Annual Report 2026









Western Port Community Enterprises Limited

Community Bank Hastings & District

ABN 47 129 333 044

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Chair's report

For year ending 30 June 2026

It is my pleasure to present my first Chairman's Report for Western Port Community Enterprise Limited.

While this is my first year as Chair, I benefited greatly from the leadership and guidance of my then-chair, Vic Rodwell, over my Board years. I sincerely thank Vic for his significant contribution to the Bank, and for the personal lessons he has shared with me about community, involvement and service. I look forward to building on the strong foundation he helped establish. I would also like to thank Amy Campion for her service as Chair during 2025, and for the leadership and support she provided to the Board during that time.

As with the two previous years, this year has been successful for our Community Bank as we continue to increase our share returns in 2026. I want to thank our shareholders for your continuing support. From the beginning, this backing has created opportunities throughout our community and remains central to our success.

During the year, we welcomed new Directors and team members, further strengthening our dedicated and capable Board and branch team. Together, they have helped ensure our Community Bank continues to perform strongly while remaining focused on its purpose: supporting the communities we serve.

I am particularly proud that our financial success enables us to reinvest locally and deliver initiatives that contribute to the growth, resilience and wellbeing of our community. With one of the strongest Boards we have had in many years, and a committed team behind us, I am confident Western Port Community Enterprise Limited is well placed to continue thriving in the years ahead.

Looking forward, we will continue our valued relationship with the Western Port Biosphere Reserve Foundation and our ongoing support of the Western Port Basketball Association, which continues to create a thriving environment for young sporting stars. We have enjoyed engaging and supporting our local sporting clubs, RSL and Community House, whilst also welcoming support for a November bike ride from Adelaide to Hastings, emphasising the importance of mental health through 'It's Ok Not To Be Ok' Day. We are also pleased to welcome new relationships for 2026 and beyond with Spriggle Kids, which provides opportunities for children to thrive, and a wonderful new relationship with Hastings Yacht Club. We are excited to see how these partnerships develop in the years ahead.

Most importantly, I want to acknowledge the many volunteers who are the backbone of our community. Your generosity, time and commitment enable local community groups to thrive, grow and support others. Your contribution is invaluable.

This year has also brought a specific focus, both in the branch and at Board level, on non-financial risk management. I am pleased to report that the Bank is stronger than ever for both our customers and shareholders. At our 2026 Strategy Day, we identified areas of need and opportunity within our community. The new strategic pillars developed through this process will guide our community investment decisions from 2027 onwards, helping ensure our support reaches the areas where it is needed most.

Finally, I want to thank my fellow Directors for their support, providing me with the privilege of having this role, in addition to guiding the Bank with shared values and a willingness to embrace new opportunities.

A special thank you goes to Scott and all our branch staff. They have done an outstanding job throughout the year, navigating change within the financial services industry while continuing to grow our Bank and serve our customers with dedication.

I look forward to 2027 and beyond as Chair, and to seeing both our Bank and our community continue to thrive.

Alice Hughes
Chair

Manager's report

For year ending 30 June 2026

It is with pleasure that I submit my annual report to the shareholders for the financial year ended 30 June 2026.

I am proud to share that over the past financial year, our overall branch footings have once again increased by more than 6%. Despite the challenges of this past year, the Community Bank Hastings & District stayed focused, remained true to our values, and continued to support our customers and the wider community through sponsorships. Since we first opened our doors, Community Bank Hastings & District has proudly returned over $1.7 million to the local community.

Our branch is still in its early stages and continues to grow. Because of this, promoting the benefits of banking with Community Bank Hastings & District is now more important than ever. The strong, ongoing support we receive is led particularly by the many not-for-profit groups we have partnered with since our opening. These organisations are directly seeing the rewards that banking with a Community Bank can bring them.

Over the next 12 months, we remain committed to developing and deepening our relationships with these not-for-profit customers, ensuring we can all continue to build a stronger and more financially secure local community. With the continued support of these groups and our existing customer base, I am confident we will keep growing our business.

I would also like to extend my sincere thanks to our Board of Directors, who have worked tirelessly to promote our Community Bank, alongside our Regional Support team—including our Specialist Business Bankers and Financial Planners. Their ongoing support has been invaluable to the staff and I as we work together to grow our business.

Last, but certainly not least, I want to thank all our customers and shareholders who have supported our branch this year and in the past. Without your loyalty, we simply could not have achieved these strong results. I encourage you to continue being advocates for our branch by recommending us to your family, friends, and business associates.

What makes the Community Bank model truly unique is that every time local residents bank with us, our bottom line increases—directly boosting the funding we can return to the community through sponsorships, contributions, and dividends.

I look forward to the year ahead and welcoming the opportunities and challenges it will bring. Please feel free to contact the team at the Community Bank Hastings & District at any time.

Scott Kruger
Branch Manager

Community impact

This year, we significantly increased our investment in the local community by expanding our sponsorship program and appointing a dedicated part-time Community Advisor.

In November, we welcomed Jo Juler to the role. With extensive experience in sport and entertainment, Jo is working closely with our community partners to maximise the impact of our investment and identify new projects that would benefit from funding and support.

Our partnerships continue to make a meaningful difference across the region. We are proud to support organisations working in environmental conservation, music, sport, emergency services, arts and crafts, and community wellbeing many of which rely on local support to continue their valuable work.



One of our longest-standing partnerships is with the internationally recognised Western Port Biosphere, which works to protect our unique and fragile ecosystem for future generations. Our support contributes to its school's program, helping young people understand the importance of environmental stewardship.

Our partnership with the Southern Peninsula Concert Band has created memorable experiences for the community, including performances on Anzac Day and during the Christmas period outside our branch. These events have provided something special for customers and visitors alike.



Community impact (continued)





We continue to invest in a range of sporting organisations. Sport plays an important role in connecting communities and bringing families together, while helping young people develop confidence, resilience, teamwork and positive mental health.

This year, the Board introduced the Vic Rodwell Community Award, recognising an individual who has gone above and beyond to create positive change in our community. Mary Budd from Crib Point Community House was named the inaugural recipient and presented with the award at our Annual General Meeting.

As the needs of the Hastings and District community continue to grow, so does our commitment to investing our profits where they can make the greatest difference. From the Board to every member of our team, we remain dedicated to working alongside our community partners and delivering meaningful outcomes for the people and communities we serve.





Directors' report

30 June 2026

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

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

Name:	Trevor Donald Coleman
Title:	Non-executive director
Experience and expertise:	Previously worked in Finance and Insurance industries. Vast experience with management and sales in both industries. Prior to retirement Trevor had his own company which specialised in sales training and management.
Special responsibilities:	Community Investment Sub-Committee and HR
Name:	Jason Shaun Dowler
Title:	Non-executive director
Experience and expertise:	Real Estate business owner, Sales person 17 years, Business Degree (Marketing), Licensed Estate Agent President of the Westernport Chamber of Commerce and Industry, involvement 8 years.
Special responsibilities:	Business Development Sub-Committee
Name:	Andrew Paul Iredale
Title:	Non-executive director
Experience and expertise:	Andrew holds a Bachelor of Arts La Trobe Uni, Graduate Diploma in Business (Accounting) Monash Uni. Andrew is self-employed for 35 years, in current local Hastings business for 20 years. He is a current shareholder of the company and past director returning for another tenure.
Special responsibilities:	Treasurer
Name:	Andrew Venturini
Title:	Non-executive director
Experience and expertise:	Diploma of Business, Former Real Estate Agent, Management in Trade/Plumbing Hardware. Owner/Operator of Small Business and Manager of Electrical/Air Conditioning Business.
Special responsibilities:	Community Investment and Building Sub-Committees
Name:	Alice Victoria Hughes
Title:	Non-executive director
Experience and expertise:	Alice holds a Master of Marketing & Communications RMIT, a Bachelor of Business Management, Swinburne and a Bachelor of Communication Design, Swinburne. Alice currently manages the Western Port Chamber of Commerce, specialising in community and business growth and marketing for the Hastings region with a passion for bringing community to life. Alice is a current shareholder of the company.
Special responsibilities:	Chair
Name:	Alexandra Kabuschat
Title:	Non-executive director
Experience and expertise:	Alexandra holds a Bachelor of Arts in International Cultural and Business Studies. They have specialised experience in hotel and catering services with Hilton Munich Park, and has worked as an Event, Marketing, and Sponsoring Coordinator at BMW Motorsport. Additionally, Alexandra has experience in administration.
Special responsibilities:	Marketing Subcommittee
Name:	Danielle Hade
Title:	Non-executive director *(appointed 10 February 2026)*
Experience and expertise:	Currently company secretary, worked in advertising for 15 years, self-employed running own business selling skincare and makeup products. Completed advanced certificate courses in bookkeeping, accounting, human resources and education support.
Special responsibilities:	Company secretary and Compliance Sub-Committee

Name:	Nicole Joy Barr
Title:	Non-executive director *(appointed 2 March 2026)*
Experience and expertise:	Nicky is the founder of Flawless Figures Bookkeeping and a registered BAS Agent, with extensive experience in bookkeeping, payroll, business systems and financial management. She is actively involved in the local business community and brings strong skills in leadership, team management and supporting small business.
Special responsibilities:	Marketing Subcommittee
Name:	Amy Campion
Title:	Non-executive director *(resigned 11 February 2026)*
Experience and expertise:	Marketing and Communications Consultant, Writer. BA (Hons) Communication Arts; Post Grad Cert in Strategic Foresight. An experienced marketing and communications specialist across a wide range of industries with a focus on values driven and ethical organisations. A published writer, radio host on local station RPP FM. Involved in voluntary roles including Poets Corner, Mornington Peninsula Women in Business and Art Red Hill.
Special responsibilities:	Marketing Sub-Committee
Name:	Lisa Jane Dixon
Title:	Non-executive director *(resigned 30 July 2025)*

Company secretary
The company secretary is Danielle Hade. Danielle was appointed to the position of company secretary on 1 July 2024.

Principal activity
The principal activity of the company during the financial year was facilitating Community Bank services under management rights of Bendigo and Adelaide Bank Limited (Bendigo Bank).

There have been no significant changes in the nature of this activity during the financial year.

Review of operations
The profit for the company after providing for income tax amounted to $282,028 (30 June 2025: $236,622).

Operations have continued to perform in line with expectations.

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

	2026 $	2025 $
Fully franked dividend of 7 cents per share (2025: nil cents)	54,723	-
Unfranked dividend of nil cents per share (2025: 7 cents)	-	54,723
	54,723	54,723

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

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

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

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

Likely developments 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
Trevor Donald Coleman	10	10
Jason Shaun Dowler	10	5
Andrew Paul Iredale	10	6
Andrew Venturini	10	10
Alice Victoria Hughes	10	8
Alexandra Kabuschat	10	8
Danielle Hade	5	2
Nicole Joy Barr	5	4
Amy Campion	5	5
Lisa Jane Dixon	1	1

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

Directors' interests
The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Trevor Donald Coleman	-	-	-
Jason Shaun Dowler	-	-	-
Andrew Paul Iredale	2,000	-	2,000
Andrew Venturini	20,000	-	20,000
Alice Victoria Hughes	-	-	-
Alexandra Kabuschat	-	-	-
Danielle Hade	-	-	-
Nicole Joy Barr	-	-	-
Amy Campion	-	-	-
Lisa Jane Dixon	-	-	-

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

Shares issued on the exercise of options
There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

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

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

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

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

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

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

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

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

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

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

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001.*

On behalf of the directors



Alice Hughes
Chair

30 September 2026

Auditor's independence declaration

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

Lead auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Western Port Community Enterprises Limited

As lead auditor for the audit of Western Port Community Enterprises Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 30 September 2026

Adrian Downing
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation.

Financial statements

Western Port Community Enterprises Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue from contracts with customers	6	1,308,483	1,278,967
Other revenue		77	-
Finance revenue		21,872	10,689
Total revenue		1,330,432	1,289,656
Employee benefits expense	7	(559,023)	(567,206)
Advertising and marketing costs		(8,697)	(16,626)
Occupancy and associated costs		(28,194)	(28,188)
System costs		(32,612)	(28,881)
Depreciation and amortisation expense	7	(76,278)	(70,434)
Finance costs	7	(24,449)	(25,819)
General administration expenses		(108,466)	(115,218)
Total expenses before community contributions and income tax expense		(837,719)	(852,372)
Profit before community contributions and income tax expense		492,713	437,284
Charitable donations, sponsorships and grants expense	7	(116,225)	(121,788)
Profit before income tax expense		376,488	315,496
Income tax expense	8	(94,460)	(78,874)
Profit after income tax expense for the year		282,028	236,622
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		282,028	236,622
		Cents	**Cents**
Basic earnings per share	26	36.08	30.27
Diluted earnings per share	26	36.08	30.27

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

Western Port Community Enterprises Limited
Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	9	300,677	284,346
Trade and other receivables	10	110,911	99,616
Investments	11	600,000	400,000
Total current assets		1,011,588	783,962
Non-current assets			
Property, plant and equipment	12	58,155	76,899
Right-of-use assets	13	285,153	313,086
Intangible assets	14	27,879	41,818
Deferred tax assets	8	18,515	16,225
Total non-current assets		389,702	448,028
Total assets		1,401,290	1,231,990
Liabilities			
Current liabilities			
Trade and other payables	15	88,523	71,011
Lease liabilities	16	57,433	55,485
Current tax liabilities	8	30,968	76,161
Employee benefits		31,542	12,572
Total current liabilities		208,466	215,229
Non-current liabilities			
Trade and other payables	15	-	15,334
Lease liabilities	16	269,039	294,104
Employee benefits		2,697	14,576
Lease make good provision		15,314	14,278
Total non-current liabilities		287,050	338,292
Total liabilities		495,516	553,521
Net assets		905,774	678,469
Equity			
Issued capital	17	769,898	769,898
Retained earnings/(accumulated losses)		135,876	(91,429)
Total equity		905,774	678,469

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

Western Port Community Enterprises Limited
Statement of changes in equity
For the year ended 30 June 2026

	Note	Issued capital $	Retained Earnings $	Total equity $
Balance at 1 July 2024		769,898	(273,328)	496,570
Profit after income tax expense		-	236,622	236,622
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	236,622	236,622
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	19	-	(54,723)	(54,723)
Balance at 30 June 2025		769,898	(91,429)	678,469
Balance at 1 July 2025		769,898	(91,429)	678,469
Profit after income tax expense		-	282,028	282,028
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	282,028	282,028
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	19	-	(54,723)	(54,723)
Balance at 30 June 2026		769,898	135,876	905,774

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

Western Port Community Enterprises Limited
Statement of cash flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,425,216	1,399,149
Payments to suppliers and employees (inclusive of GST)		(978,552)	(980,600)
Interest received		19,880	7,768
Income taxes paid		(118,980)	-
Net cash provided by operating activities	25	347,564	426,317
Cash flows from investing activities			
Payments for investments		(200,000)	(400,000)
Payments for property, plant and equipment	12	(4,842)	(35,336)
Payments for intangible assets		(13,940)	(13,940)
Net cash used in investing activities		(218,782)	(449,276)
Cash flows from financing activities			
Interest and other finance costs paid		(23,414)	(24,854)
Dividends paid	19	(54,723)	(54,723)
Repayment of lease liabilities		(34,314)	(30,927)
Net cash used in financing activities		(112,451)	(110,504)
Net increase/(decrease) in cash and cash equivalents		16,331	(133,463)
Cash and cash equivalents at the beginning of the financial year		284,346	417,809
Cash and cash equivalents at the end of the financial year	9	300,677	284,346

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

Notes to the financial statements

30 June 2026

Note 1. Reporting entity

The financial statements cover Western Port Community Enterprises Limited (the company) as an individual entity, which is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 2 High Street, Hastings VIC 3915.

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 30 September 2026. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

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

Accounting standards issued but not yet effective
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2026. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

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

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

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

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

30 June 2026

Note 3. Material accounting policy information (continued)

Investments
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

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

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

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.

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

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

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

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

Impairment of non-financial assets
The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. The directors did not identify any impairment indications during the financial year.

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

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.

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

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

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in June 2028.

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

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

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

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

Bendigo Bank provides significant assistance in establishing and maintaining the Community Bank franchise operations. It also continues to provide ongoing management and operational support and other assistance and guidance in relation to all aspects of the franchise operation, including advice and assistance in relation to:
- the design, layout and fit out of the Community Bank premises
- training for the branch manager and other employees in banking, management systems and interface protocol
- methods and procedures for the sale of products and provision of services
- security and cash logistic controls
- calculation of company revenue and payment of many operating and administrative expenses
- the formulation and implementation of advertising and promotional programs
- sales techniques and proper customer relations
- providing payroll services.

Note 6. Revenue from contracts with customers

	2026 $	2025 $
Margin income	1,180,075	1,176,904
Fee income	33,358	35,569
Commission income	87,740	60,108
ATM income	7,310	6,386
	1,308,483	1,278,967

Note 6. Revenue from contracts with customers (continued)

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

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

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

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

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

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

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

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

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

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

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

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

Note 6. Revenue from contracts with customers (continued)

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

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

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

Note 7. Expenses

Employee benefits expense

	2026 $	2025 $
Wages and salaries	483,059	491,471
Superannuation contributions	56,659	55,639
Expenses related to long service leave	2,583	3,387
Other expenses	16,722	16,709
	559,023	567,206

Depreciation and amortisation expense

	2026 $	2025 $
Depreciation of non-current assets		
Leasehold improvements	9,133	7,312
Plant and equipment	4,923	4,612
Furniture and fittings	4,227	1,640
Computer equipment	959	4
Motor vehicles	3,966	5,288
	23,208	18,856
Depreciation of right-of-use assets		
Leased land and buildings	39,131	37,637
Amortisation of intangible assets		
Franchise fee	2,323	2,324
Franchise renewal fee	11,616	11,617
	13,939	13,941
	76,278	70,434

Finance costs

	2026 $	2025 $
Lease interest expense	23,414	24,854
Unwinding of make-good provision	1,035	965
	24,449	25,819

Note 7. Expenses (continued)

Charitable donations, sponsorships and grants expense

	2026 $	2025 $
Direct donation, sponsorship and grant payments	116,225	121,788

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

Note 8. Income tax

	2026 $	2025 $
Income tax expense		
Current tax	96,750	76,161
Movement in deferred tax	(2,290)	(3,471)
Recoupment of prior year tax losses	-	6,184
Aggregate income tax expense	94,460	78,874
Prima facie income tax reconciliation		
Profit before income tax expense	376,488	315,496
Tax at the statutory tax rate of 25%	94,122	78,874
Tax effect of:		
Non-deductible expenses	338	-
Income tax expense	94,460	78,874

	2026 $	2025 $
Deferred tax assets/(liabilities)		
Employee benefits	8,560	7,793
Lease liabilities	81,618	87,397
Provision for lease make good	3,828	3,570
Accrued expenses	-	590
Income accruals	(1,228)	(730)
Right-of-use assets	(71,288)	(78,272)
Property, plant and equipment	(2,975)	(4,123)
Deferred tax asset	18,515	16,225

	2026 $	2025 $
Provision for income tax	30,968	76,161

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.

Note 8. Income tax (continued)

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

	2026 $	2025 $
Cash at bank and on hand	300,677	284,346

Note 10. Trade and other receivables

	2026 $	2025 $
Trade receivables	100,573	87,799
Accrued income	4,913	2,922
Prepayments	5,425	8,895
	10,338	11,817
	110,911	99,616

	2026 $	2025 $
Financial assets at amortised cost classified as trade and other receivables		
Total trade and other receivables	110,911	99,616
Less prepayments, included in trade and other receivables	(5,425)	(8,895)
	105,486	90,721

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

	2026 $	2025 $
Current assets		
Managed funds	600,000	400,000

Refer to note 21 for further information on fair value measurement.

Note 12. Property, plant and equipment

	2026 $	2025 $
Leasehold improvements - at cost	330,311	328,741
Less: Accumulated depreciation	(300,544)	(291,411)
	29,767	37,330
Plant and equipment - at cost	21,045	22,817
Less: Accumulated depreciation	(12,198)	(8,671)
	8,847	14,146
Furniture and fittings - at cost	17,428	15,962
Less: Accumulated depreciation	(9,786)	(6,409)
	7,642	9,553
Motor vehicles - at cost	28,636	28,636
Less: Accumulated depreciation	(16,737)	(12,771)
	11,899	15,865
Computer equipment - at cost	956	3,307
Less: Accumulated depreciation	(956)	(3,302)
	-	5
	58,155	76,899

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

	Leasehold improvements $	Plant and equipment $	Furniture and fittings $	Motor vehicle $	Computer equipment $	Total $
Balance at 1 July 2024	29,262	2,085	7,910	21,153	9	60,419
Additions	15,380	16,673	3,283	-	-	35,336
Depreciation	(7,312)	(4,612)	(1,640)	(5,288)	(4)	(18,856)
Balance at 30 June 2025	37,330	14,146	9,553	15,865	5	76,899
Additions	1,570	-	2,316	-	956	4,842
Disposals	-	(376)	-	-	(2)	(378)
Depreciation	(9,133)	(4,923)	(4,227)	(3,966)	(959)	(23,208)
Balance at 30 June 2026	29,767	8,847	7,642	11,899	-	58,155

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 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:

Leasehold improvements	5 to 20 years
Plant and equipment	5 years
Furniture, fixtures and fittings	2 to 5 years
Computer equipment	2 years
Motor vehicle	4 years

Note 12. Property, plant and equipment (continued)

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

	2026 $	2025 $
Land and buildings - right-of-use	562,945	551,747
Less: Accumulated depreciation	(277,792)	(238,661)
	285,153	313,086

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

	Land and buildings $
Balance at 1 July 2024	338,751
Remeasurement adjustments	11,972
Depreciation expense	(37,637)
Balance at 30 June 2025	313,086
Remeasurement adjustments	11,198
Depreciation expense	(39,131)
Balance at 30 June 2026	285,153

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

	2026 $	2025 $
Franchise fee	44,171	44,171
Less: Accumulated amortisation	(39,525)	(37,202)
	4,646	6,969
Franchise renewal fee	170,859	170,859
Less: Accumulated amortisation	(147,626)	(136,010)
	23,233	34,849
	27,879	41,818

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

	Franchise fee $	Franchise renewal fee $	Total $
Balance at 1 July 2024	9,293	46,466	55,759
Amortisation expense	(2,324)	(11,617)	(13,941)
Balance at 30 June 2025	6,969	34,849	41,818
Amortisation expense	(2,323)	(11,616)	(13,939)
Balance at 30 June 2026	4,646	23,233	27,879

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

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

The franchise fees paid by the company are amortised over their useful life and assessed for impairment whenever impairment indicators are present.

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

Asset class	Method	Useful life	Expiry/renewal date
Franchise fee	Straight-line	Over the franchise term (5 years)	June 2028
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	June 2028

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

Note 15. Trade and other payables

	2026 $	2025 $
Current liabilities		
Other payables and accruals	88,523	71,011
Non-current liabilities		
Other payables and accruals	-	15,334
	88,523	86,345

Note 15. Trade and other payables (continued)

	2026 $	2025 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	88,523	86,345
Less statutory payables, included in trade and other payables	(56,753)	(29,277)
	31,770	57,068

Note 16. Lease liabilities

	2026 $	2025 $
Current liabilities		
Land and buildings lease liabilities	57,433	55,485
Non-current liabilities		
Land and buildings lease liabilities	269,039	294,104
	326,472	349,589

Reconciliation of lease liabilities

	2026 $	2025 $
Opening balance	349,589	368,544
Remeasurement adjustments	11,197	11,972
Lease interest expense	23,414	24,854
Lease payments - total cash outflow	(57,728)	(55,781)
	326,472	349,589

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
Hastings branch	7.25%	5 years	1 x 5 years	Yes	June 2033

Note 17. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	781,762	781,762	781,762	781,762
Less: Equity raising costs	-	-	(11,864)	(11,864)
	781,762	781,762	769,898	769,898

Accounting policy for issued capital
Ordinary shares are recognised at the fair value of the consideration received by the company being $1 per share. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Rights attached to issued capital

Ordinary shares
Voting rights
Subject to some limited exceptions, each member has the right to vote at a general meeting.

On a show of hands or a poll, each member attending the meeting (whether they are attending the meeting in person or by attorney, corporate representative or proxy) has one vote, regardless of the number of shares held. However, where a person attends a meeting in person and is entitled to vote in more than one capacity (for example, the person is a member and has also been appointed as proxy for another member) that person may only exercise one vote on a show of hands. On a poll, that person may exercise one vote as a member and one vote for each other member that person represents as duly appointed attorney, corporate representative or proxy.

The purpose of giving each member only one vote, regardless of the number of shares held, is to reflect the nature of the company as a community based company, by providing that all members of the community who have contributed to the establishment and ongoing operation of the Community Bank branch have the same ability to influence the operation of the company.

Dividends
Generally, dividends are payable to members in proportion to the amount of the share capital paid up on the shares held by them, subject to any special rights and restrictions for the time being attaching to shares. The franchise agreement with Bendigo Bank contains a limit on the level of profits or funds that may be distributed to shareholders. There is also a restriction on the payment of dividends to certain shareholders if they have a prohibited shareholding interest (see below).

Transfer
Generally, ordinary shares are freely transferable. However, the directors have a discretion to refuse to register a transfer of shares.

Subject to the foregoing, shareholders may transfer shares by a proper transfer effected in accordance with the company's constitution and the *Corporations Act 2001*.

Prohibited shareholding interest
A person must not have a prohibited shareholding interest in the company.

In summary, a person has a prohibited shareholding interest if any of the following applies:

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- 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 198 shareholders (2025: 198 shareholders).

Note 17. Issued capital (continued)

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

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

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

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

Note 18. Capital management

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

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

The distribution limit is the greater of:

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

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

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

Note 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.

	2026 $	2025 $
Fully franked dividend of 7 cents per share (2025: nil cents)	54,723	-
Unfranked dividend of nil cents per share (2025: 7 cents)	-	54,723
	54,723	54,723

Note 19. Dividends (continued)

Franking credits

	2026 $	2025 $
Franking account balance at the beginning of the financial year	-	-
Franking credits (debits) arising from income taxes paid (refunded)	118,980	-
Franking debits from the payment of franked distributions	(18,241)	-
	100,739	-
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	100,739	-
Franking credits (debits) that will arise from payment (refund) of income tax	53,931	-
Franking credits available for future reporting periods	154,670	-

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

Note 20. Financial risk management

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

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

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

- The company has no foreign exchange risk as all of its account balances and transactions are in Australian Dollars.
- The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo Bank. The company monitors credit worthiness through review of credit ratings, Bendigo Bank is rated A- on Standard & Poor's credit ratings.
- The company has no direct exposure to movements in commodity prices.
- Cash and other financial assets measured at amortised cost have carrying values that approximate fair value due to their short-term nature. Managed fund investments are measured at fair value through profit or loss and are exposed to market price risk as disclosed below.
- The company has no borrowings.

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

	2026 $	2025 $
Financial assets at amortised cost		
Cash and cash equivalents (note 9)	300,677	284,346
Trade and other receivables excluding prepayments (note 10)	105,486	90,721
	406,163	375,067
Financial assets at fair value through profit or loss		
Investments (note 11)	600,000	400,000
Financial liabilities		
Trade and other payables (note 15)	31,770	57,068
Lease liabilities (note 16)	326,472	349,589
	358,242	406,657

Note 20. Financial risk management (continued)

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

Accounting policy for financial instruments

Financial assets

Classification
The company classifies its financial assets into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)

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 managed fund investments measured at fair value through profit or loss were $600,000 at 30 June 2026 (2025: $400,000) and are classified within Level 2 of the fair value hierarchy. Fair value is determined by reference to unit prices provided by the fund manager, based on observable market inputs. There were no transfers between levels of the fair value hierarchy during the year.

Derecognition
A financial asset is derecognised when the company's contractual right to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

Impairment of trade and other receivables
Impairment of trade receivables is determined using the simplified approach which uses an estimation of lifetime expected credit losses. The company has not recognised an allowance for expected credit losses in relation to trade and other receivables. Refer to note 4 for further information.

Financial liabilities

Classification
The company classifies its financial liabilities at amortised cost.

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

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

Price risk
Price risk arises from the company's investment in managed funds, the value of which may fluctuate as a result of changes in underlying market prices. The company manages this exposure by monitoring the performance and value of its investments on an ongoing basis. The directors consider the company's exposure to price risk in the context of its overall investment strategy and financial position.

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.

Note 20. Financial risk management (continued)

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

2026	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	31,770	-	-	31,770
Lease liabilities	59,581	238,332	115,024	412,937
Total non-derivatives	91,351	238,332	115,024	444,707

2025	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	41,734	15,334	-	57,068
Lease liabilities	57,566	230,263	168,700	456,529
Total non-derivatives	99,300	245,597	168,700	513,597

Note 21. Fair value measurement

Fair value hierarchy
The following tables detail the company's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2026	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Managed funds	-	600,000	-	600,000
Total assets	-	600,000	-	600,000

2025	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Managed funds	-	400,000	-	400,000
Total assets	-	400,000	-	400,000

There were no transfers between levels during the financial year.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Note 21. Fair value measurement (continued)

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 22. Key management personnel disclosures

The following persons were directors of Western Port Community Enterprises Limited during the financial year and/or up to the date of signing of these financial statements.

Trevor Donald Coleman
Jason Shaun Dowler
Andrew Paul Iredale
Andrew Venturini
Alice Victoria Hughes
Alexandra Kabuschat
Danielle Hade
Nicole Joy Barr
Amy Campion
Lisa Jane Dixon

Key management personnel compensation comprised the following.

	2026 $	2025 $
Short-term employee benefits	36,250	35,000

Compensation of the company's key management personnel comprises fees and other short-term benefits paid to directors.

Note 23. Related party transactions

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

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

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

Transactions with related parties
The following transactions occurred with related parties:

	2026 $	2025 $
The company provided sponsorship to Kindred Clubhouse, of which one director is Treasurer. The total sponsorship paid was:	10,000	-

Note 24. Remuneration of auditors

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

	2026 $	2025 $
Audit services		
Audit or review of the financial statements	9,523	9,850
Other services		
General advisory services	3,865	3,590
Share registry services	9,561	4,841
	13,426	8,431
	22,949	18,281

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

	2026 $	2025 $
Profit after income tax expense for the year	282,028	236,622
Adjustments for:		
Depreciation and amortisation	76,278	70,434
Net loss on disposal of non-current assets	378	-
Lease liabilities interest	23,414	24,854
Change in operating assets and liabilities:		
Increase in trade and other receivables	(11,295)	(7,769)
Decrease/(increase) in deferred tax assets	(2,290)	2,713
Increase/(decrease) in trade and other payables	(6,846)	21,350
Increase/(decrease) in provision for income tax	(22,230)	76,161
Increase in employee benefits	7,091	987
Increase in other provisions	1,036	965
Net cash provided by operating activities	347,564	426,317

Note 26. Earnings per share

	2026 $	2025 $
Profit after income tax	282,028	236,622
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	781,762	781,762
Weighted average number of ordinary shares used in calculating diluted earnings per share	781,762	781,762
	Cents	**Cents**
Basic earnings per share	36.08	30.27
Diluted earnings per share	36.08	30.27

Note 27. Commitments

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

Note 28. Contingencies

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

Note 29. Events after the reporting period

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

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

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

Directors' declaration

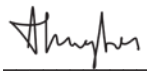
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

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

On behalf of the directors



Alice Hughes
Chair

30 September 2026

Independent audit report

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

Independent auditor's report to the members of Western Port Community Enterprises Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Western Port Community Enterprises Limited (the Company) is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year ended on that date
ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

We have audited the financial report of Western Port Community Enterprises Limited, which comprises:

- the Statement of financial position as at 30 June 2026
- the Statement of profit or loss and other comprehensive income for the year ended 30 June 2026
- the Statement of changes in equity for the year ended 30 June 2026
- the Statement of cash flows for the year ended 30 June 2026
- the notes to the financial statements, including material accounting policy information
- the Directors' declaration.

Basis for opinion

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

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

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

Other information

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

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

Liability limited by a scheme approved under Professional Standards Legislation.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained during the audit, or otherwise appears to be materially misstated.
At the date of this auditor's report, we have received and read the Directors' Report and have not identified any material inconsistency between that information and the financial report or our knowledge obtained during the audit.

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf This description forms part of our auditor's report.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 30 September 2026

Adrian Downing
Lead Auditor

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/communitybankhastings

Bendigo Bank

Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL/Australian Credit Licence 237879. (BNPAR26091) (10/26)