

Annual Report 2025

Wyong Town Financial
Services Limited

Community Bank
Wyong

ABN 59 100 313 120

Wyong Town Financial Services Limited

ABN 59 100 313 120

Chairman's Report

I am pleased to present my 16th chairman's report to you on the progress of the Community Bank Wyong Branch during the 2024/2025 financial year.

The 2024/2025 year has once again seen our staff perform above expectations in a very challenging economic climate. Our branch continues to be at or near the top of our region in all aspects of the business. They have done a fantastic job to service our customers and to continue the growth of the business in these difficult economic times. The year has seen us make a profit of \$514,236 which has allowed us to again pay a dividend.

We have welcomed new staff to the branch and they have fitted in seamlessly and continue to service our customers extremely well.

Thanks to the support of Community Bank customers and shareholders, the Australia-wide network has now returned more than \$416 million to support and strengthen local communities.

Our Community Bank company has played a key role in this milestone, returning more than \$1,132,571 to our local community. These community grants and sponsorships have made a significant difference to many local projects & organisations. Our relationship with The Fathers Table continues to grow as they do wonderful work in the community with people who are struggling to make ends meet in these tough times. We are also making a difference to the Bikers Hand Charity Hub who support over 50 local charities to ensure they can continue to service local people and families that are in need of help. Other long-term relationships with organisations such as The Iris Foundation, Wyong Netball Association, Wyong Girl Guides, Soldiers Beach Surf Life Saving and Wyong Emus Football club continue to thrive and we are making a difference to all of these organisations and their members.

We look forward to continuing to support these groups and others as more people bank with us and we become more successful.

We have continued to work collaboratively with the other Community Bank companies on the Coast to promote the brand and to increase our community involvement. We have undertaken initiatives to support many organisations including Central Coast Heart Netball, Zonta with their DV packages and Elsie's Retreat with scholarships for palliative care nurses for the new palliative care ward for Wyong Hospital just to mention a few.

I would urge all our shareholders to bank with us and be an advocate for Community Banking as these are the best ways to ensure we are not only profitable but are able to contribute significantly to our local community.

I would like to thank our regional team as well as our locally based Business Banking team for their assistance to the board, staff and our customers throughout the year.

Also, a big thank you and congratulations to the staff who always go above and beyond for the customers and the community. Without their dedication and commitment, we would not be in such a good position moving forward.

I am extremely grateful and proud of all my fellow directors. Each and every one of them has contributed to the tailoring and implementation of our business and community strategies. We are fortunate to have many dedicated and talented people giving freely of their time to serve the board and the local community.

Wyong Town Financial Services Limited

ABN 59 100 313 120

Chairman's Report (continued)

I look forward to seeing you at the AGM, and invite you to feel free to contact me at any time if you have any questions or concerns.

I wish you a safe and Happy Christmas and a prosperous new year.

Ray Davidson

A handwritten signature in dark ink, appearing to read 'Ray Davidson', with a stylized flourish at the end.

Chairman

Wyong Town Financial Services Limited

ABN 59 100 313 120

Manager's Report

Community Bank Wyong

Business Development Manager's Report – 2024/2025

I am pleased to report that our financial performance and commitment to supporting our community remains stronger than ever as we conclude our 22nd year of trading.

The 2024/2025 financial year continued to present a challenging environment, with ongoing global and local economic uncertainties, high inflation, elevated interest rates, and persistent cost-of-living pressures.

Despite these challenges, Community Bank Wyong has continued to deliver solid results, enabling the Board of Directors to increase community contributions and provide continued returns to our valued shareholders.

Financial Performance

In summary, as at the end of the 2025 financial year, the Branch's business is represented by:

- Total book value of \$189.946 million
- Loan business of \$73.305 million
- Deposit business of \$113.603 million
- Total number of Customers 3,680
- Total number of transactions: 11,570
- Branch Annual Lending Growth of +\$739,679
- Branch Annual Deposit Growth of +\$19.14 million
- The Branch also continues to achieve strong performance in providing General Insurance solutions and a full suite of Business Banking products to our local customers.

Your Community Bank Wyong Team

- Jacqueline Martin – Branch Operations Manager
- Damon Williams – Customer Relationship Officer
- Jodie Krkac – Customer Service Officer
- Emma Hendrie – Part-time Customer Service Officer

During the past year, we farewellled Stella Purcell, who chose to pursue new opportunities outside the business, and Charlotte Peterson, who also moved on from her role as Part-Time Customer Service Officer. We thank them both for their contribution and wish them all the very best in their future endeavours.

We also extend a warm welcome to Emma Hendrie, who has joined the team as our new Part-Time Customer Service Officer. Emma has quickly become a valued member of our Wyong branch, bringing great enthusiasm and customer focus to her role.

We continue to actively engage with our customers both within the branch and throughout the local community at events we proudly sponsor and support.

I would like to sincerely acknowledge and thank our dedicated Volunteer Board of Directors – Ray Davidson, David Brine, David Evans, Geoff Hetherington, and Tina West for their ongoing leadership and commitment. Their contribution as Community Leaders ensures that our branch continues to make a meaningful difference in the Wyong area. We also thank Carly for her fantastic finance and administration support throughout the year.

Finally, I would like to express my heartfelt appreciation to our loyal shareholders and customers. Your ongoing support, trust, and belief in the Community Bank model are what enable us to give back and help build a stronger, more connected local community.

Mark Cooper

Business Development Manager

Wyong Town Financial Services Limited
ABN 59 100 313 120

Annual Report
For The Year Ended
30 June 2024

	<i>Page Number</i>
<i>Directors' Report</i>	3-6
<i>Auditors' Independence Declaration</i>	7
<i>Statement of Profit or Loss and Other Comprehensive Income</i>	8
<i>Statement of Financial Position</i>	9
<i>Statement of Changes in Equity</i>	10
<i>Statement of Cash Flows</i>	11
<i>Notes to the Financial Statements</i>	12-32
<i>Directors' Declaration</i>	33
<i>Independent Auditors' Report</i>	34-37

Financial Report - 30 June 2025

Wyong Town Financial Services Limited

ABN 59 100 313 120

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:	Ray Davidson
Title:	Non-executive director
Experience and expertise:	Ray became a director in February 2008 and was the Managing Director and founder of Ausiports Pty Ltd Home Improvements and has been a resident of the Wyong Shire for 33 years. He has been President of The Entrance Junior Cricket Club, Wyong District Netball association, Central Coast Junior Cricket association, Bateau Bay Dolphins Netball club & Mingara Killarney Netball Club. He is a life member of The Entrance District Cricket Club and Bateau Bay Dolphins Netball Club. Ray is currently member of Bendigo Banks NSW and National marketing committees. Ray brings to the board experience in marketing and general business management gained through running his own business for over 30 years. Ray is married with two adult children.
Name:	David Brine
Title:	Non-executive director
Experience and expertise:	David became a director in February 2011 and is a director, Senior Accountant and Business Adviser of Better Business Advice, a family owned business in Wyong. David was born and raised in Noraville and attended Toukley Primary and Gorokan High School. He has completed his Bachelor of Accounting and Diploma of Financial Services and is a member of CPA Australia, thus allowing him to bring practical financial and business knowledge to the board.
Name:	David Evans
Title:	Non-executive director
Experience and expertise:	David joined the board in October 2012. David has been working with a local business on the Central Coast since 2007 and has had over 30 years of business exposure on the coast in previous roles. David's past positions include Board Level Executive Management - Sales & Marketing as well as sales based roles. David offers the board his experience in business development through marketing, sales, management and negotiation. David has 2 teenage daughters. Interests outside of work revolve around family, cars, bikes and boats.
Name:	Geoff Hetherington
Title:	Non-executive director
Experience and expertise:	After 30+ years as C suite executive in a dozen different industries in SE Asia and Australia; Geoff started his own Business Advisory & Coaching business 12 years ago. He has helped 160+ Business Owners and executives to turn their business or career into the vehicle that enables them and their loved ones to have a great lifestyle. He recently founded 'The Unusual Group' which is the umbrella for his Elite Business Institute, Next Chapter (program to help athletes transition to the real world when they finish playing), Side Venture Success (Helps Corporate Captives find the right type of side venture to enable them to escape ...) and the Mid-Life Mavericks Community ventures. He also act as a fractional C Suite Executive for a few select businesses. Currently with the start-up PayLion (www.paylion.com as CEO) and Business Growth Platform BConnected World as COO (www.bconnectedworld.com)

Wyong Town Financial Services Limited

ABN 59 100 313 120

Directors' report

30 June 2025

Name: Tina Gay West
Title: Non-executive director
Experience and expertise: Tina is a social worker, working in child protection for over 20 years. Tina holds a graduate certificate in Community Services and has been an adviser to women's legal NSW for the past 12 years. Tina has been a board member of her local Aboriginal lands council for over 10 years, Darkinjung Local Aboriginal Land Council.

Company secretary

The company secretary is David Evans. David was appointed to the position of company secretary on 23 September 2020.

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 \$386,452 (2024: \$332,334).

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)	65,001	65,001

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

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

Likely developments and expected results of operations

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

Environmental regulation

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

Meetings of directors

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

	Board	
	Eligible	Attended
Ray Davidson	12	10
David Brine	12	12
David Evans	12	10
Geoff Hetherington	12	9
Tina Gay West	12	6

Wyong Town Financial Services Limited

ABN 59 100 313 120

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.

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
Ray Davidson	1,500	-	1,500
David Brine	500	-	500
David Evans	1,500	-	1,500
Geoff Hetherington	500	-	500
Tina Gay West	500	-	500

Shares under option

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

Shares issued on the exercise of options

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

Indemnity and insurance of directors and officers

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

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

Proceedings on behalf of the company

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

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

Indemnity and insurance of auditor

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

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

Non-audit services

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

Wyong Town Financial Services Limited

ABN 59 100 313 120

Directors' report 30 June 2025

- 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



Ray Davidson
Chair

24 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 Wyong Town Financial Services Limited

As lead auditor for the audit of Wyong Town 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: 24 September 2025

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

Lachlan Tatt
Lead Auditor

Wyong Town Financial Services Limited

ABN 59 100 313 120

Statement of profit or loss and other comprehensive income For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue from contracts with customers	6	1,497,414	1,377,655
Other revenue		61,931	62,612
Finance revenue		26,731	19,640
Fair value gains on financial assets		23,044	25,262
Total revenue		<u>1,609,120</u>	<u>1,485,169</u>
Employee benefits expense	7	(553,487)	(506,816)
Advertising and marketing costs		(31,513)	(33,055)
Occupancy and associated costs		(13,759)	(13,109)
System costs		(20,733)	(17,397)
Depreciation and amortisation expense	7	(66,870)	(62,894)
Finance costs	7	(31,303)	(12,855)
General administration expenses		(151,518)	(123,258)
Total expenses before community contributions and income tax expense		<u>(869,183)</u>	<u>(769,384)</u>
Profit before community contributions and income tax expense		739,937	715,785
Charitable donations, sponsorships and grants expense	7	<u>(225,701)</u>	<u>(274,800)</u>
Profit before income tax expense		514,236	440,985
Income tax expense	8	<u>(127,784)</u>	<u>(108,651)</u>
Profit after income tax expense for the year		386,452	332,334
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>386,452</u></u>	<u><u>332,334</u></u>
		Cents	Cents
Basic earnings per share	27	59.45	51.13
Diluted earnings per share	27	59.45	51.13

accompanying notes

Wyong Town Financial Services Limited

ABN 59 100 313 120

Statement of financial position

As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	9	946,127	640,951
Trade and other receivables	10	178,821	148,884
Current tax assets	8	-	3,801
Total current assets		<u>1,124,948</u>	<u>793,636</u>
Non-current assets			
Financial assets	11	556,025	432,981
Property, plant and equipment	12	231,373	70,155
Right-of-use assets	13	363,236	179,659
Intangible assets	14	35,689	48,667
Deferred tax assets	8	10,358	9,185
Total non-current assets		<u>1,196,681</u>	<u>740,647</u>
Total assets		<u>2,321,629</u>	<u>1,534,283</u>
Liabilities			
Current liabilities			
Trade and other payables	15	271,194	54,012
Lease liabilities	16	58,048	45,045
Current tax liabilities	8	51,368	-
Employee benefits	17	76,083	68,346
Total current liabilities		<u>456,693</u>	<u>167,403</u>
Non-current liabilities			
Trade and other payables	15	14,276	28,552
Lease liabilities	16	339,940	149,333
Employee benefits	17	29,298	21,290
Lease make good provision		15,644	23,378
Total non-current liabilities		<u>399,158</u>	<u>222,553</u>
Total liabilities		<u>855,851</u>	<u>389,956</u>
Net assets		<u>1,465,778</u>	<u>1,144,327</u>
Equity			
Issued capital	18	650,010	650,010
Retained earnings		<u>815,768</u>	<u>494,317</u>
Total equity		<u>1,465,778</u>	<u>1,144,327</u>

Wyong Town Financial Services Limited

ABN 59 100 313 120

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

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023		<u>650,010</u>	<u>226,984</u>	<u>876,994</u>
Profit after income tax expense		-	332,334	332,334
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		<u>-</u>	<u>332,334</u>	<u>332,334</u>
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	20	<u>-</u>	<u>(65,001)</u>	<u>(65,001)</u>
Balance at 30 June 2024		<u><u>650,010</u></u>	<u><u>494,317</u></u>	<u><u>1,144,327</u></u>
Balance at 1 July 2024		<u>650,010</u>	<u>494,317</u>	<u>1,144,327</u>
Profit after income tax expense		-	386,452	386,452
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		<u>-</u>	<u>386,452</u>	<u>386,452</u>
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	20	<u>-</u>	<u>(65,001)</u>	<u>(65,001)</u>
Balance at 30 June 2025		<u><u>650,010</u></u>	<u><u>815,768</u></u>	<u><u>1,465,778</u></u>

Wyong Town Financial Services Limited

ABN 59 100 313 120

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)		1,657,975	1,555,573
Payments to suppliers and employees (inclusive of GST)		(1,092,607)	(1,120,767)
Distributions received		27,437	18,451
Interest received		26,422	12,649
Interest and other finance costs paid		(494)	(441)
Income taxes paid		(73,788)	(213,738)
Net cash provided by operating activities	26	544,945	251,727
Cash flows from investing activities			
Payments for financial assets	11	(100,000)	(100,000)
Payments for property, plant and equipment		(2,945)	-
Payments for intangible assets		(12,978)	(25,956)
Net cash used in investing activities		(115,923)	(125,956)
Cash flows from financing activities			
Repayment of borrowings		-	(11,794)
Interest and other finance costs paid		(29,718)	(11,215)
Dividends paid	20	(65,001)	(65,001)
Repayment of lease liabilities		(29,127)	(35,076)
Net cash used in financing activities		(123,846)	(123,086)
Net increase in cash and cash equivalents		305,176	2,685
Cash and cash equivalents at the beginning of the financial year		640,951	638,266
Cash and cash equivalents at the end of the financial year	9	946,127	640,951

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

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements

30 June 2025

Note 1. Reporting entity

The financial statements cover Wyong Town Financial Services 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 88 Pacific Highway, Wyong NSW 2259.

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 24 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.

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.

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements 30 June 2025

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

Timing of revenue recognition associated with trail commission

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

Allowance for expected credit losses on trade and other receivables

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

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

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

Impairment of non-financial assets

The company assesses impairment of non-financial assets 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.

Going concern

At each reporting date management must assess the company's ability to continue as a going concern are appropriate. Management's decision will be underpinned by assumptions and judgements about future events.

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.

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements 30 June 2025

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

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 assesses impairment of non-financial 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 as the higher of its fair value less costs of disposal or value-in-use, each of which incorporate a number of key estimates and assumptions.

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.

Employee benefits provision

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

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

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 March 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.

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements

30 June 2025

Note 5. Economic dependency (continued)

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

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

Note 6. Revenue from contracts with customers

	2025 \$	2024 \$
Margin and fee income	1,403,819	1,274,969
Commission income	93,595	102,686
	<u>1,497,414</u>	<u>1,377,655</u>

Accounting policy for revenue from contracts with customers

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

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

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

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

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

Revenue calculation

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

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements 30 June 2025

Note 6. Revenue from contracts with customers (continued)

Margin income

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

plus:	Interest paid by customers on loans less interest paid to customers on deposits
minus:	any deposit returns i.e. interest return applied by Bendigo Bank for a deposit 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. Fee income is recognised in margin income.

Core banking products

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

Ability to change financial return

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

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

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

Note 7. Expenses

Employee benefits expense

	2025 \$	2024 \$
Wages and salaries	460,673	456,176
Superannuation contributions	57,647	50,542
Employee benefits provisions	15,745	(20,539)
Other expenses	19,422	20,637
	<u>553,487</u>	<u>506,816</u>

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements 30 June 2025

Note 7. Expenses (continued)

Depreciation and amortisation expense

	2025 \$	2024 \$
<i>Depreciation of non-current assets</i>		
Leasehold improvements	7,736	6,340
Furniture and fittings	2,072	1,916
Motor vehicles	3,749	3,760
	<u>13,557</u>	<u>12,016</u>
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	<u>40,335</u>	<u>37,900</u>
<i>Amortisation of intangible assets</i>		
Franchise fee	2,163	2,163
Franchise renewal fee	10,815	10,815
	<u>12,978</u>	<u>12,978</u>
	<u><u>66,870</u></u>	<u><u>62,894</u></u>

Finance costs

	2025 \$	2024 \$
Lease interest expense	29,718	11,066
Unwinding of make-good provision	1,091	1,199
Other	494	441
Chattel mortgage interest expense	-	149
	<u>31,303</u>	<u>12,855</u>

Leases recognition exemption

	2025 \$	2024 \$
Expenses relating to low-value leases	<u>11,530</u>	<u>6,788</u>

Charitable donations, sponsorships and grants

	2025 \$	2024 \$
Direct donation, sponsorship and grant payments	125,223	124,800
Contribution to the Community Enterprise Foundation™	100,478	150,000
	<u><u>225,701</u></u>	<u><u>274,800</u></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.

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements 30 June 2025

Note 8. Income tax

	2025 \$	2024 \$
<i>Income tax expense</i>		
Current tax	130,179	98,833
Movement in deferred tax	(1,173)	12,272
Net benefit of franking credits on dividends received	(1,222)	(1,311)
Under/over provision	-	(1,143)
Aggregate income tax expense	<u>127,784</u>	<u>108,651</u>
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	<u>514,236</u>	<u>440,985</u>
Tax at the statutory tax rate of 25%	128,559	110,246
Tax effect of:		
Non-deductible expenses	141	531
Other assessable income	306	328
Net benefit of franking credits on dividends received	(1,222)	(1,311)
Under/over provision	-	(1,143)
Income tax expense	<u>127,784</u>	<u>108,651</u>
	2025 \$	2024 \$
<i>Deferred tax assets/(liabilities)</i>		
Employee benefits	26,345	22,409
Lease liabilities	99,497	48,594
Provision for lease make good	3,911	5,845
Income accruals	(1,825)	(1,748)
Right-of-use assets	(90,809)	(44,915)
Property, plant and equipment	(12,880)	(12,880)
Financial assets at fair value through profit or loss	(13,881)	(8,120)
Deferred tax asset	<u>10,358</u>	<u>9,185</u>
	2025 \$	2024 \$
Income tax refund due	<u>-</u>	<u>3,801</u>
	2025 \$	2024 \$
Provision for income tax	<u>51,368</u>	<u>-</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.

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements 30 June 2025

Note 8. Income tax (continued)

Accounting policy for deferred tax

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

Note 9. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank and on hand	<u>946,127</u>	<u>640,951</u>

Note 10. Trade and other receivables

	2025 \$	2024 \$
Trade receivables	<u>139,227</u>	<u>121,731</u>
Other receivables and accruals	34,478	27,153
Prepayments	<u>5,116</u>	<u>-</u>
	<u>39,594</u>	<u>27,153</u>
	<u>178,821</u>	<u>148,884</u>

Accounting policy for trade and other receivables

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

Note 11. Financial assets

	2025 \$	2024 \$
<i>Non-current assets</i>		
Investment in index funds - measured at fair value through profit or loss	<u>556,025</u>	<u>432,981</u>

Reconciliation

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

Opening fair value	432,981	307,719
Additions	100,000	100,000
Increase in fair value	<u>23,044</u>	<u>25,262</u>
Closing fair value	<u>556,025</u>	<u>432,981</u>

The company classifies financial assets as a current asset when it expects to realise the asset, or intends to sell or consume it, no more than 12 months after the reporting period. All other investments are classified as non-current.

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements

30 June 2025

Note 12. Property, plant and equipment

	2025 \$	2024 \$
Leasehold improvements - at cost	421,964	279,654
Less: Accumulated depreciation	<u>(226,864)</u>	<u>(249,628)</u>
	195,100	30,026
Furniture and fittings - at cost	51,827	84,934
Less: Accumulated depreciation	<u>(37,670)</u>	<u>(70,670)</u>
	14,157	14,264
Motor vehicles - at cost	37,493	37,493
Less: Accumulated depreciation	<u>(15,377)</u>	<u>(11,628)</u>
	22,116	25,865
	<u>231,373</u>	<u>70,155</u>

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

	Leasehold improvements \$	Furniture and fittings \$	Motor vehicles \$	Total \$
Balance at 1 July 2023	36,366	16,180	29,625	82,171
Depreciation	<u>(6,340)</u>	<u>(1,916)</u>	<u>(3,760)</u>	<u>(12,016)</u>
Balance at 30 June 2024	30,026	14,264	25,865	70,155
Additions	195,335	3,791	-	199,126
Disposals	(22,525)	(1,826)	-	(24,351)
Depreciation	<u>(7,736)</u>	<u>(2,072)</u>	<u>(3,749)</u>	<u>(13,557)</u>
Balance at 30 June 2025	<u>195,100</u>	<u>14,157</u>	<u>22,116</u>	<u>231,373</u>

Additions

During the financial year, the company incurred costs of \$195,335 relating to the refurbishment of a branch. This expenditure has been capitalised as leasehold improvements. As at 30 June 2025, the amount remains unpaid and is included within trade and other payables.

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	8 years
Furniture and fittings	5 to 20 years
Motor vehicles	10 years

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

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

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

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements

30 June 2025

Note 13. Right-of-use assets

	2025 \$	2024 \$
Land and buildings - right-of-use	589,356	365,444
Less: Accumulated depreciation	<u>(226,120)</u>	<u>(185,785)</u>
	<u>363,236</u>	<u>179,659</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	215,325
Remeasurement adjustments	2,234
Depreciation expense	<u>(37,900)</u>
Balance at 30 June 2024	179,659
Remeasurement adjustments	223,912
Depreciation expense	<u>(40,335)</u>
Balance at 30 June 2025	<u>363,236</u>

Accounting policy for right-of-use assets

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

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

Refer to note 16 for more information on lease arrangements.

Note 14. Intangible assets

	2025 \$	2024 \$
Franchise fee	21,833	21,833
Less: Accumulated amortisation	<u>(15,885)</u>	<u>(13,722)</u>
	<u>5,948</u>	<u>8,111</u>
Franchise renewal fee	98,150	98,150
Less: Accumulated amortisation	<u>(68,409)</u>	<u>(57,594)</u>
	<u>29,741</u>	<u>40,556</u>
	<u>35,689</u>	<u>48,667</u>

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements

30 June 2025

Note 14. Intangible assets (continued)

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

	Franchise fee \$	Franchise renewal fee \$	Total \$
Balance at 1 July 2023	10,274	51,371	61,645
Amortisation expense	(2,163)	(10,815)	(12,978)
Balance at 30 June 2024	8,111	40,556	48,667
Amortisation expense	(2,163)	(10,815)	(12,978)
Balance at 30 June 2025	<u>5,948</u>	<u>29,741</u>	<u>35,689</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 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:

<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)	March 2028
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	March 2028

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

Note 15. Trade and other payables

	2025 \$	2024 \$
<i>Current liabilities</i>		
Trade payables	5,070	3,422
Other payables and accruals	266,124	50,590
	<u>271,194</u>	<u>54,012</u>
<i>Non-current liabilities</i>		
Other payables and accruals	<u>14,276</u>	<u>28,552</u>
	2025 \$	2024 \$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	285,470	82,564
Less: other payables and accruals - net GST (payable to)/refundable by the ATO	(21,695)	(11,815)
	<u>263,775</u>	<u>70,749</u>

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements 30 June 2025

Note 16. Lease liabilities

	2025 \$	2024 \$
<i>Current liabilities</i>		
Land and buildings lease liabilities	58,048	45,045
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	339,940	149,333
<i>Reconciliation of lease liabilities</i>		
	2025 \$	2024 \$
Opening balance	194,378	227,700
Remeasurement adjustments	232,737	1,754
Lease interest expense	29,718	11,066
Lease payments - total cash outflow	(58,845)	(46,142)
	397,988	194,378

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	Lease term end date used in calculations
Wyong Branch	7.50%	5 years	1 x 5 years	Yes	June 2034

Note 17. Employee benefits

	2025 \$	2024 \$
<i>Current liabilities</i>		
Annual leave	52,994	45,745
Long service leave	23,089	22,601
	76,083	68,346
<i>Non-current liabilities</i>		
Long service leave	29,298	21,290

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements 30 June 2025

Note 17. Employee benefits (continued)

Accounting policy for short-term employee benefits

Liabilities for annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating non-vesting sick leave is expensed when the leave is taken and is measured at the rates paid or payable.

Accounting policy for other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Remeasurements are recognised in profit or loss in the period in which they arise.

Note 18. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	650,010	650,010	650,010	650,010

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*.

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements 30 June 2025

Note 18. Issued capital (continued)

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 associates) a prohibited shareholding interest are suspended.

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

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

Note 19. Capital management

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

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements

30 June 2025

Note 20. 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)	65,001	65,001

Franking credits

	2025 \$	2024 \$
Franking account balance at the beginning of the financial year	268,630	75,248
Franking credits (debits) arising from income taxes paid (refunded)	73,788	213,738
Franking debits from the payment of franked distributions	(21,667)	(21,667)
Franking credits from franked distributions received	1,222	1,311
	<u>321,973</u>	<u>268,630</u>

Franking transactions that will arise subsequent to the financial year end:

Balance at the end of the financial year	321,973	268,630
Franking credits (debits) that will arise from payment (refund) of income tax	51,367	(3,801)
Franking credits available for future reporting periods	<u>373,340</u>	<u>264,829</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.

Note 21. Financial risk management

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

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

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

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

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

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements

30 June 2025

Note 21. Financial risk management (continued)

	2025 \$	2024 \$
Financial assets		
Trade and other receivables (note 10)	173,705	148,884
Cash and cash equivalents (note 9)	946,127	640,951
Financial assets (note 11)	556,025	432,981
	<u>1,675,857</u>	<u>1,222,816</u>
Financial liabilities		
Trade and other payables (note 15)	263,775	70,749
Lease liabilities (note 16)	397,988	194,378
	<u>661,763</u>	<u>265,127</u>

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 financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents.

The company's financial assets measured at FVTPL comprise investments in index funds over which the company does not have significant influence nor control.

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 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.

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements

30 June 2025

Note 21. Financial risk management (continued)

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of \$946,127 at 30 June 2025 (2024: \$640,951).

Price risk

Changes in the fair value of index funds are recognised through profit or loss.

	% change increase	Effect on profit before tax	Effect on equity	% change decrease	Effect on profit before tax	Effect on equity
2025						
Index funds	10%	<u>55,603</u>	<u>41,702</u>	(10%)	<u>(55,603)</u>	<u>(41,702)</u>

Liquidity risk

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

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

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2025				
Trade and other payables	249,499	14,276	-	263,775
Lease liabilities	<u>60,000</u>	<u>240,000</u>	<u>240,000</u>	<u>540,000</u>
Total non-derivatives	<u>309,499</u>	<u>254,276</u>	<u>240,000</u>	<u>803,775</u>

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2024				
Chattel mortgage	-	-	-	-
Trade and other payables	42,197	28,552	-	70,749
Lease liabilities	<u>46,141</u>	<u>173,029</u>	<u>-</u>	<u>219,170</u>
Total non-derivatives	<u>88,338</u>	<u>201,581</u>	<u>-</u>	<u>289,919</u>

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements 30 June 2025

Note 22. 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

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2025				
<i>Assets</i>				
Index funds	556,025	-	-	556,025
Total assets	556,025	-	-	556,025
2024				
<i>Assets</i>				
Index funds	432,981	-	-	432,981
Total assets	432,981	-	-	432,981

There were no transfers between levels during the financial year.

Note 23. Key management personnel disclosures

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

Ray Davidson
David Brine
David Evans

Tina Gay West
Geoff Hetherington

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

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2025 \$	2024 \$
Current payables:		
The company used the bookkeeping/accounting services of David Brine's company. The total benefit payable at the reporting date is:	1,936	1,936

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.

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements

30 June 2025

Note 24. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	2025 \$	2024 \$
The company used the bookkeeping/accounting services of David Brine's company. The total benefit received was:	10,560	10,560

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	7,930	6,650
<i>Other services</i>		
Taxation advice and tax compliance services	265	700
General advisory services	3,590	3,520
Share registry services	7,547	5,958
	11,402	10,178
	19,332	16,828

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	386,452	332,334
Adjustments for:		
Depreciation and amortisation	66,870	62,894
Net fair value increase of equity instruments	(23,044)	(25,262)
Net loss on disposal of non-current assets	24,351	-
Lease liabilities interest	29,718	11,066
Change in operating assets and liabilities:		
Increase in trade and other receivables	(29,937)	(12,892)
Decrease/(increase) in current tax assets	3,801	(3,801)
Decrease/(increase) in deferred tax assets	(1,173)	12,272
Increase in trade and other payables	19,703	8,014
Increase/(decrease) in current tax liabilities	51,368	(113,558)
Increase/(decrease) in employee benefits	15,745	(20,539)
Increase in provisions	1,091	1,199
Net cash provided by operating activities	544,945	251,727

Wyong Town Financial Services Limited

ABN 59 100 313 120

Notes to the financial statements

30 June 2025

Note 27. Earnings per share

	2025 \$	2024 \$
Profit after income tax	<u>386,452</u>	<u>332,334</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>650,010</u>	<u>650,010</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>650,010</u>	<u>650,010</u>
	Cents	Cents
Basic earnings per share	59.45	51.13
Diluted earnings per share	59.45	51.13

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.

Wyong Town Financial Services Limited

ABN 59 100 313 120

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



Ray Davidson
Chair

24 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 Wyong Town Financial Services Limited Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Wyong Town 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 Wyong Town 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.

Other information

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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

Independence

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 24 September 2025

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

Lachlan Tatt
Lead Auditor

Community Bank - Wyong
88 Pacific Highway,
Wyong NSW 2259
Phone: 02 4353 8800 Fax: 02 4353 8899
Email: wyongmailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/wyong

Franchisee: Wyong Town Financial Services Limited
ABN: 59 100 313 120
PO Box 688,
Wyong NSW 2259
Phone: 02 4353 8800 Fax: 02 4353 8899
Email: wyongcb@outlook.com.au

Share Registry:
AFS & Associates Pty Ltd
PO Box 454, Bendigo VIC 3552
Phone: 5443 0344
Fax: 5443 5304
Email: shareregistry@afsbendigo.com.au

 [/communitybankwyong](https://www.facebook.com/communitybankwyong)

 [/bendigobankofficial](https://www.instagram.com/bendigobankofficial)

This Annual Report has been printed on 100% Recycled Paper

