174,620)	548,456
Profit after income tax expense		-	84,821	84,821
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	84,821	84,821
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	19	-	(15,108)	(15,108)
<b>Balance at 30 June 2024</b>		<u>723,076</u>	<u>(104,907)</u>	<u>618,169</u>
 <b>Balance at 1 July 2024</b>		 723,076	 (104,907)	 618,169
Profit after income tax expense		-	56,168	56,168
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	56,168	56,168
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	19	-	(22,661)	(22,661)
<b>Balance at 30 June 2025</b>		<u>723,076</u>	<u>(71,400)</u>	<u>651,676</u>

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

**Stanthorpe Regional Community Financial Services Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2025**

	<b>Note</b>	<b>2025</b> \$	<b>2024</b> \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		675,171	662,224
Payments to suppliers and employees (inclusive of GST)		(539,230)	(490,325)
Interest received		13,751	10,864
Income taxes paid		(18,866)	(3,350)
Net cash provided by operating activities	24	130,826	179,413
<b>Cash flows from investing activities</b>			
Payments for investments		(28,081)	(110,636)
Payments for property, plant and equipment		-	(15,185)
Payments for intangible assets		(13,156)	(13,156)
Net cash used in investing activities		(41,237)	(138,977)
<b>Cash flows from financing activities</b>			
Interest and other finance costs paid		(9,446)	(10,639)
Dividends paid	19	(22,661)	(15,108)
Repayment of lease liabilities		(23,129)	(21,143)
Net cash used in financing activities		(55,236)	(46,890)
Net increase/(decrease) in cash and cash equivalents		34,353	(6,454)
Cash and cash equivalents at the beginning of the financial year		132,148	138,602
Cash and cash equivalents at the end of the financial year	9	166,501	132,148

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

**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
**30 June 2025**

**Note 1. Reporting entity**

The financial statements cover Stanthorpe Regional 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 139 High Street, Stanthorpe QLD 4380.

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

**Note 2. Basis of preparation and statement of compliance**

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

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 August 2025. The directors have the power to amend and reissue the financial statements.

**Note 3. Material accounting policy information**

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

**Adoption of new and revised accounting standards**

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

**Accounting standards issued but not yet effective**

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

**Current and non-current classification**

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

**Investments**

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

**Impairment of financial assets**

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

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**Notes to the financial statements**  
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**Note 3. Material accounting policy information (continued)**

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

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

**Impairment of non-financial assets**

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

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

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

**Note 4. Critical accounting judgements, estimates and assumptions**

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

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

**Judgements**

*Timing of revenue recognition associated with trail commission*

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

*Allowance for expected credit losses on trade and other receivables*

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



**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
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**Note 4. Critical accounting judgements, estimates and assumptions (continued)**

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

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

*Impairment of non-financial assets other than goodwill and other indefinite life intangible 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 economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations, comparison of terms and conditions to prevailing market rates, incurrence of significant penalties, existence of significant leasehold improvements and the costs and disruption to replace the asset. The reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

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

**Estimates and assumptions**

*Estimation of useful lives of assets*

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

*Incremental borrowing rate*

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

**Stanthorpe Regional Community Financial Services Ltd**  
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**Note 4. Critical accounting judgements, estimates and assumptions (continued)**

*Employee benefits provision*

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and inflation have been taken into account.

The company uses historical employee attrition rates in determining the probability of an employee, at a given date, achieving continuous employment to be eligible for entitlement in accordance with long service leave legislation.

In the absence of sufficient historical employee attrition rates, the company applies a benchmark probability rate from across the Community Bank network to factor in estimating the probability of an employee, at a given date, achieving continuous employment to be eligible for entitlement in accordance with legislation.

**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 revenue under the franchise agreement. The franchise agreement expires on 27 February 2026.

The franchise agreement includes two additional renewal options, each for a period of five years. Under the terms of the franchise agreement, Bendigo Bank will renew the agreement upon the company's request, subject to the company satisfying certain conditions. The key conditions for renewal include:

- Compliance with conditions under the existing agreement.
- Maintaining valid lease agreement/s for branch premises where applicable.
- Ensuring branch premises meet Bendigo Bank's fit-out requirements at the time of renewal.

The directors have assessed the company's ability to meet these conditions and, to the best of their knowledge, believe they have been and will continue to be satisfied. Accordingly, the directors have a reasonable expectation that the franchise agreement will be renewed for a further five-year term.

As a franchise of Bendigo Bank, the company operates under the "Bendigo Bank" name, using its logo, systems and operating procedures. The company manages the Community Bank on behalf of Bendigo Bank, however all transactions with customers conducted through the Community Bank are effectively conducted between the customers and Bendigo Bank.

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

The company promotes and sells the products and services but is not a party to the transaction. The credit risk (i.e. the risk that a customer will not make repayments) is for Bendigo Bank to bear as long as the company has complied with the appropriate procedures and relevant obligations and has not exercised a discretion in granting or extending credit.

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

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

**Stanthorpe Regional Community Financial Services Ltd**  
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**Note 6. Revenue from contracts with customers**

	2025 \$	2024 \$
Margin income	500,147	483,661
Fee income	33,837	32,945
Commission income	76,005	80,712
	<u>609,989</u>	<u>597,318</u>

*Accounting policy for revenue from contracts with customers*

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

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

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

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

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

*Revenue calculation*

The franchise agreement provides that three forms of revenue may be earned by the company which are margin, commission and fee income. Bendigo Bank decides the form of revenue the company earns on different types of products and services. The revenue earned by the company is dependent on the business that it generates, interest rates and funds transfer pricing and other factors, such as economic and local conditions.

*Margin income*

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

	Interest paid by customers on loans less interest paid to customers on deposits
<b>plus:</b>	any deposit returns i.e. interest return applied by Bendigo Bank for a deposit
<b>minus:</b>	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.

**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
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**Note 6. Revenue from contracts with customers (continued)**

*Core banking products*

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

*Ability to change financial return*

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

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

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

**Note 7. Expenses**

**Employee benefits expense**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Wages and salaries	262,779	272,388
Superannuation contributions	29,394	29,222
Expenses related to long service leave	6,625	5,772
Other expenses	16,902	19,315
	<u>315,700</u>	<u>326,697</u>

**Depreciation and amortisation expense**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Depreciation of non-current assets</i>		
Leasehold improvements	17,430	15,984
Plant and equipment	757	975
	<u>18,187</u>	<u>16,959</u>
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	<u>21,357</u>	<u>21,416</u>
<i>Amortisation of intangible assets</i>		
Franchise fee	2,413	2,414
Franchise renewal fee	10,720	10,720
Rights to revenue share	6,055	6,055
	<u>19,188</u>	<u>19,189</u>
	<u>58,732</u>	<u>57,564</u>



**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
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**Note 7. Expenses (continued)**

**Finance costs**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Lease interest expense	9,446	10,639
Unwinding of make-good provision	951	904
	<u>10,397</u>	<u>11,543</u>

**Note 8. Income tax**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Income tax expense</i>		
Current tax	25,353	5,473
Movement in deferred tax	(4,611)	389
Under/over adjustment	-	(998)
Recoupment of prior year tax losses	-	24,215
	<u>20,742</u>	<u>29,079</u>
<i>Aggregate income tax expense</i>		
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	76,910	113,900
Tax at the statutory tax rate of 25%	19,228	28,475
Tax effect of:		
Non-deductible expenses	1,514	1,602
	<u>20,742</u>	<u>30,077</u>
Under/over adjustment	-	(998)
	<u>20,742</u>	<u>29,079</u>
<i>Income tax expense</i>		
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Deferred tax assets/(liabilities)</i>		
Property, plant and equipment	(6,314)	(10,289)
Employee benefits	7,566	6,020
Provision for lease make good	4,642	4,405
Accrued expenses	245	874
Income accruals	(589)	(514)
Lease liabilities	42,370	48,152
Right-of-use assets	(30,266)	(35,605)
	<u>17,654</u>	<u>13,043</u>
<i>Deferred tax asset</i>		
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Provision for income tax	<u>8,610</u>	<u>2,123</u>

**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
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**Note 8. Income tax (continued)**

*Accounting policy for income tax*

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

*Accounting policy for current tax*

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

*Accounting policy for deferred tax*

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

**Note 9. Cash and cash equivalents**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and on hand	<u>166,501</u>	<u>132,148</u>

**Note 10. Trade and other receivables**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	<u>37,396</u>	<u>41,579</u>
Accrued income	2,357	2,056
Prepayments	<u>4,906</u>	<u>7,990</u>
	<u>7,263</u>	<u>10,046</u>
	<u>44,659</u>	<u>51,625</u>

*Accounting policy for trade and other receivables*

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

**Note 11. Investments**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Term deposits	<u>352,981</u>	<u>324,900</u>

**Stanthorpe Regional Community Financial Services Ltd**  
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**Note 12. Property, plant and equipment**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Leasehold improvements - at cost	220,641	220,641
Less: Accumulated depreciation	<u>(128,615)</u>	<u>(111,185)</u>
	<u>92,026</u>	<u>109,456</u>
Plant and equipment - at cost	35,650	35,650
Less: Accumulated depreciation	<u>(34,498)</u>	<u>(33,741)</u>
	<u>1,152</u>	<u>1,909</u>
	<u><u>93,178</u></u>	<u><u>111,365</u></u>

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

	<b>Leasehold improvements</b>	<b>Plant and equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2023	110,255	2,884	113,139
Additions	15,185	-	15,185
Depreciation	<u>(15,984)</u>	<u>(975)</u>	<u>(16,959)</u>
Balance at 30 June 2024	109,456	1,909	111,365
Depreciation	<u>(17,430)</u>	<u>(757)</u>	<u>(18,187)</u>
Balance at 30 June 2025	<u><u>92,026</u></u>	<u><u>1,152</u></u>	<u><u>93,178</u></u>

*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 15 years
Plant and equipment	1 to 20 years

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

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

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

**Note 13. Right-of-use assets**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Land and buildings - right-of-use	251,416	251,416
Less: Accumulated depreciation	<u>(130,352)</u>	<u>(108,995)</u>
	<u><u>121,064</u></u>	<u><u>142,421</u></u>

**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
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**Note 13. Right-of-use assets (continued)**

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

	<b>Land and buildings \$</b>
Balance at 1 July 2023	162,103
Remeasurement adjustments	1,734
Depreciation expense	<u>(21,416)</u>
Balance at 30 June 2024	142,421
Depreciation expense	<u>(21,357)</u>
Balance at 30 June 2025	<u><u>121,064</u></u>

*Accounting policy for right-of-use assets*

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

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

Refer to note 16 for more information on lease arrangements.

**Note 14. Intangible assets**

	<b>2025 \$</b>	<b>2024 \$</b>
Rights to revenue share	121,101	121,101
Less: Accumulated amortisation	<u>(27,853)</u>	<u>(21,798)</u>
	93,248	99,303
Franchise fee	20,720	20,720
Less: Accumulated amortisation	<u>(20,370)</u>	<u>(17,957)</u>
	350	2,763
Franchise renewal fee	53,598	53,598
Less: Accumulated amortisation	<u>(46,452)</u>	<u>(35,732)</u>
	7,146	17,866
	<u><u>100,744</u></u>	<u><u>119,932</u></u>

**Stanthorpe Regional Community Financial Services Ltd**  
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**Note 14. Intangible assets (continued)**

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

	<b>Rights to revenue share \$</b>	<b>Franchise fee \$</b>	<b>Franchise renewal fee \$</b>	<b>Total \$</b>
Balance at 1 July 2023	105,358	5,177	28,586	139,121
Amortisation expense	(6,055)	(2,414)	(10,720)	(19,189)
Balance at 30 June 2024	99,303	2,763	17,866	119,932
Amortisation expense	(6,055)	(2,413)	(10,720)	(19,188)
Balance at 30 June 2025	<u>93,248</u>	<u>350</u>	<u>7,146</u>	<u>100,744</u>

*Accounting policy for intangible assets*

Intangible assets of the company relate to the franchise fees paid to Bendigo Bank which conveys the right to operate the Community Bank franchise. The company has also acquired rights to revenue share from another Community Bank.

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 and rights to revenue share acquired are amortised over their useful life and assessed for impairment whenever impairment indicators are present.

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

<u>Asset class</u>	<u>Method</u>	<u>Useful life</u>	<u>Expiry/renewal date</u>
Franchise fee	Straight-line	Over the franchise term (5 years)	February 2026
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	February 2026
Rights to revenue share	Straight-line	Customer lifecycle	December 2040

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

**Note 15. Trade and other payables**

	<b>2025 \$</b>	<b>2024 \$</b>
<i>Current liabilities</i>		
Other payables and accruals	<u>18,183</u>	<u>40,838</u>
	<b>2025 \$</b>	<b>2024 \$</b>
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	18,183	40,838
Less GST payable to the ATO, included in trade and other payables	<u>(3,546)</u>	<u>(9,046)</u>
	<u>14,637</u>	<u>31,792</u>

**Stanthorpe Regional Community Financial Services Ltd**  
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**Note 16. Lease liabilities**

	2025 \$	2024 \$
<i>Current liabilities</i>		
Land and buildings lease liabilities	<u>32,328</u>	<u>31,797</u>
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	<u>137,151</u>	<u>160,811</u>
<i>Reconciliation of lease liabilities</i>		
	2025 \$	2024 \$
Opening balance	192,608	211,867
Remeasurement adjustments	-	1,884
Lease interest expense	9,446	10,639
Lease payments - total cash outflow	<u>(32,575)</u>	<u>(31,782)</u>
	<u>169,479</u>	<u>192,608</u>

*Accounting policy for lease liabilities*

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

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

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

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
Stanthorpe Branch	5.39%	5 years	1 x 5 years	Yes	February 2031

**Note 17. Issued capital**

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	755,360	755,360	755,360	755,360
Less: Equity raising costs	-	-	(32,284)	(32,284)
	<u>755,360</u>	<u>755,360</u>	<u>723,076</u>	<u>723,076</u>

*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.



**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
**30 June 2025**

**Note 17. Issued capital (continued)**

***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").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). The base number is 190. As at the date of this report, the company had 239 shareholders (2024: 240 shareholders).

As with voting rights, the purpose of this prohibited shareholding provision is to reflect the community-based nature of the company.

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

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

**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
**30 June 2025**

**Note 17. 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 18. Capital management**

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

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

The distribution limit is the greater of:

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

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

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

**Note 19. Dividends**

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

	2025 \$	2024 \$
Unfranked dividend of 3 cents per share (2024: 2 cents)	22,661	15,108
	2025 \$	2024 \$
Franking account balance at the beginning of the financial year	3,350	-
Franking credits (debits) arising from income taxes paid (refunded)	18,866	3,350
	22,216	3,350
<i>Franking transactions that will arise subsequent to the financial year end:</i>		
Balance at the end of the financial year	22,216	3,350
Franking credits (debits) that will arise from payment (refund) of income tax	8,610	2,123
Franking credits available for future reporting periods	30,826	5,473

*Accounting policy for dividends*

Dividends are recognised when declared during the financial year.

**Note 20. Financial risk management**

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

**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
**30 June 2025**

**Note 20. Financial risk management (continued)**

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

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

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

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

	2025 \$	2024 \$
<b>Financial assets at amortised cost</b>		
Trade and other receivables (note 10)	39,753	43,635
Cash and cash equivalents (note 9)	166,501	132,148
Investments (note 11)	352,981	324,900
	<u>559,235</u>	<u>500,683</u>
<b>Financial liabilities</b>		
Trade and other payables (note 15)	14,637	31,792
Lease liabilities (note 16)	169,479	192,608
	<u>184,116</u>	<u>224,400</u>

*Accounting policy for financial instruments*

**Financial assets**

*Classification*

The company classifies its financial assets at amortised cost.

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

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

*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.

**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
**30 June 2025**

**Note 20. Financial risk management (continued)**

**Financial liabilities**

*Classification*

The company classifies its financial liabilities at amortised cost.

*Derecognition*

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

**Market risk**

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

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of \$166,501 and term deposits of \$352,981 at 30 June 2025 (2024: cash and cash equivalents of \$132,148 and term deposits of \$324,900).

**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 \$
<b>2025</b>				
<b>Non-derivatives</b>				
Trade and other payables	14,637	-	-	14,637
Lease liabilities	33,114	138,657	24,368	196,139
Total non-derivatives	47,751	138,657	24,368	210,776
	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>2024</b>				
<b>Non-derivatives</b>				
Trade and other payables	31,792	-	-	31,792
Lease liabilities	32,576	135,812	60,326	228,714
Total non-derivatives	64,368	135,812	60,326	260,506

**Note 21. Key management personnel disclosures**

The following persons were directors of Stanthorpe Regional Community Financial Services Ltd during the financial year and/or up to the date of signing of these Financial Statements.

Donald Charles Gaske  
Leeanne Josephine Gangemi  
Catherine Margaret Orford

Todd Cameron Sutherland  
James William Barnes

**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
**30 June 2025**

**Note 21. Key management personnel disclosures (continued)**

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

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

**Note 22. Related party transactions**

*Key management personnel*

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

*Receivable from and payable to related parties*

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

*Terms and conditions of transactions with related parties*

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

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year.

**Note 23. Remuneration of auditors**

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

	2025 \$	2024 \$
<i>Audit services</i>		
Audit or review of the financial statements	8,180	6,450
<i>Other services</i>		
Taxation advice and tax compliance services	265	700
General advisory services	3,340	3,560
Share registry services	5,963	4,441
	9,568	8,701
	17,748	15,151

**Stanthorpe Regional Community Financial Services Ltd**  
**Notes to the financial statements**  
**30 June 2025**

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

	<b>2025</b> <b>\$</b>	<b>2024</b> <b>\$</b>
Profit after income tax expense for the year	56,168	84,821
Adjustments for:		
Depreciation and amortisation	58,732	57,564
Lease liabilities interest	9,446	10,639
Change in operating assets and liabilities:		
Decrease in trade and other receivables	6,966	3,280
Decrease/(increase) in deferred tax assets	(4,611)	23,606
Decrease in trade and other payables	(9,499)	(5,117)
Increase in provision for income tax	6,487	2,123
Increase in employee benefits	6,187	1,594
Increase in other provisions	950	903
Net cash provided by operating activities	<u>130,826</u>	<u>179,413</u>

**Note 25. Earnings per share**

	<b>2025</b> <b>\$</b>	<b>2024</b> <b>\$</b>
Profit after income tax	<u>56,168</u>	<u>84,821</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>755,360</u>	<u>755,360</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>755,360</u>	<u>755,360</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	7.44	11.23
Diluted earnings per share	7.44	11.23

**Note 26. Commitments**

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

**Note 27. Contingencies**

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

**Note 28. Events after the reporting period**

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



**Stanthorpe Regional Community Financial Services Ltd**  
**Directors' declaration**  
**30 June 2025**

In the directors' opinion:

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

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

On behalf of the directors



---

Donald Charles Gaske  
Chair

29th August 2025



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

## Independent auditor's report to the Directors of Stanthorpe Regional Community Financial Services Ltd

### Report on the audit of the financial report

#### Our opinion

In our opinion, the accompanying financial report of Stanthorpe Regional Community Financial Services Ltd, is in accordance with the *Corporations Act 2001*, including:

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

#### What we have audited

We have audited the financial report of Stanthorpe Regional Community Financial Services Ltd (the company), which comprises the:

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

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

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

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550  
ABN: 65 684 604 390  
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03 5443 0344

## Independence

We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

## Responsibilities of the directors for the financial report

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

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

## Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

**Lachlan Tatt**  
Lead Auditor

**Community Bank Stanthorpe**  
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