

Annual Report 2025

Wandin Seville Financial Services
Limited

Community Bank
Wandin-Seville
ABN 33 098 648 296

CHAIRMAN'S AGM REPORT 2025

It is my pleasure to present this 23rd Wandin Seville Financial Services Limited Annual Report

The last 12 months have continued to present ongoing challenges with the changing economic climate and competition from other channels, especially in a sometimes challenging environment.

All the staff are to be commended for their dedication and commitment to our customers and Community Bank Wandin Seville.

Wandin Seville Financial Services Limited (WSFSL) as a Franchisee, have an ongoing relationship with our Franchisor, Bendigo and Adelaide Bank Limited (The Bank), contractual with the Board and operational with the Branch staff.

Initiatives undertaken by our Board of Directors and the total commitment of the staff and support from our customers have provided an after, the provision for income tax, a profit of \$457,806, a decrease on the 2024 profit of \$501,319. This is mainly represented by an increase in funds committed back to our community.

Whilst interest rates have slightly eased, the RBA decisions continue to have a significant effect on the general community.

Cost of living pressures continue to present a challenge to Australian households.

Although as the interest rates on Loans and Deposits have been relatively stable, the general concerns in the current environment based on both local and global situations, the impact on our business still remains uncertain.

For the 2024/2025 fiscal year, a 10c per share fully franked dividend will again be provided to our shareholders.

The Board has not and will not compromise its commitment to supporting local Community organisations. The value of these groups, and the volunteers in the Community cannot be undervalued with their contribution to the community's future. Our Company has this year committed around \$200,000 spread across 41 organisations, and since our branch has been operating this total is more than \$2,250,000.

Branch staffing requirements are continually being reviewed to meet the changing business environment. As the nature of banking is changing with an increasing focus on emerging technology, the staffing structure will continue to be reviewed to meet the needs to grow the business and to support the community.

For the last 27 years the Community Bank model has been at the forefront, investing over \$400m in contributions into local communities and being a presence that meets local banking and community impact needs.

The Community Bank model and its connection to grassroots Australia has been a practical expression of the Bank's purpose of feeding into the prosperity of customers and communities.

The Community Banking model was borne out of the need for banking services in local communities at a time where the physical presence was the sole channel for the provision of these services.

However, since the model's inception much has changed. The physical presence is now part of a highly competitive multi-channel banking environment.

Coinciding with these advancements, there has not been demand for new instances of the Community Bank model in its current form for 10 years.

Whilst in person connection remains an essential component of Bendigo Bank's purpose and strategy, the nature and role of the 'traditional bank' has changed.

There is a need to determine what the Community Bank model, which is currently underpinned by a physical 'branch' looks like into the future.

There will be changes, however "The Bank" has committed to retaining the physical bank branches and with our planning and staffing structure we are well positioned to continue supporting our customers and our community.

It continues to be important that as a shareholder, you promote the values and benefits of the Community Banking Model, and the benefits to the community from supporting our Community Bank.

With other banks closing branches it presents an opportunity to further promote the Community Banking Model, and we will remain open to serve our community.

As a shareholder, we thank you for your ongoing support and encourage you to actively look for opportunities to refer potential customers to our branch. This will continue to provide benefits back to our community.

Also, if you are not already a customer, please consider your options and organise a confidential appointment with our Branch Manager.

I take this opportunity to thank my fellow directors and our Executive Officer, Leah Thompson, who all play a vital part in the function of the Board as well as our Branch staff, led by Jackie for their ongoing support.

I look forward to seeing all shareholders and interested stakeholders at our Annual General Meeting on 24th November 2025 at the Community Hub, 410 Clegg Road, Wandin North.

Ray Barrett
Chairman

Branch Managers Annual Report for 2024/2025 Financial Year

It gives me great pleasure to present the Branch Manager's Report for the 2024/2025 Financial Year for Community Bank Wandin Seville. Our Community Bank has now marked its 23rd year of operation and this year we have seen positive momentum in both our lending and deposit books with funds under management of \$185.45 million. This is comprised of approximately \$48.05 million in lending, \$137.3 million in deposits and \$0.1 million in other business.

The past financial year has brought both challenges and progress. In an increasingly competitive banking environment, our branch has continued to demonstrate growth, resilience and stability. Our lending portfolio saw solid growth this year fuelled by strong demand for refinancing, our ability to remain competitive in a tightening market and the personal face to face service that differentiates us from the rest.

Despite ongoing margin pressures across the sector, our branch has maintained solid profitability year on year. This profit enables us to continue contributing meaningfully to the local community, consistent with our mission statement.

A core part of what makes Community Bank Wandin Seville unique, is our unwavering commitment to giving back and making a real difference in our community.

This year we are proud to have contributed approximately \$200,000 to local clubs, schools, not-for-profit, local CFA Brigades and many other varied community groups/organisations across our community.

This takes our total contributions since inception to over \$2.25 million – and that's an achievement we can all be proud of.

Some key partnerships this year included:

- \$10,245 supporting Wandin Fresh Food Program – helping to deliver fresh produce to community members in need via Wandin Senior Citizens Centre and the amazing volunteers. This also supported the ability for the bank to connect a local business, who could provide the fresh produce, to the program.*
- \$40,000 donation (\$10K each) to our local CFA Brigades – Wandin, Seville, Gruyere and Coldstream. When government funding is tightening, our support for our local heroes matters more than ever. Our donation is in a small way helping to ensure the brigades have the resources they need to continue to protect and serve our community.*
- \$8,000.00 sponsorship - Wandin North Primary School -Bike Shed. This donation was particularly meaningful as it was initiated by two students who conceived the idea, presented it to the school's Parent/Teacher Committee, received their support to proceed and successfully approached the bank to obtain sponsorship. This demonstrated remarkable leadership and a strong sense of community engagement from Primary School aged kids.*

These contributions are only possible because of the support we receive from our customers and shareholders – a reminder that everyday banking can create extraordinary community impact.

Bank local – Create something bigger!

When we speak about our achievements over the past year, we must reflect on how our success is a direct reflection of the dedication of my team – Cass, Carolyn, Amy and Jemma. I would like to thank our hardworking staff for their professionalism, adaptability and unwavering focus on customer service. Their connection to the local community makes all the difference and is in fact our point of difference.

I would officially like to welcome Jemma, our newest member to the team. Jemma started last November as a CSO and has fitted in very well with both the team and the local community. She is a hard worker, and she has learnt so much in a small space of time. Her dedication to her role and her customers is apparent in everything she does. I have no doubts Jemma has a great career ahead of her.

I also extend my thanks to the Board of Directors of Wandin Seville Financial Services Ltd, for their continued leadership, guidance and commitment to ensuring the long-term sustainability of this branch.

I also wish to make mention of Leah, our Executive Officer who is all things to all people – supporting us in the background with marketing, reporting, social media expertise and of course helping our customers and shareholders as required.

As we look forward to 2025/2026, we remain focused on growth – not just in financial metrics but in deepening relationships and increasing our impact within our communities.

Bendigo Bank's investment in digital offerings continue to deliver wide benefits meaning our branch can provide banking across the country – one example is the use of DocuSign, which allows us the ability to go beyond our local borders and retain customers that have moved interstate or connect with new customers through our own personal networks – here and beyond.

We will continue to build strong partnerships with community groups, support local business, and reinvest back to our local economy. The future is bright when we work together.

Once again thank you to our customers, shareholders, and community partners. Your ongoing support allows us to continue doing what we do best – deliver quality banking services while strengthening our local community. So, if you don't bank with us you need to make the change – you won't regret it.

Jackie Butler – Branch Manager

Wandin Seville Financial Services Limited

ABN 33 098 648 296

Financial Report - 30 June 2025

Wandin Seville Financial Services Limited

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: Raymond Barrett
Title: Non-executive director
Special responsibilities: Chairman

Name: Kim Parry
Title: Non-executive director
Experience and expertise: Kim is currently retired. He has past experience in Real Estate.
Special responsibilities: Marketing Sub Committee, Property Sub Committee.

Name: Gavan McIntyre
Title: Non-executive director
Experience and expertise: Gavan is currently retired. He has past experience in the Building Industry.
Special responsibilities: Marketing Sub Committee, Property Sub Committee.

Name: Susan Harmsworth
Title: Non-executive director
Special responsibilities: Coordinator of Marketing Subcommittee and Member of Human Resources Subcommittee

Name: Benjamin Vallence
Title: Non-executive director
Experience and expertise: Benjamin is a Lawyer LLB, BA, LLM. He is the Secretary for the Rotary Club of Wandin, and Committee member of Wandin Junior Football Club and Wandin Cricket Club.
Special responsibilities: Nil

Name: Graeme Prime
Title: Non-executive director
Experience and expertise: Graeme is currently retired. He has past experience in retail, occupational health and safety, and marketing.
Special responsibilities: Nil

Name: Anita Wood
Title: Non-executive director
Special responsibilities: Nil

Name: James Brown
Title: Non-executive director
Experience and expertise: James is a former school teacher, senior Police Officer, TV journalist for News and Current Affairs, TV presenter on lifestyle TV 'Healthy, Wealthy & Wise', RMIT lecturer in Journalism, and video producer and editor.
Special responsibilities: Nil

Name: Jayantilal Naran
Title: Non-executive director
Experience and expertise: Jay has a Bachelor of Arts (Hons) in Finance and Accounting
Special responsibilities: Nil

Name: Daniel Field
Title: Non-executive director
Special responsibilities: Nil

Wandin Seville Financial Services Limited

Directors' report

30 June 2025

Company secretary

The Company secretary is Dannie McKinnon. Dannie was appointed to the position of Company secretary on 11 January 2018.

Experience and expertise: B.Comm, Certified Practising Accountant, Tax Agent and Director of the Field Group Accounting.

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 \$457,806 (30 June 2024: \$501,319).

Operations have continued to perform in line with expectations.

Dividends

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

	2025 \$	2024 \$
Fully franked dividend of 10 cents per share (2024: 10 cents)	52,831	52,831

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	Board Attended
Raymond Barrett	11	11
Kim Parry	11	11
Gavan McIntyre	11	5
Susan Harmsworth	11	10
Benjamin Vallence	11	9
Graeme Prime	11	11
Anita Wood	11	6
James Brown	11	11
Jayantilal Naran	11	10
Daniel Field	11	2

Wandin Seville Financial Services Limited

Directors' report

30 June 2025

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 24 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
Raymond Barrett	-	-	-
Kim Parry	1,501	-	1,501
Gavan McIntyre	2,000	-	2,000
Susan Harmsworth	2,000	-	2,000
Benjamin Vallence	-	-	-
Graeme Prime	1,000	-	1,000
Anita Wood	-	-	-
James Brown	-	-	-
Jayantilal Naran	1,000	-	1,000
Daniel Field	-	-	-

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.

Wandin Seville Financial Services Limited

Directors' report

30 June 2025

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 25 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:

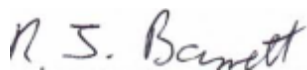
- all non-audit services have been reviewed by the board to ensure they do not impact on the impartiality, integrity and objectivity of the auditor
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional 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



Raymond Barrett
Chairman

23 September 2025



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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Wandin Seville Financial Services Limited

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

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 23 September 2025

A handwritten signature in black ink, appearing to be a stylized 'JG'.

Joshua Griffin
Lead Auditor

Wandin Seville Financial Services Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue from contracts with customers	7	1,476,840	1,517,264
Other revenue	8	23,672	21,166
Finance revenue		97,224	54,056
Total revenue		<u>1,597,736</u>	<u>1,592,486</u>
Employee benefits expense	9	(510,744)	(440,541)
Advertising and marketing costs		(8,891)	(10,339)
Occupancy and associated costs		(30,949)	(36,537)
System costs		(25,808)	(26,040)
Depreciation and amortisation expense	9	(80,590)	(79,725)
Finance costs	9	(13,091)	(14,175)
General administration expenses		(148,282)	(146,398)
Total expenses before community contributions and income tax		<u>(818,355)</u>	<u>(753,755)</u>
Profit before community contributions and income tax expense		779,381	838,731
Charitable donations, sponsorships and grants expense	9	<u>(167,915)</u>	<u>(135,416)</u>
Profit before income tax expense		611,466	703,315
Income tax expense	10	<u>(153,660)</u>	<u>(201,996)</u>
Profit after income tax expense for the year		457,806	501,319
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>457,806</u></u>	<u><u>501,319</u></u>
		Cents	Cents
Basic earnings per share	27	86.65	94.89
Diluted earnings per share	27	86.65	94.89

Refer to note 6 for detailed information on Change to comparative figures.

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

Wandin Seville Financial Services Limited
Statement of financial position
As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	11	687,523	775,756
Trade and other receivables	12	134,747	171,618
Investments	13	2,383,994	1,893,667
Current tax assets	10	2,162	-
Total current assets		<u>3,208,426</u>	<u>2,841,041</u>
Non-current assets			
Property, plant and equipment	14	688,894	724,824
Right-of-use assets	15	176,140	205,101
Intangible assets	16	28,005	42,616
Deferred tax assets	10	25,408	13,301
Total non-current assets		<u>918,447</u>	<u>985,842</u>
Total assets		<u>4,126,873</u>	<u>3,826,883</u>
Liabilities			
Current liabilities			
Trade and other payables	17	121,822	108,019
Lease liabilities	18	22,351	32,077
Current tax liabilities	10	-	115,786
Employee benefits		52,700	14,129
Total current liabilities		<u>196,873</u>	<u>270,011</u>
Non-current liabilities			
Lease liabilities	18	185,369	199,271
Employee benefits		6,346	26,070
Provisions		34,776	32,997
Total non-current liabilities		<u>226,491</u>	<u>258,338</u>
Total liabilities		<u>423,364</u>	<u>528,349</u>
Net assets		<u>3,703,509</u>	<u>3,298,534</u>
Equity			
Issued capital	19	528,311	528,311
Retained earnings		<u>3,175,198</u>	<u>2,770,223</u>
Total equity		<u>3,703,509</u>	<u>3,298,534</u>

Refer to note 6 for detailed information on Change to comparative figures.

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

Wandin Seville Financial Services Limited
Statement of changes in equity
For the year ended 30 June 2025

Refer to note 6 for detailed information on Change to comparative figures.

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023		528,311	2,321,735	2,850,046
Profit after income tax expense		-	501,319	501,319
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	501,319	501,319
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	21	-	(52,831)	(52,831)
Balance at 30 June 2024		528,311	2,770,223	3,298,534
	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2024		528,311	2,770,223	3,298,534
Profit after income tax expense		-	457,806	457,806
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	457,806	457,806
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	21	-	(52,831)	(52,831)
Balance at 30 June 2025		528,311	3,175,198	3,703,509

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

Wandin Seville Financial Services Limited
Statement of cash flows
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,681,685	1,710,832
Payments to suppliers and employees (inclusive of GST)		(1,021,020)	(961,211)
Interest received		97,224	54,056
Income taxes paid		<u>(266,936)</u>	<u>(172,622)</u>
Net cash provided by operating activities	26	<u>490,953</u>	<u>631,055</u>
Cash flows from investing activities			
Investment in term deposits		(490,327)	(54,056)
Payments for property, plant and equipment	14	<u>(4,411)</u>	<u>(5,493)</u>
Net cash used in investing activities		<u>(494,738)</u>	<u>(59,549)</u>
Cash flows from financing activities			
Interest and other finance costs paid		(11,312)	(12,487)
Dividends paid	21	(52,831)	(52,831)
Repayment of lease liabilities		<u>(20,305)</u>	<u>(18,655)</u>
Net cash used in financing activities		<u>(84,448)</u>	<u>(83,973)</u>
Net increase/(decrease) in cash and cash equivalents		(88,233)	487,533
Cash and cash equivalents at the beginning of the financial year		<u>775,756</u>	<u>288,223</u>
Cash and cash equivalents at the end of the financial year	11	<u><u>687,523</u></u>	<u><u>775,756</u></u>

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

Wandin Seville Financial Services Limited

Notes to the financial statements

30 June 2025

Note 1. Reporting entity

The financial statements cover Wandin Seville Financial Services Limited (the company) as an individual entity, which is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Registered office

Suite 10, 1 East Ridge Drive, CHIRNSIDE PARK VIC 3116

Principal place of business

386 Warburton Highway, WANDIN NORTH VIC 3139

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 23 September 2025. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

Adoption of new and revised accounting standards

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

Accounting standards issued but not yet effective

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

Current and non-current classification

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

Investments and other financial assets

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 measured at amortised cost. 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.

Wandin Seville Financial Services Limited
Notes to the financial statements
30 June 2025

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.

Wandin Seville Financial Services Limited
Notes to the financial statements
30 June 2025

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

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

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

Impairment of non-financial assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. 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 company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

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

Estimates and assumptions

Estimation of useful lives of assets

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

Incremental borrowing rate

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

Wandin Seville Financial Services Limited

Notes to the financial statements

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Note 5. Economic dependency

The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in May 2027.

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

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

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

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

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

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

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

Note 6. Change to comparative figures

Classification of term deposits

In the 30 June 2024 financial statements the directors disclosed a change in classification of term deposits to align the accounting policy with the requirements of AASB 107 *Statement of Cash Flows*.

The change in classification had the following impacts on comparative figures:

- Opening and closing cash balances were reduced to exclude term deposits with initial investment periods greater than three months as reported in the Statement of cash flows.
- Investments in and redemptions of term deposits with initial investment periods greater than three months are now classified within investment activities as reported in the Statement of cash flows.

Leases and Right-of-Use Assets

Right of use assets have been reclassified from 'intangibles' to property, plant & equipment, as per the accounting standard for leases, AASB 16 *leases*.

General Accounting Classifications

A series of general account reclassifications have occurred in order to more closely align account classification with other community banks, improving comparability.

Wandin Seville Financial Services Limited
Notes to the financial statements
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Note 6. Change to comparative figures (continued)

	2024 \$ Reported	\$ Adjustment	2024 \$ Restated
Revenue from contracts with customers	1,592,485	(75,221)	1,517,264
Other revenue	-	21,166	21,166
Finance revenue	-	54,056	54,056
System costs	-	(26,040)	(26,040)
Advertising and marketing costs	-	(10,339)	(10,339)
Employee benefits expense	(428,983)	(11,558)	(440,541)
Occupancy and associated costs	-	(36,537)	(36,537)
Depreciation and amortisation expense	(79,725)	-	(79,725)
General administration expenses	(245,046)	98,648	(146,398)
Finance costs	-	(14,175)	(14,175)
Profit before community contributions and income tax expense	838,731	-	838,731
Charitable donations, sponsorships and grants expense	(135,416)	-	(135,416)
Profit before income tax expense	703,315	-	703,315
Income tax expense	(201,996)	-	(201,996)
Profit after income tax expense for the year	501,319	-	501,319
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	<u>501,319</u>	<u>-</u>	<u>501,319</u>
	Cents Reported	Cents Adjustment	Cents Restated
Basic earnings per share	94.89	-	94.89
Diluted earnings per share	94.89	-	94.89

Wandin Seville Financial Services Limited
Notes to the financial statements
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Note 6. Change to comparative figures (continued)

Statement of financial position at the end of the earliest comparative period

	2024 \$ Reported	\$ Adjustment	2024 \$ Restated
Assets			
Current assets			
Cash and cash equivalents	2,669,423	(1,893,667)	775,756
Trade and other receivables	171,618	-	171,618
Investments	-	1,893,667	1,893,667
Total current assets	<u>2,841,041</u>	<u>-</u>	<u>2,841,041</u>
Non-current assets			
Property, plant and equipment	724,824	-	724,824
Right-of-use assets	-	205,101	205,101
Intangible assets	247,717	(205,101)	42,616
Deferred tax assets	13,301	-	13,301
Total non-current assets	<u>985,842</u>	<u>-</u>	<u>985,842</u>
Total assets	<u>3,826,883</u>	<u>-</u>	<u>3,826,883</u>
Liabilities			
Current liabilities			
Trade and other payables	92,641	15,378	108,019
Borrowings	32,077	(32,077)	-
Lease liabilities	-	32,077	32,077
Current tax liabilities	15,377	100,409	115,786
Employee benefits	14,129	-	14,129
Provisions	115,786	(115,786)	-
Total current liabilities	<u>270,010</u>	<u>1</u>	<u>270,011</u>
Non-current liabilities			
Borrowings	199,272	(199,272)	-
Lease liabilities	-	199,271	199,271
Employee benefits	26,070	-	26,070
Provisions	32,997	-	32,997
Total non-current liabilities	<u>258,339</u>	<u>(1)</u>	<u>258,338</u>
Total liabilities	<u>528,349</u>	<u>-</u>	<u>528,349</u>
Net assets	<u>3,298,534</u>	<u>-</u>	<u>3,298,534</u>
Equity			
Issued capital	528,311	-	528,311
Retained earnings	2,770,223	-	2,770,223
Total equity	<u>3,298,534</u>	<u>-</u>	<u>3,298,534</u>

Wandin Seville Financial Services Limited
Notes to the financial statements
30 June 2025

Note 6. Change to comparative figures (continued)

Statement of cash flows

	2024 \$ Reported	\$ Adjustment	2024 \$ Restated
Cash flows from operating activities			
Receipts from customers (inclusive of GST)	1,556,844	153,988	1,710,832
Payments to suppliers and employees (inclusive of GST)	(819,173)	(142,038)	(961,211)
Interest received	54,056	-	54,056
Income taxes paid	(173,159)	537	(172,622)
Net cash provided by operating activities	<u>618,568</u>	<u>12,487</u>	<u>631,055</u>
Cash flows from investing activities			
Investment in term deposits	-	(54,056)	(54,056)
Payments for property, plant and equipment	(5,494)	1	(5,493)
Proceeds from disposal of property, plant and equipment	2	(2)	-
Net cash used in investing activities	<u>(5,492)</u>	<u>(54,057)</u>	<u>(59,549)</u>
Cash flows from financing activities			
Interest and other finance costs paid	-	(12,487)	(12,487)
Dividends paid	(52,831)	-	(52,831)
Repayment of lease liabilities	(18,656)	1	(18,655)
Net cash used in financing activities	<u>(71,487)</u>	<u>(12,486)</u>	<u>(83,973)</u>
Net increase in cash and cash equivalents	541,589	(54,056)	487,533
Cash and cash equivalents at the beginning of the financial year	2,127,834	(1,839,611)	288,223
Cash and cash equivalents at the end of the financial year	<u><u>2,669,423</u></u>	<u><u>(1,893,667)</u></u>	<u><u>775,756</u></u>

Note 7. Revenue from contracts with customers

	2025 \$	2024 \$
Margin income	1,329,131	1,374,251
Fee income	73,597	70,712
Commission income	74,112	67,932
Insurance recoveries	-	4,369
	<u><u>1,476,840</u></u>	<u><u>1,517,264</u></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.

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Note 7. Revenue from contracts with customers (continued)

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

<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.

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.

Wandin Seville Financial Services Limited
Notes to the financial statements
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Note 8. Other revenue

	2025	2024
	\$	\$
Rental income	23,672	21,124
Other income	-	42
	<u>23,672</u>	<u>21,166</u>

The company's activities include the generation of income from sources other than the core products under the franchise agreement. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and can be reliably measured.

Revenue stream

Rental income

Revenue recognition policy

Rental income from owned investment properties, is accounted for on a straight-line basis over the lease term. If not received at balance date, revenue is reflected on the balance sheet as a receivable and carried at its recoverable amount.

Note 9. Expenses

Employee benefits expense

	2025	2024
	\$	\$
Wages and salaries	431,205	385,871
Superannuation contributions	47,716	41,532
Expenses related to long service leave	10,724	(7,411)
Other expenses	21,099	20,549
	<u>510,744</u>	<u>440,541</u>

Depreciation and amortisation expense

	2025	2024
	\$	\$
<i>Depreciation of non-current assets</i>		
Buildings	30,168	30,167
Plant and equipment	5,178	3,065
Motor vehicles	4,995	6,244
	<u>40,341</u>	<u>39,476</u>
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	25,638	25,638
<i>Amortisation of intangible assets</i>		
Franchise fee	14,611	14,611
	<u>80,590</u>	<u>79,725</u>

Finance costs

	2025	2024
	\$	\$
Lease interest expense	11,312	12,487
Unwinding of make-good provision	1,779	1,688
	<u>13,091</u>	<u>14,175</u>

Wandin Seville Financial Services Limited
Notes to the financial statements
30 June 2025

Note 9. Expenses (continued)

Finance costs are recognised as expenses when incurred using the effective interest rate.

Charitable donations, sponsorships and grants expense

	2025	2024
	\$	\$
Direct donation, sponsorship and grant payments	<u>167,915</u>	<u>135,416</u>

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

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

When the company pays a contribution in to the CEF, the company loses control over the funds at that point. While the directors are involved in the payment of grants, the funds are not refundable to the company.

Community Enterprise Foundation™ contributions

	2025	2024
	\$	\$
<i>Disaggregation of CEF funds</i>		
Opening balance	316,085	315,362
Grants paid out	(24,000)	(14,192)
Interest received	<u>15,202</u>	<u>14,915</u>
Balance available for distribution	<u><u>307,287</u></u>	<u><u>316,085</u></u>

Note 10. Income tax

	2025	2024
	\$	\$
<i>Income tax expense</i>		
Current tax	165,767	177,294
Movement in deferred tax	<u>(12,107)</u>	<u>24,702</u>
Aggregate income tax expense	<u><u>153,660</u></u>	<u><u>201,996</u></u>
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	<u>611,466</u>	<u>703,315</u>
Tax at the statutory tax rate of 25%	152,867	175,829
Tax effect of:		
Non-deductible expenses	<u>793</u>	<u>26,167</u>
Income tax expense	<u><u>153,660</u></u>	<u><u>201,996</u></u>

Wandin Seville Financial Services Limited
Notes to the financial statements
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Note 10. Income tax (continued)

	2025	2024
	\$	\$
<i>Deferred tax assets / (liabilities)</i>		
Employee benefits	14,762	10,050
Property, plant and equipment	13,609	7,650
Prepayments	(2,963)	(4,399)
	<u>25,408</u>	<u>13,301</u>
Deferred tax asset		
	2025	2024
	\$	\$
Income tax refund due	<u>2,162</u>	<u>-</u>
	2025	2024
	\$	\$
Provision for income tax	<u>-</u>	<u>115,786</u>

Accounting policy for income tax

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

Accounting policy for current tax

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

Accounting policy for deferred tax

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

Note 11. Cash and cash equivalents

	2025	2024
	\$	\$
Cash at bank and on hand	<u>687,523</u>	<u>775,756</u>

Note 12. Trade and other receivables

	2025	2024
	\$	\$
Trade receivables	122,900	154,022
Prepayments	<u>11,847</u>	<u>17,596</u>
	<u>134,747</u>	<u>171,618</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.

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Note 13. Investments

	2025	2024
	\$	\$
<i>Current assets</i>		
Term deposits	2,383,994	1,893,667

Note 14. Property, plant and equipment

	2025	2024
	\$	\$
Land - at cost	286,268	286,268
Buildings - at cost	781,668	781,668
Less: Accumulated depreciation	(410,078)	(379,910)
	371,590	401,758
Plant and equipment - at cost	40,228	81,451
Less: Accumulated depreciation	(29,172)	(69,628)
	11,056	11,823
Motor vehicles - at cost	42,518	42,518
Less: Accumulated depreciation	(22,538)	(17,543)
	19,980	24,975
	688,894	724,824

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

	Land	Buildings	Plant and equipment	Motor vehicles	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2023	286,268	431,925	9,395	31,219	758,807
Additions	-	-	5,493	-	5,493
Depreciation	-	(30,167)	(3,065)	(6,244)	(39,476)
Balance at 30 June 2024	286,268	401,758	11,823	24,975	724,824
Additions	-	-	4,411	-	4,411
Depreciation	-	(30,168)	(5,178)	(4,995)	(40,341)
Balance at 30 June 2025	286,268	371,590	11,056	19,980	688,894

Accounting policy for property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Buildings	10 to 40 years
Plant and equipment	2.5 to 40 years
Motor vehicles	5 years

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

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Note 14. Property, plant and equipment (continued)

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 15. Right-of-use assets

	2025	2024
	\$	\$
Land and buildings - right-of-use	328,473	331,796
Less: Accumulated depreciation	<u>(152,333)</u>	<u>(126,695)</u>
	<u><u>176,140</u></u>	<u><u>205,101</u></u>

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

	Land and buildings \$
Balance at 1 July 2023	230,739
Depreciation expense	<u>(25,638)</u>
Balance at 30 June 2024	205,101
Remeasurement adjustments	(3,323)
Depreciation expense	<u>(25,638)</u>
Balance at 30 June 2025	<u><u>176,140</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 18 for more information on lease arrangements.

Note 16. Intangible assets

	2025	2024
	\$	\$
Franchise fee	73,056	73,056
Less: Accumulated amortisation	<u>(45,051)</u>	<u>(30,440)</u>
	<u><u>28,005</u></u>	<u><u>42,616</u></u>

Wandin Seville Financial Services Limited
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Note 16. Intangible assets (continued)

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

	Franchise fee \$
Balance at 1 July 2023	57,227
Amortisation expense	<u>(14,611)</u>
Balance at 30 June 2024	42,616
Amortisation expense	<u>(14,611)</u>
Balance at 30 June 2025	<u><u>28,005</u></u>

Accounting policy for intangible assets

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

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

The 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)	May 2027
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	May 2027

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

Note 17. Trade and other payables

	2025 \$	2024 \$
<i>Current liabilities</i>		
Trade payables	4,224	8,692
Other payables and accruals	<u>117,598</u>	<u>99,327</u>
	<u><u>121,822</u></u>	<u><u>108,019</u></u>
	2025 \$	2024 \$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	121,822	108,019
Less GST payable to the ATO, included in trade and other payables	<u>(38,383)</u>	<u>(40,404)</u>
	<u><u>83,439</u></u>	<u><u>67,615</u></u>

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Note 18. Lease liabilities

	2025	2024
	\$	\$
<i>Current liabilities</i>		
Land and buildings lease liabilities	<u>22,351</u>	<u>32,077</u>
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	<u>185,369</u>	<u>199,271</u>
<i>Reconciliation of lease liabilities</i>		
	2025	2024
	\$	\$
Opening balance	231,348	250,003
Remeasurement adjustments	(3,323)	-
Lease interest expense	11,312	12,487
Lease payments - total cash outflow	<u>(31,617)</u>	<u>(31,142)</u>
	<u>207,720</u>	<u>231,348</u>

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
386 Warbuton Highway, 5% Wandin North, Victoria		5 years	1 x 5 years	Yes	June 2032

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 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.

Note 19. Issued capital

	2025	2024	2025	2024
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>528,311</u>	<u>528,311</u>	<u>528,311</u>	<u>528,311</u>

Accounting policy for issued capital

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

Wandin Seville Financial Services Limited
Notes to the financial statements
30 June 2025

Note 19. 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").

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

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

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

In the constitution, members acknowledge and recognise that the exercise of the powers given to the board may cause considerable disadvantage to individual members, but that such a result may be necessary to enforce the prohibition.

Wandin Seville Financial Services Limited
Notes to the financial statements
30 June 2025

Note 20. Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board of directors 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 21. Dividends

Dividends provided for and paid during the period

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 \$
Fully franked dividend of 10 cents per share (2024: 10 cents)	<u>52,831</u>	<u>52,831</u>

Dividends proposed but not recognised at balance date

After the end of the prior financial year, the board of directors proposed to pay a fully franked dividend of 10 cents per share, to be paid in October 2024. The financial impact of the dividend, amounting to \$52,831 was not recognised in the financial statements for the financial year ended 30 June 2024, and was recognised in the current financial statements.

Franking credits

	2025 \$	2024 \$
Franking account balance at the beginning of the financial year	950,261	779,912
Franking credits (debits) arising from income taxes paid (refunded)	266,976	187,959
Franking debits from the payment of franked distributions	<u>(17,610)</u>	<u>(17,610)</u>
	<u>1,199,627</u>	<u>950,261</u>
<i>Franking transactions that will arise subsequent to the financial year end:</i>		
Balance at the end of the financial year	1,199,627	950,261
Franking credits (debits) that will arise from payment (refund) of income tax	29,954	115,786
Franking credits available for future reporting periods	<u>1,229,581</u>	<u>1,066,047</u>

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

Accounting policy for dividends

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

Wandin Seville Financial Services Limited
Notes to the financial statements
30 June 2025

Note 22. Financial risk management

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

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

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

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

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

	2025	2024
	\$	\$
Financial assets		
Cash and cash equivalents (note 11)	687,523	775,756
Trade and other receivables excluding prepayments	122,900	154,022
Term deposits (note 13)	2,383,994	1,893,667
	<u>3,194,417</u>	<u>2,823,445</u>
Financial liabilities		
Trade and other payables (note 17)	83,439	67,615
Lease liabilities (note 18)	207,720	231,348
	<u>291,159</u>	<u>298,963</u>

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

Accounting policy for financial instruments

Financial assets

Classification

The company measures 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 investment 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.

Wandin Seville Financial Services Limited
Notes to the financial statements
30 June 2025

Note 22. Financial risk management (continued)

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 measures 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. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the company to cash flow interest-rate risk.

The company held cash and cash equivalents of \$687,523 and term deposits of \$2,383,994 at 30 June 2025 (2024: \$775,756 and \$1,893,667).

An analysis by remaining contractual maturities is shown in 'liquidity risk' below.

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

	1 year or less	Between 1 and 5 years	Over 5 years	Remaining contractual maturities
2025	\$	\$	\$	\$
Trade and other payables	83,439	-	-	83,439
Lease liabilities	32,565	178,079	38,884	249,528
Total non-derivatives	116,004	178,079	38,884	332,967
	1 year or less	Between 1 and 5 years	Over 5 years	Remaining contractual maturities
2024	\$	\$	\$	\$
Trade and other payables	67,615	-	-	67,615
Lease liabilities	31,616	172,892	76,636	281,144
Total non-derivatives	99,231	172,892	76,636	348,759

Wandin Seville Financial Services Limited
Notes to the financial statements
30 June 2025

Note 23. Key management personnel disclosures

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

Raymond Barrett	Anita Wood
Kim Parry	James Brown
Gavan McIntyre	Jayantilal Naran
Susan Harmsworth	Daniel Field
Benjamin Vallence	Graeme Prime

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 24. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 23.

Receivable from and payable to related parties

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

Terms and conditions of transactions with related parties

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

Transactions with related parties

The following transactions occurred with related parties:

	2025	2024
	\$	\$
Raymond Barrett provided consulting services to the Board	30,504	28,068
Various sponsorships and donations were made to entities of which current directors are associated with. The total benefits received was:	14,300	-

Note 25. 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 (Mizael Auditors)	3,500	5,800
Audit or review of the financial statements (AFS)	3,800	-
	<u>7,300</u>	<u>5,800</u>
<i>Other services</i>		
General advisory services (AFS)	1,250	-
Share registry services (AFS)	5,890	-
	<u>14,440</u>	<u>5,800</u>

Wandin Seville Financial Services Limited
Notes to the financial statements
30 June 2025

Note 26. Reconciliation of profit after income tax to net cash provided by operating activities

	2025	2024
	\$	\$
Profit after income tax expense for the year	457,806	501,319
Adjustments for:		
Depreciation and amortisation	80,590	79,725
Lease liability interest	11,312	12,487
Change in operating assets and liabilities:		
Decrease in trade and other receivables	36,871	18,603
Decrease in income tax refund due	14,617	-
Decrease/(increase) in deferred tax assets	(12,107)	24,701
Increase/(decrease) in trade and other payables	(2,976)	2,524
Increase/(decrease) in provision for income tax	(115,786)	4,673
Increase/(decrease) in employee benefits	18,847	(4,665)
Increase/(decrease) in other provisions	1,779	(8,312)
Net cash provided by operating activities	<u>490,953</u>	<u>631,055</u>

Note 27. Earnings per share

	2025	2024
	\$	\$
Profit after income tax	<u>457,806</u>	<u>501,319</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>528,311</u>	<u>528,311</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>528,311</u>	<u>528,311</u>
	Cents	Cents
Basic earnings per share	86.65	94.89
Diluted earnings per share	86.65	94.89

Note 28. Commitments

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

Note 29. Contingencies

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

Note 30. 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.

Wandin Seville Financial Services Limited

Directors' declaration

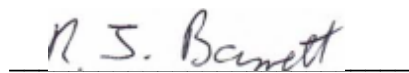
30 June 2025

In the directors' opinion:

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

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

On behalf of the directors



Raymond Barrett
Chairman

23 September 2025



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

Independent auditor's report to the Directors of Wandin Seville Financial Services Limited

Report on the audit of the financial report

Basis for qualified opinion

The financial statements for the year ended 30 June 2024 of Wandin Seville Financial Services Limited were not audited by Andrew Frewin Stewart. It has not been practical for us to verify or otherwise obtain sufficient information concerning the company's opening balances at 1 July 2024. Since the opening balances impact directly on the determination of the results of operations, we were unable to ascertain whether adjustments to the results of operations might be necessary for the year ended 30 June 2025 as a consequence of any potential misstatement of the opening balances. We were unable to obtain sufficient appropriate audit evidence regarding the comparative balances for the year ended 30 June 2025, as a result of this, no opinion on these comparative amounts is expressed.

Our opinion

In our opinion, the accompanying financial report of Wandin Seville Financial Services Limited, is in accordance with the *Corporations Act 2001*, including:

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

What we have audited

We have audited the financial report of Wandin Seville Financial Services Limited (the company), which comprises the:

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

Basis for opinion

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

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



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
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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.

Other Matter

The financial report of Wandin Seville Financial Services Limited for the year ended 30 June 2024, was audited by another auditor who expressed an unmodified opinion on that report on 29 October 2024

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.



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
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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.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 23 September 2025

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

Joshua Griffin
Lead Auditor

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