Annual Report 2025

Upper Yarra Community Enterprise Limited

Community Bank
Warburton and Yarra Junction

ABN 54 090 252 627

Investing Community Assets to Build Community

* Community Grants Rounds – UYCE is committed to holding a minimum of one per financial year. For news and updates follow us on Facebook or check this website. All applications are online.

Upper Yarra Community Enterprise Limited

ABN 54 090 252 627

Supporting YOUR community

Community Bank · Warburton and Yarra Junction

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Chairman's report

For year ending 30 June 2025

Our Mission

Investing Community Assets to Build Community

Welcome to the Upper Yarra Community Enterprise Limited (UYCE) Annual Report for the year ending 30 June 2025. It has been another good year for our organisation.

We were excited to be celebrate our 25th birthday in the grounds of the Warburton Branch in February 2025. It was great to gather with staff, shareholders, customers and senior representatives from Bendigo Bank and recognise our significant achievements so far. Bring on the next 25 years.

We were successful in achieving social enterprise accreditation throughout the year, which formally recognises us for the social benefits we continue to provide our community.

This report represents a consolidated set of accounts for the operations of the Company which incorporates UYCE and Upper Yarra Community Power Limited (UYCP) as a wholly owned subsidiary.

Financial Performance

Our financial year profit before tax and Community Investments was $545,049. Whilst a decrease from previous years still a very good result.

We have maintained our objective of building a strong balance sheet. As at the end of the financial year our total assets were $4.1 million, comprising over $1 million in cash and deposits. This is in addition to holding a $356,000 balance in the Community Enterprise Foundation Tax Concession Charity Fund and Bendigo Bank shares valued at $302,000.

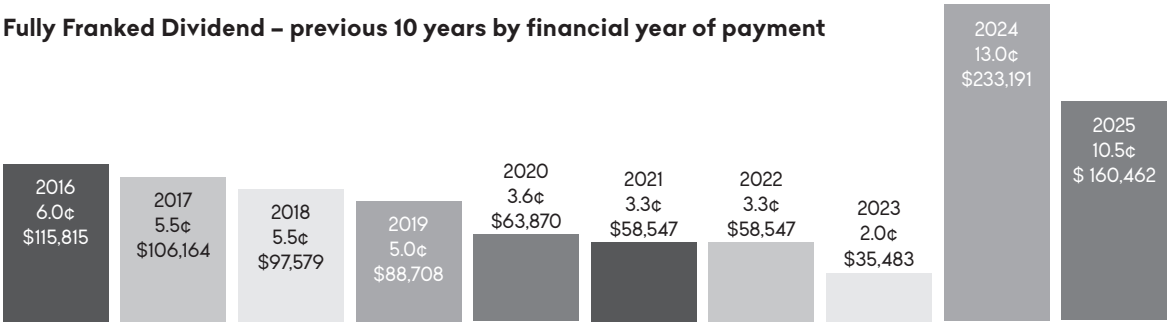
The Shareholder Dividend paid in November 2024 was 10.5 cents per share fully franked, down from 13.0 cents the previous year.

Staff and Board

As reported last year we undertook a review of our corporate structure throughout the year. This resulted in a number of changes:

- I transferred from an Executive Director role to a non-executive Chair;
- Kristy Sumner was promoted to the role of Community Company Manager (CCM);
- Rebecca (Bec) Taylor came on board as our Bank Operations Manager to oversee operations across our two branches;
- Emily Sharp remained in the role of Assistant Branch Manager and headed up our loans team that is operating out of the Yarra Junction Branch.

Fully Franked Dividend – previous 10 years by financial year of payment



*Share Dividend Announcements occur in September for the previous Financial Year.

We have had no changes to Directors over the year and still have one vacant position on the Board.

I would like to thank Kristy Sumner (Community Company Manager) for her commitment and resilience in conjunction with her wonderful team. Good results do not happen without the absolute support and dedication from the staff. I also take this opportunity to thank my fellow Board members for volunteering their time, their professionalism and their ongoing commitment. Corporate staff have continued to focus on delivery of the company strategic plan and are to be congratulated on their collective achievements over the past year.

Community Investment

During 2024/25 Upper Yarra Community Enterprise invested a total of $530,491 in local communities as sponsorships, grants, scholarships, donations ($203,115), funds invested for future community projects ($157,894) and dividend payments ($169,482).

Through the Community Investment Program alone we have now invested well over $5.3 million. In addition to this we have returned over $2 million to our shareholders in dividends. A truly amazing achievement.

We are also a proud local employer who uses local suppliers and service providers where possible.

A full list of recipients that directly benefitted from our Community Investment Program for 2024/2025 are listed later in this report. (Refer Community Investment page 7 Table 1)

Warburton Mini Hydro (Upper Yarra Community Power Pty Ltd

UYCE continues to support the Ythan Creek Power Station Mini Hydro located on site at the Warburton Golf and Sports Club. This is managed by UYCP Pty Ltd, as a wholly owned subsidiary of UYCE. I would take this opportunity to thank the Volunteer Directors, Luke Whiteside (Chair), Nick Killey, Neil Jorgensen and Garry Lewis for their continued contribution throughout the year.

Due to the requirements to consolidate the operations of UYCE and UYCP into one set of accounts, and to ensure transparency this Annual Report includes a statement covering the financial performance of each individual organisation for the 2024/2025 period (Refer pages 50-52).

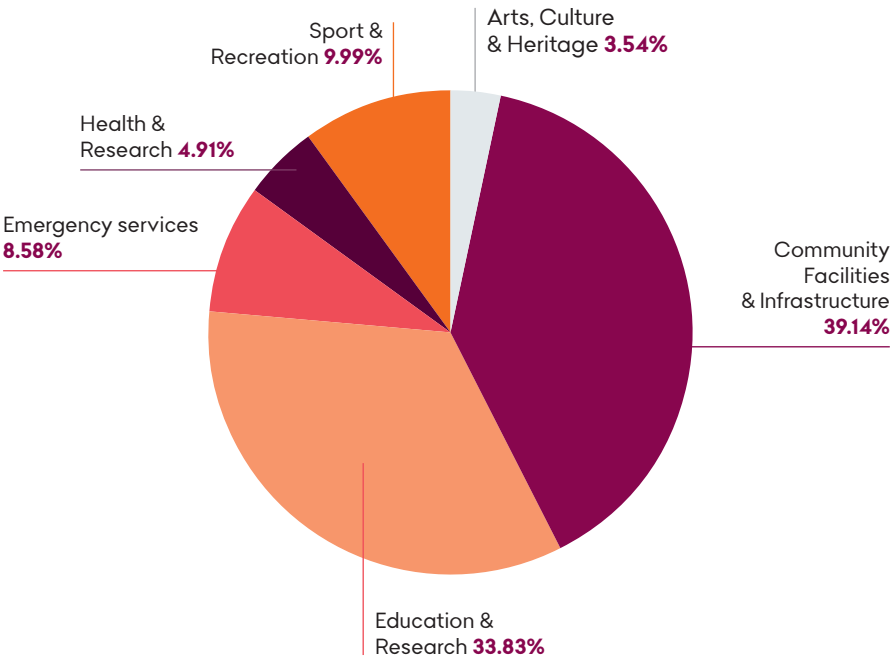
The Hydro performed well below expectation for the financial year running at an operating loss of $44,888.

This project relies on favourable weather conditions (rainfall) which have been well below average throughout 2024/2025, and the feed in tariff (FIT) payable to UYCP for the power generated, is also an all-important factor in the performance outcome. The FIT has reduced substantially in recent years from 12.4 cents per unit in July 2021 to 4.0 cents for 2024/2025. Throughout the same period the value of the renewable energy certificate generated by the Hydro has also reduced significantly.

Total income for UYCP over recent years has reduced significantly from $106,000 in 2020/2021 to $41,990 in 2024/2025.

The performance and sustainability of the Hydro continues to be a focus for both Boards.

Community contributions % by category 2024/25



Warburton Waterwheel Visitor Information Centre

We have again provided in-kind support to the operation of the Warburton Waterwheel Visitor Information Centre throughout the 2024/2025 financial year. The Waterwheel is the official site for tourism promotion in the Upper Yarra / Warburton Valley and provides visitor information, an Art Gallery and showcases the work of local artists and artisans through a retail space.

I would take this opportunity to acknowledge all the volunteers who are the lifeblood of the success of the organisation. I would also like to acknowledge the contribution of the Warburton Waterwheel Board consisting of Michael Hibbert (Chair), Peta Godenzi, Alison Fitzgerald and Rodney McKail.

The current lease of the Waterwheel expires in May 2026. Throughout 2024/25 we have been working with an enthusiastic group of community representatives to support them in taking over management of the centre by the end of the 2025/26 financial year.

The Road Ahead

Budget predictions for 2025/2026 show a further slowing down in profits from $545k in 2024/2025 to a forecast $382k in 2025/2026. Whilst still a good result the Board acknowledges that this downward trend needs to be carefully monitored and planned for.

Our UYCE Strategic Plan 2023-2027 remains our focus moving forward.

In closing I would again like to thank all our customers and shareholders for their continuing support. Reminding all that the Community Bank model relies on support from our local community. As Shareholders you too play an important ambassador role in the model, so please do take full advantage of our banking services; and encourage family, friends, and others, to do the same. The ongoing success of our Community Bank model relies on ongoing local support and participation.

Best wishes to all.

Rodney McKail
Chair
Upper Yarra Community Enterprise Limited

Manager's report

For year ending 30 June 2025

We continue to adapt to the way our customers want to bank. Our digital offering has increased via online account opening, additional DocuSign form options and ebanking upgrades and inclusions. Fraud and Scam awareness is an ongoing focus to help protect our customers.

As at 30 June 2025, Community Bank Warburton and Community Bank Yarra Junction total business footings stand at $277.5 million, showing an increase of $10 million from the previous financial year. Total is made up of $82.7 million in lending, $194 million in deposits with an additional $8 million sitting in other business.

We continue to adapt to the way our customers want to bank. Our digital offering has increased via online account opening, additional DocuSign form options and ebanking upgrades and inclusions. Fraud and Scam awareness is an ongoing focus to help protect our customers.

As we remain committed to providing a stable staffing structure and being a local employer of choice, we commenced an organisational restructure review in July 2024. The review resulted in changes to both our Corporate and Community Bank staff structures. In October we welcomed our new Branch Operation Manager, Bec Taylor to oversee both Community Bank Warburton and Community Bank Yarra Junction. Emily Sharp also remains as Assistant Branch Manager across both sites. I was grateful to be offered the new role of Community Company Manager which includes oversight of both Bank and Corporate staff and our Managing Director and Executive Chair, Rod McKail, moved to a Non-Executive Chair role. This transition will continue to evolve as the Company needs are evaluated. Earlier this year we said farewell to one of our Customer Service Officers, Olymbia and welcomed new Customer Service Officer Nicole in mid-June.

In the 2024/2025 FY we were again very fortunate to be able to give back $200k in Grants, Donations, Scholarships & Support Programs into the Upper Yarra Community. Upper Yarra Community Enterprise Limited has now exceeded over $5.3 million in Community Contributions over our 25 years. This continued contribution to our local community across numerous areas has only been sustainable for this length of time due the strong relationships built by our staff with our loyal customers new and old.

In February 2025 we enjoyed a fantastic Community Celebration for the 25th Birthday of the Community Bank Warburton Branch. It was great to see so many people that have contributed to our Company come together to enjoy this event. We were also able to celebrate 25 years of service for our Customer Service Supervisor, Ros Caneva at this event. We thank Ros again for her dedicated and invaluable service to our Company of the last 25 years.

Thank you to our Upper Yarra Community Enterprise Board members for their trust and their continued passion and dedication to our Company. Thank you to our Shareholders, Customers and Advocates for their ongoing engagement and support.

Thank you to our Chair, Rodney McKail, for his continued guidance and invaluable mentoring and knowledge. The work ethic, commitment and passion Rod displays to ensure our Company remains successful is highly commendable and very much appreciated.

It was another busy and rewarding year for our wonderful Staff. I am so proud of their efforts and loyalty to our Company and I truly appreciate everything they do, every day.

Thank you to all our current Community Bank Customers for allowing us to help with all your banking needs which in turn, continues to allow us to contribute to a strong and sustainable Community.

Kind Regards,

Kristy Sumner
Community Company Manager
Community Bank Warburton and Yarra Junction & District

Community investment

This year saw the following organisations (or individuals) benefit from our Community Investment program through sponsorship, grant, scholarship or donation; and either direct from UYCE or our UYCE Community Enterprise Foundation Tax Concession Charity Fund (TCC) the Philanthropic arm of the Bendigo and Adelaide Bank Group. The balance of our CEF TCC account at year end was $355,968 which is available for distribution in future years.

Community Investment Spend by Project 2023/24	
Donations	$424
Grants	$114,375
Scholarships	$12,000
Sponsorships	$76,316
TOTAL	**$203,115**

$203,115
to 40 recipients
in 2024/25

COMMUNITY INVESTMENT
More than
$5.3 million
since 2000

Community Bank Warburton and Yarra Junction

Proudly supporting YOUR Community since 2000

Investing Community Assets to Build Community

51
Projects supported 2024/25

40
Recipient groups supported in 2024/25

Table 1 - Community Contributions 2024/25 by Recipient		
Recipient	**Project**	**Amount $**
ADRA Community Care Centre - Redwood Centre	Community Defib Program 2024	2,201
ADRA Community Centre- Redwood Centre	Acknowledgement of support	3,872
Auspicious Arts Projects auspicing The River Folk Festival	The River Folk Festival 2024 4-10 October	3,500
Eastern80 via Warburton Advancement League	Eastern80 Good Friday Appeal	$424
Eating Disorders Foundation VIC auspicing Body of Wellbeing Ltd	My Body's Story-Empowering Futures Jul-Jun	9,555
Edible Warburton Community Garden	Garden Shed	6,782
Gladysdale Primary School	Little Apples Playgroup	4,000
Gladysdale Primary School	School Support & Transport program	3,300
Koha Community Café	Sustainability Grant	15,000

Community investment (continued)

Recipient	Project	Amount $
LinC	Strategic review	10,000
Little Yarra Steiner School	improving community access and safety with solar powered car park and path lighting	2,583
Millwarra Primary School	School Support & Transport program	4,700
Millgrove Residents action Group	Support delivery of Resilience Plan	20,000
Powelltown Football Netball Club	Sports Club Program	1,000
Reefton Fire Brigade	Replacement of damaged trestle tables	1,000
Rivervalley Church Millgrove	Community Defib Program 2024	2,201
Upper Yarra Adult Riding Club	UYARC Official HRCAV Show	800
Upper Yarra Basketball Association	Sports Club Program	1,000
Upper Yarra Basketball Association	Community Defib Program 2024	2,201
Upper Yarra Netball Association	Sports Club Program	1,000
Upper Yarra State Emergency Service	IT infrastructure improvements	3,700
Warburton Advancement League auspicing ADRA	Dignity project (washing machines)	1,330
Warburton Bowls Club	Sports Club Program	600
Warburton Bowls Club	Refrigerator Upgrade	3,500
Warburton Fire Brigade CFA	Warburton CFA Main Station Computers and Network upgrades	2,725
Warburton East Fire Brigade CFA	Community Defib Program 2024	2,201
Warburton Golf Club	Sports Club Program	600
Warburton Millgrove Football Netball Club	Sports Club Program	1,000
Warburton Millgrove Football Netball Club	Electronic Scoreboard	5,000
Warburton Pre-School	Cultivating Growth, Wellbeing and Connection Through Nature Based Learning	3,000
Warburton Pre-School	Revitalisation of Outdoor Area project	2,638
Warburton Primary School	School Support & Transport program	6,100
Warburton Primary School	Warburton Primary School 150th Anniversary Celebration and Permanent Projects	4,000
Warburton Tennis Club	Sports Club Program	600
Warburton Tennis Club	Tennis Outreach Program	1,000
Warburton Valley Community Economic Development Association	WVCEDA Networking forums	1,000
Wesburn Junior Football Club	Sports Club Program	1,000
Wesburn Primary School	School Support & Transport program	7,000

Community investment (continued)

Recipient	Project	Amount $
Wesburn Primary School	Community Defib Program 2024	2,201
Yarra Junction Bowling Club	Sports Club Program	600
Yarra Junction Bowling Club	Clubroom Furniture Upgrade Project	2,506
Yarra Junction Community Group Incorporated	Public Art - Tiny Town Grant Application	5,000
Yarra Junction Cricket Club	Sports Club Program	600
Yarra Junction Football Netball club	Sports Club Program	1,000
Yarra Junction Primary School	School Support & Transport program	16,400
Yarra Ranges Film Society	Warburton Film Festival	2,700
Yarra Valley Ecoss	Road upgrade	15,000
Yarra Valley ECOSS - UpCycles	UpCycles at ECOSS	2,500
Yarra Valley Soccer Club	Sports Club Program	1,000
Youth - Geoff Vickers Youth Scholarship		12,000
Youth - Ian De La Rue Youth Initiative Award		1,000

Upper Yarra Community Enterprise Limited

Youth Initiatives 2024/25

Our commitment to investing in our young people continued.

Ian De La Rue OAM Youth Initiative Award 2024

To recognise, acknowledge and reward a young person under 25 who makes a positive contribution to their community. First Awarded in 2012.

Awarded to: **Talei Whiteside**

Geoff Vickers Youth Scholarship 2025

To help young people in the Upper Yarra pursue and realise their academic dreams through 1st Year Tertiary support at University or TAFE. Total Awarded to recipients: $12,000.

Awarded to for 1st Year Tertiary Studies:

Jerikai Jones
Pearl Saurine
Jackson Wetherall
Jacinta Tait Awarded

Bendigo and Adelaide Bank report

For year ending 30 June 2025

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

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

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

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

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

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

Justine Minne
Head of Community Banking, Bendigo Bank

Community Bank National Council report

For year ending 30 June 2025

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

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

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

Today the network has grown to 303 Community Bank branches. We represent a diverse cross-section of Australia with more than 214 community enterprises, 70,000+ shareholders, 1,500+ volunteer Directors, 1,700 staff and 998,000 customers.

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

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

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

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

We also recognise the time is now to consider our model and how we combine the value of local presence with new digital capabilities that expand rather than diminish our community impact. This work forms part of the Model Evolution process which will be co-designed with Bendigo Bank and implemented over the next 12 months. Building further on our enhanced digital presence, community roots and measurable impact, we've reached another major milestone. We now have 41 Community Bank companies formerly certified as social enterprises through Social Traders. It's a powerful endorsement of our commitment to delivering both commercial and social outcomes.

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

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

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

Community Bank National Council

Directors' report

For the financial year ended 30 June 2025

The Directors present their report, together with the consolidated financial statements, on Upper Yarra Community Enterprise Limited for the financial year ended 30 June 2025.

Board of Directors

The following persons were Directors of Upper Yarra Community Enterprise Limited during the whole of the financial year up to the date of this report, unless otherwise stated:

Rodney McKail

Title:	Chair/Non-Executive Director
Qualifications:	
Experience & Expertise:	Rodney was employed in Local Government for over 40 years. He worked at the Upper Yarra Shire and Lilydale Shire (now Yarra Ranges) and Knox City Council, predominantly in the area of Governance. He is now retired, although took on the Managing Director role with UYCE in 2019. In October 2024, As of October 2024, Rodney transitioned from his role as Managing Director to Non-Executive Director, while continuing to serve as Chair.

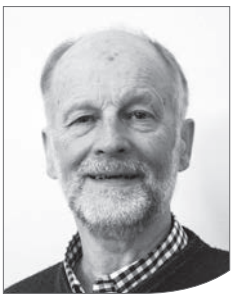
Sally Brennan

Title:	Deputy Chair/Non-Executive Director
Qualifications:	Bachelor of Adult Learning and Development, Master of Education, GAICD
Experience & Expertise:	Consultant in adult education, workforce and regional development. Demonstrated longstanding commitment to the Upper Yarra community, CEO Upper Yarra Community House (now Cire Services) for 23 years.

Elizabeth Fox

Title:	Non-Executive Director
Qualifications:	BBSc, Post Grad Diploma Psych, Post Grad Diploma Teaching, Secondary MA Special Ed
Experience & Expertise:	After co-ordinating the Learning Enhancement Department at Tintern Grammar for the past 15 years and working at Upper Yarra Secondary College for 18 years Elizabeth has recently retired with her sights set on new endeavours in the future.

Board of Directors (continued)



Neil Jorgensen

Title:	Non-Executive Director
Qualifications:	Bachelor of Education and Diploma of Teaching.
Experience & Expertise:	Neil was employed by the Victorian Department of Education for 43 years. During this time he undertook a variety of roles including classroom teaching and consultancy work. The last 25 years of his career were spent as a Principal in a number of schools.

Garry Michael Lewis

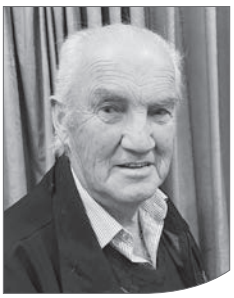
Title:	Non-Executive Director
Qualifications:	Bachelor of Education and Diploma of Primary Teaching.
Experience & Expertise:	Garry recently retired after serving 37 years with the Department of Education, his most recent role being as a Principal.

Richard Harding Butler

Title:	Non-Executive Director
Qualifications:	Degree in Interior Design
Experience & Expertise:	Richard has been a small business owner and was a founding director of office equipment franchise Office National. Richard has also served on a number of Not-For-Profit boards and local community organisations. Currently he is part of a Tinyhouse building company with a focus on providing cheap social housing.

Michael Norman Hibbert

Title:	Non-Executive Director
Qualifications:	
Experience & Expertise:	Michael is a Three Bridges resident of 25 years, and currently runs Shortlist Private Tours for visitors to Melbourne and regional Victoria, specialising in day tours to the Yarra Valley. Previously he ran a National Marketing and Publishing business and consulted to the tourism and hospitality industries.



Gordon Stewart Buller

Title:	Non-Executive Director
Qualifications:	
Experience & Expertise:	A Warburton resident who has owned and operated businesses in the Yarra Valley since 1962. Currently semi-retired from Yarra Ranges Gas Heat and Cool, and involved as a volunteer in many local community groups.

Board of Directors (continued)

Louise Anne Hogan

Title: Non-Executive Director

Qualifications: BSc, MBA

Experience & Expertise: Louise is a corporate executive, with over three decades of enterprise experience across strategy, marketing, business development, M&A, people and culture. She has completed the Australian Institute of Company Directors.

Directors' Meetings

Attendances by each Director during the year were as follows:

	Board Meetings		Audit Committee Meetings	
Director	A	B	A	B
Rodney McKail	11	10	3	3
Sally Brennan	11	6	-	-
Elizabeth Fox	11	8	-	-
Neil Jorgensen	11	6	-	-
Garry Michael Lewis	11	9	-	-
Richard Harding Butler	11	7	3	3
Michael Norman Hibbert	11	10	-	-
Gordon Stewart Buller	11	10	-	-
Louise Anne Hogan	11	11	3	3

A - The number of meetings eligible to attend.
B - The number of meetings attended.
- - Not a member of that committee.

Company Secretary

The following person held the position of Company Secretary at the end of the financial year.

Rodney McKail

Qualifications:

Experience & Expertise: Rodney was employed in Local Government for over 40 years. He worked at the Upper Yarra Shire and Lilydale Shire (now Yarra Ranges) and Knox City Council, predominantly in the area of Governance. He is now retired, although took on the Managing Director role with UYCE in 2019.

Principal Activities

The principal activities of the Company during the course of the financial year were in providing Community Bank branch services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

There has been no significant changes in the nature of these activities during the year.

Operating Results

The profit of the Company for the financial year after provision for income tax was:

	30 June 2025 ($)	"0 June 2024 ($)	Movement
Profit After Tax	226,932	366,197	-38%

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.

Director's Interests

	Fully Paid Ordinary Shares		
Director	Balance at 1 July 2024	Changes During the Year	Balance at 30 June 2025
Rodney McKail	1,000	3,850	4,850
Sally Brennan	1,000	-	1,000
Elizabeth Fox	600	700	1,300
Neil Jorgensen	1,500	-	1,500
Garry Michael Lewis	-	-	-
Richard Harding Butler	6,000	-	6,000
Michael Norman Hibbert	3,000	-	3,000
Gordon Stewart Buller	40,650	3,000	43,650
Louise Anne Hogan	-	-	-

Dividends

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

	Cents per Share	"Total Amount ($)"
Final fully franked dividend	10.50	$169,482
Total Amount	**10.50**	**$169,482**

Options

No options over issued shares were granted during or since the end of the financial year and there were no options outstanding as at the date of this report.

Management Changes

In October 2024, as part of a broader internal restructure, Kristy Sumner transitioned from Senior Branch Manager role to Community Company Manager role. The restructure aims to enhance operational effectiveness and support the company's long-term strategy.

Significant Changes in the State of Affairs

In the opinion of the directors there were no other significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or the consolidated financial statements.

Events Since the end of the Financial Year

No matters or circumstances have arisen since the end of the financial year that significantly impact or may significantly impact the operations of the Company, the results of those operations or the state of affairs of the company, in future financial years.

Likely Developments

The Company will continue its policy of providing banking services to the community.

Environmental Regulations

The Company is not subject to any significant environmental regulation.

Indemnification & Insurance of Directors & Officers

The Company has indemnified all directors and the managers in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or managers 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. The Company has not provided any insurance for an auditor of the company or a related body corporate.

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*.

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 (RSD Audit) for audit and non-audit services provided during the year are set out in Note 30 to the accounts.

The Board of Directors 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 are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- none of the services 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 on page 18 of this financial report.

Signed in accordance with a resolution of the Board of Directors at Warburton, Victoria.

Rodney McKail
Chair/Non-Executive Director

Dated this 22nd day of September, 2025

Auditor's independence declaration

41A Breen Street
Bendigo, Victoria
PO Box 448, Bendigo, VIC, 3552

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Auditors Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of Upper Yarra Community Enterprise Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Upper Yarra Community Enterprise Limited. As the lead audit partner for the audit of the financial report for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) Any applicable code of professional conduct in relation to the audit.

RSD Audit

Mahesh Silva
Partner
41A Breen Street
Bendigo VIC 3550

Dated: 24 September 2025

RSD Audit Pty Ltd
ABN 85 619 186 908
Liability limited by a scheme approved under Professional Standards Legislation

Financial statements

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

	Note	2025 $	2024 $
Revenue			
Revenue from contracts with customers	7	2,104,953	2,220,117
Other revenue	8	23,287	39,585
Finance income	9	35,950	52,029
Fair value increase		27,928	64,307
		2,192,118	**2,376,038**
Expenses			
Employee benefits expense	10	(1,123,594)	(1,045,207)
Depreciation and amortisation	10	(147,883)	(148,726)
Finance costs	10	(28,558)	(40,603)
Administration and general costs		(156,664)	(167,706)
Occupancy expenses		(84,558)	(67,722)
IT expenses		(75,880)	(68,653)
ATM Expenses		(11,342)	(13,226)
Cost of goods sold		(18,590)	(4,507)
		(1,647,069)	**(1,556,350)**
Operating profit before charitable donations and sponsorship		**545,049**	**819,688**
Charitable donations and sponsorship	10	(238,356)	(335,652)
Profit before income tax		**306,693**	**484,036**
Income tax expense	11	(79,761)	(117,839)
Profit for the year after income tax		**226,932**	**366,197**
Other comprehensive income		81,830	-
Total comprehensive income for the year		**308,762**	**366,197**
Profit attributable to the ordinary shareholders of the company		308,762	366,197
Total comprehensive income attributable to ordinary shareholders of the company		**308,762**	**366,197**
Earnings per share		**¢**	**¢**
- basic and diluted earnings per share	32	14.06	22.69

The accompanying notes form part of these consolidated financial statements

Statement of financial position as at 30 June 2025

	Note	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	12	200,617	139,220
Trade and other receivables	13	175,441	197,010
Financial assets	15	1,105,011	1,023,362
Inventories	14	611	19,201
Current tax asset	20	22,750	41,729
Other assets	16	9,070	9,188
Total current assets		**1,513,500**	**1,429,710**
Non-current assets			
Property, plant and equipment	17	2,040,806	1,953,726
Right-of-use assets	18	408,881	448,124
Intangible assets	19	130,068	15,716
Total non-current assets		**2,579,755**	**2,417,566**
Total assets		**4,093,255**	**3,847,276**
Liabilities			
Current liabilities			
Trade and other payables	21	134,427	63,822
Lease liabilities	22	26,677	23,242
Employee benefits	23	177,712	205,599
Total current liabilities		**338,816**	**292,663**
Non-current liabilities			
Trade and other payables	21	93,649	-
Lease liabilities	22	479,519	506,196
Employee benefits	23	21,546	23,151
Deferred tax liability	20	101,546	106,367
Total non-current liabilities		**696,260**	**635,714**
Total liabilities		**1,035,076**	**928,377**
Net assets		**3,058,179**	**2,918,899**
Equity			
Issued capital	24	889,520	889,520
Retained earnings	25	1,605,585	1,548,135
Reserves	26	563,074	481,244
Total equity		**3,058,179**	**2,918,899**

The accompanying notes form part of these consolidated financial statements

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

	Note	Issued capital $	Retained earnings $	Reserves $	Total equity $
Balance at 1 July 2023		**977,708**	**1,412,579**	**481,244**	**2,871,531**
Comprehensive income for the year					
Profit for the year		-	366,197	-	366,197
Other comprehensive income for the year		-	-	-	-
Transactions with owners in their capacity as owners					
Dividends paid or provided	31	-	(230,641)	-	(230,641)
Share Buyback		(88,188)	-	-	(88,188)
Balance at 30 June 2024		**889,520**	**1,548,135**	**481,244**	**2,918,899**
Balance at 1 July 2024		**889,520**	**1,548,135**	**481,244**	**2,918,899**
Comprehensive income for the year					
Profit for the year		-	226,932	-	226,932
Other comprehensive income for the year		-	-	81,830	81,830
Transactions with owners in their capacity as owners					
Dividends paid or provided	31	-	(169,482)	-	(169,482)
Balance at 30 June 2025		**889,520**	**1,605,585**	**563,074**	**3,058,179**

The accompanying notes form part of these consolidated financial statements

Statement of cash flows
for the year ended 30 June 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Receipts from customers		2,346,030	2,507,944
Payments to suppliers and employees		(1,876,839)	(1,904,632)
Dividends received		14,427	13,365
Interest paid		(28,558)	(40,603)
Interest received		35,950	52,029
Income tax paid		(65,604)	(393,808)
Net cash flows provided by operating activities	**27b**	**425,406**	**234,295**
Cash flows from investing activities			
Proceeds from sale of investments		-	541,937
Purchase of property, plant and equipment		(86,348)	(21,510)
Purchase of investments		(53,721)	-
Purchase of intangible assets		(31,217)	(29,637)
Net cash flows from/(used in) investing activities		**(171,286)**	**490,790**
Cash flows from financing activities			
Repayment of borrowings		-	(326,821)
Repayment of lease liabilities		(23,241)	(19,989)
Dividends paid		(169,482)	(230,641)
Payment for Share Buy-back		-	(88,188)
Net cash flows used in financing activities		**(192,723)**	**(665,639)**
Net increase in cash held		61,397	59,446
Cash and cash equivalents at beginning of financial year		139,220	79,774
Cash and cash equivalents at end of financial year	**27a**	**200,617**	**139,220**

The accompanying notes form part of these consolidated financial statements

Notes to the financial statements

For the year ended 30 June 2025

Note 1. Corporate Information

These consolidated financial statements and notes represent those of Upper Yarra Community Enterprise Limited (the Company) as a consolidated entity. Upper Yarra Community Enterprise Limited is a company limited by shares, incorporated and domiciled in Australia. The consolidated financial statements were authorised for issue by the Directors on 22nd September 2025.

Further information on the nature of the operations and principal activity of the Company is provided in the directors' report. Information on the company's related party relationships is provided in Note 29.

Note 2. Basis of Preparation

These general purpose consolidated financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these consolidated financial statements are presented below and have been consistently applied unless stated otherwise.

The consolidated financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, were applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar, unless otherwise stated.

Note 3. Summary of Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

(a) Economic Dependency

TheCompanyhasenteredintoafranchiseagreementwithBendigoandAdelaideBankLimitedthatgoverns the management of the following Community Banks branches:

Warburton Community Bank

Yarra Junction 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.

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 the relevant Bendigo Bank entity to bear as long as the Company has complied with the appropriate procedures and relevant obligations and has not exercised a discretion in granting or extending credit.

Note 3. Summary of Significant Accounting Policies (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
- 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.

(b) 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. Under AASB 15 *Revenue from Contracts with Customers* (AASB 15), revenue recognition for the Company's revenue stream is as follows:

Revenue	Includes	Performance Obligation	Timing of Recognition
Franchise agreement profit share	Margin, commission and fee income	When the Company satisfies its obligation to arrange the services to be provided to the customer by the supplier (Bendigo & Adelaide Bank)	On completion of the provision of the relevant service. Revenue is accrued monthly and paid within 10 business days of month end

All revenue is stated net of the amount of Goods and Services Tax (GST).

Revenue Calculation

The franchise agreement provides that three forms of revenue may be earned by the Company – 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. It may also be affected by other factors, such as economic and local conditions, for example, interest rates.

Margin

Margin is arrived at through the following calculation:

Interest paid by customers on loans, less interest paid to customers on deposits

plus

Deposit returns (i.e. interest return applied by BABL on deposits)

minus

Any costs of funds (i.e. interest applied by BABL to fund a loan)

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

Commission

Commission revenue is in the form of commission generated for products and services sold. This commission is recognised at a point in time which reflects when the Company has fulfilled its performance obligation.

The Company receives trailing commission for products and services sold. Ongoing trailing commission payments are recognised on receipt as there is insufficient detail readily available to estimate the most likely amount of income without a high probability of significant reversal in a subsequent reporting period. The receipt of ongoing trailing commission income is outside the control of the company, and is a significant judgement area.

Note 3. Summary of Significant Accounting Policies (continued)

Fee Income

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

Core Banking Products

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

Ability to Change Financial Return

Under the franchise agreement, Bendigo and Adelaide Bank may change the form and amount of financial return that the Company receives. The reasons it may make a change include changes in industry or economic conditions or changes in the way Bendigo and Adelaide 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. The effect of the change on the revenue earned by the company is entirely dependent on the change.

Bendigo and Adelaide 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 and Adelaide Bank's margin at that time. For other products and services, there is no restriction on the change Bendigo and Adelaide Bank may make.

(c) Other Revenue

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

Revenue	Revenue Recognition Policy
Discretionary financial contributions (also "Market Development Fund" or "MDF" income)	MDF income is recognised when the right to receive the payment is established. MDF income is discretionary and provided and receivable at month-end and paid within 14 days after month-end.
Other income	All other revenues that did not contain contracts with customers are recognised as goods and services provided.

All revenue is stated net of the amount of Goods and Services Tax (GST).

Discretionary Financial Contributions

In addition to margin, commission and fee income, and separate from the franchise agreement, Bendigo Bank has also made MDF payments to the Company.

The amount has been based on the volume of business attributed to a branch. The purpose of the discretionary payments is to assist with local market development activities, including community sponsorships and grants. It is for the board to decide how to use the MDF.

The payments from Bendigo Bank are discretionary and may change the amount or stop making them at any time. The Company retains control over the funds, the funds are not refundable to Bendigo Bank.

(d) Employee Benefits

Short-term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for salary and wages (including non-monetary benefits), annual leave, and sick leave which are expected to be wholly settled within 12 months of the reporting date. They are measured at amounts expected to be paid when the liabilities are settled, plus related on-costs. Expenses for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

An annual leave liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be reliably estimated.

Note 3. Summary of Significant Accounting Policies (continued)

Other Long-term Employee Benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior reporting periods.

That benefit is discounted to determine its present value. Consideration is given to expected future wage and salary levels plus related on-costs, experience of employee departures, and years of service achieved. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimate future cash outflows.

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

(e) Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current Income 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.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for all deductible temporary differences, carried-forward tax losses, and unused tax credits to the extent that it is probable that future taxable profits will be available against which they can be used.

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.

Deferred tax is measured at the rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax and when the balances relate to taxes levied by the same taxation authority and the entity intends to settle its tax assets and liabilities on a net basis.

Goods & Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except:

- when the amount of GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue or expense item
- when receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

(f) Cash & Cash Equivalents

For the purposes of the statement of financial position and statement of cash flows, cash and cash equivalents comprise: cash on hand, deposits held with banks, and short-term, highly liquid investments (mainly money market funds) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(g) Property, Plant & Equipment

Recognition & Measurement

Items of property, plant and equipment are measured at cost or fair value as applicable, which includes capitalised borrowings costs, less accumulated depreciation and any accumulated impairment losses.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Note 3. Summary of Significant Accounting Policies (continued)

Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is calculated to write-off the cost of items of property, plant and equipment less their estimated residual values using diminishing value method over their estimated useful lives, and is recognised in profit or loss.

The estimated useful lives of property, plant and equipment for the current and comparative periods are as follows:

Asset Class	Method	Useful Life
Buildings	Straight line	40 years
Leasehold improvements	Diminishing value	15 years
Plant & equipment	Diminishing value	1 - 20 years
Motor vehicles	Diminishing value	5 years

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

(h) Intangible Assets

Intangible assets of the Company include the franchise fees paid to Bendigo Bank conveying the right to operate the Community Bank franchise.

Recognition & Measurement

Intangible assets acquired separately are measured on initial recognition at cost.

Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill, is recognised in profit or loss as incurred.

Amortisation

Intangible assets 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
Franchise fee	Straight line	Franchise term (5 years)

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

(i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company's financial instruments include trade debtors and creditors, cash and cash equivalents and leases.

Sub-note (i) and (j) refer to the following acronyms:

Acronym	Meaning
FVTPL	Fair value through profit or loss
FVTOCI	Fair value through other comprehensive income
SPPI	Solely payments of principal and interest
ECL	Expected credit loss
CGU	Cash-generating unit

Note 3. Summary of Significant Accounting Policies (continued)

Recognition & Initial Measurement

Trade receivables are initially recognised when they originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to the acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification & Subsequent Measurement

Financial Assets

On initial recognition, a financial asset is classified as measured at: amortised cost, FVTOCI - debt investment; FVTOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVTOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial Assets - Business Model Assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed.

Financial Assets - Subsequent Measurement, Gains & Losses

For financial assets at amortised cost, these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial Liabilities - Classification, Subsequent Measurement, Gains & Losses

Borrowings and other financial liabilities (including trade payables) are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Where the Company enters into transactions where it transfers assets recognised in the statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred asset, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Note 3. Summary of Significant Accounting Policies (continued)

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(j) Impairment

Non-derivative Financial Instruments

The Company recognises a loss allowance for estimated credit losses (ECL)'s on its trade receivables.

ECL's are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received.

In measuring the ECL, a provision matrix for trade receivables is used, taking into consideration various data to get to an ECL, (i.e. diversity of its customer base, appropriate groupings of its historical loss experience etc.).

Recognition of ECL in Financial Statements

At each reporting date, the entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The Company's trade receivables are limited to the monthly profit share distribution from Bendigo and Adelaide Bank, which is received 14 days post month end. Due to the reliance on Bendigo and Adelaide Bank 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 also performed a historical assessment of receivables from Bendigo and Adelaide Bank and found no instances of default. As a result no impairment loss allowance has been made in relation to trade receivables as at 30 June 2025.

Non-financial Assets

At each reporting date, the Company reviews the carrying amount of its non-financial assets (other than investment property, contracts assets, and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The Company has assessed for impairment indicators and noted no material impacts on the carrying amount of non-financial assets.

(k) Issued Capital

Ordinary Shares

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

(l) Leases

As Lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for leases of property the company has elected not to separate lease and non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the costs of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Note 3. Summary of Significant Accounting Policies (continued)

The Company determines its incremental borrowing rate by obtaining interest rates from funding sources and where necessary makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual guarantee; and
- the exercise price under a purchase option the Company is reasonably certain to exercise, lease payments in an option renewal period if the company is reasonably certain to exercise that option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term Leases & Leases of Low-value Assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of short-term leases and low-value assets, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

A short-term lease is a lease that, at commencement date, has a lease term of 12 months or less.

As Lessor

The Company has not been a party in an arrangement where it is a lessor.

(m) Standards Issued But Not Yet Effective

There are no new standards effective for annual reporting periods beginning after 1 July 2024 that are expected to have a significant impact on the Company's consolidated financial statements.

(n) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Note 4. Significant Accounting Judgements, Estimates & Assumptions

During preparation of the consolidated financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual outcomes and balances may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to these estimates are recognised prospectively.

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

Note	Judgement
Note 7 - Revenue	Whether revenue is recognised over time or at a point in time
Note 22 - Leases:	
(a) Control	Whether a contract is or contains a lease at inception by assessing whether the Company has the right to direct the use of the identified asset and obtain substantially all the economic benefits from the use of that asset
(b) Lease term	Whether the Company is reasonably certain to exercise extension options, termination periods, and purchase options

Note 4. Significant Accounting Judgements, Estimates & Assumptions (continued)

(c) Discount rates	Judgement is required to determine the discount rate, where the discount rate is the Company's incremental borrowing rate if the rate implicit in the lease cannot be readily determined. The incremental borrowing rate is determined with reference to factors specific to the Company and underlying asset including: · the amount · the lease term · economic environment · any other relevant factors.

(b) Assumptions & Estimation Uncertainty

Information about assumptions and estimation uncertainties at 30 June 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note	Assumption
Note 20 - Recognition of deferred tax assets	"Availability of future taxable profit against which deductible temporary differences and carried-forward tax losses can be utilised"
Note 17 - Estimation of asset useful lives	Key assumptions on historical experience and the condition of the asset
Note 23 - Long service leave provision	Key assumptions on attrition rate of staff and expected pay increases through promotion and inflation

Note 5. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company does not utilise any derivative instruments.

Risk management is carried out directly by the Board of Directors.

(a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

The Company has no significant concentrations of credit risk. It has policies in place to ensure that customers have an appropriate credit history. The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo and Adelaide Bank.

(b) Liquidity Risk

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

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

30 June 2025		Contractual Cash Flows		
Non-derivative Financial Liability	Carrying Amount	< 12 Months	1 - 5 Years	> 5 Years
Lease liabilities	506,196	53,872	442,517	182,873

Note 5. Financial Risk Management (continued)

(c) 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. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company has no exposure to any transactions denominated in a currency other than Australian dollars.

Price Risk

The Company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. There is no exposure to the company in regard to commodity price risk.

Cash Flow & Fair Values Interest Rate Risk

Interest-bearing assets are held with Bendigo and Adelaide Bank and subject to movements in market interest. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest-rate risk.

The Company held cash and cash equivalents of $200,617 at 30 June 2025 (2024: $139,220). The cash and cash equivalents are held with Bendigo & Adelaide Bank, which are rated BBB on Standard & Poor's credit ratings.

Note 6. Capital Management

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

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

The distribution limit is the greater of:

(a) 20% of the profit or funds of the Company otherwise available for distribution to shareholders in that 12 month period; and

(b) 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 year ended 30 June 2025 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 7. Revenue From Contracts With Customers

Revenue arises from the rendering of services through its franchise agreement with the Bendigo and Adelaide Bank Limited. The revenue recognised is measured by reference to the fair value of consideration received or receivable, excluding sales taxes, rebates, and trade discounts.

	2025 $	2024 $
Revenue		
- Revenue from contracts with customers	2,062,963	2,158,760
- Feed in tariff & LGC income	41,990	61,357
	2,104,953	**2,220,117**
Disaggregation of Revenue From Contracts With Customers		
- Margin income	1,812,706	1,924,644
- Fee income	116,870	119,429
- Commission income	133,387	114,687
	2,062,963	**2,158,760**

Note 7. Revenue From Contracts With Customers (continued)

All revenue from contract customers shown above was recognised at a point in time. There was no revenue from contracts with customers recognised over time during the financial year.

Note 8. Other Revenue

The Company generates other sources of revenue as outlined below.

	2025 $	2024 $
Other Revenue		
- Dividend received	14,427	13,365
- Rental income	8,860	10,330
- Sundry income	-	15,890
	23,287	**39,585**

Note 9. Finance Income

The Company holds financial instruments measured at amortised cost. Interest income is recognised at the effective interest rate.

	2025 $	2024 $
Finance Income		
At amortised cost:		
- Interest from term deposits	35,950	52,029
	35,950	**52,029**

Note 10. Expenses

Profit before income tax from continuing operations includes the following specific expenses:

(a) Employee Benefits Expense

	2025 $	2024 $
Employee Benefits Expense		
- Wages & salaries	1,001,981	880,627
- Superannuation costs	113,381	93,885
- Other expenses related to employees	8,232	70,695
	1,123,594	**1,045,207**

(b) Depreciation & Amortisation Expense

	2025 $	2024 $
Depreciation of Non-current Assets		
- buildings	48,457	48,256
- leasehold improvements	5,304	5,279
- plant and equipment	21,471	21,784
- furniture and fittings	5,867	7,113
	81,099	**82,432**

Note 10. Expenses (continued)

	2025 $	2024 $
Depreciation of Right-of-use Assets		
- leased buildings	39,243	39,351
	39,243	**39,351**
Amortisation of Intangible Assets		
- franchise fees	27,541	26,943
	27,541	**26,943**
Total depreciation & amortisation expense	**147,883**	**148,726**

The non-current tangible and intangible assets listed above are depreciated and amortised in accordance with the Company's accounting policy (see Note 3(g) and 3(h) for details).

(c) Finance Costs

	2025 $	2024 $
Finance Costs		
- Interest paid	-	10,785
- Interest - lease	28,558	29,818
	28,558	**40,603**

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

(d) Community Investments & Sponsorship

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 and grants).

	Note	2025 $	2024 $
Community Investments & Sponsorship			
- Direct sponsorship and grant payments		80,462	72,107
- Contribution to the Community Enterprise Foundation™	10(e)	157,894	263,545
		238,356	**335,652**

The funds contributed are held by the Community Enterprise Foundation (CEF) and 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.

Note 10. Expenses (continued)

(e) Community Enterprise Foundation™ (CEF) Contributions

During the financial year the Company contributed funds to the CEF, the philanthropic arm of the Bendigo Bank. These contributions paid form part of community investments and sponsorship expenditure included in profit or loss.

	Note	2025 $	2024 $
Disaggregation of CEF Funds			
Opening balance		318,721	219,685
Contributions paid	10(d)	157,894	263,545
Grants paid out		(126,378)	(159,002)
Interest received		12,641	7,650
Management fees incurred		(7,894)	(13,157)
Balance available for distribution		**354,984**	**318,721**

Note 11. Income Tax Expense

Income tax expense comprises current and deferred tax. Attributable current and deferred tax expense is recognised in the other comprehensive income or directly in equity as appropriate.

(a) The Components of Tax Expense

	2025 $	2024 $
Current tax expense	89,591	135,421
Deferred tax expense	(3,647)	(11,854)
Franking credits	(6,183)	(5,728)
	79,761	**117,839**

(b) Prima Facie Tax Payable

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2025 $	2024 $
Prima facie tax on profit before income tax at 25% (2024: 25%)	76,673	121,009
Add Tax Effect Of:		
- Imputation credits	(4,637)	(4,296)
- Over provision of prior years	-	(1)
- Inventory	4,648	1,127
- Temporary differences	3,131	9,678
- Movement in deferrred tax	(3,647)	(11,854)
- Adjustment to account for tax loss	3,593	2,176
Income tax attributable to the entity	**79,761**	**117,839**
The applicable weighted average effective tax rate is:	26.01%	24.35%

Note 12. Cash & Cash Equivalents

	2025 $	2024 $
Cash at bank and on hand	200,617	139,220
	200,617	**139,220**

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less. Any bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

Note 13. Trade & Other Receivables

	2025 $	2024 $
Current		
Trade receivables	167,096	185,322
Other receivables	8,345	11,688
	175,441	**197,010**

Trade and other receivables are initially measured at the transaction price. Trade and other receivables are due for settlement usually no more than 30 days from the date of recognition.

The Company's main debtor relates to the Bendigo & Adelaide Bank monthly profit share distribution, which is deposited within a reasonable timeframe each month. There are no items that require the application of the lifetime expected credit loss model.

Note 14. Inventories

	2025 $	2024 $
Renewable energy certificates	611	19,201
	611	**19,201**

Inventories acquired at no cost or generated internally are valued at the market value. Inventories held for sale are measured at the lower of cost and net realisable value.

Note 15. Financial Assets

	2025 $	2024 $
At Amortised Cost		
Term deposits	802,902	763,608
At FVTPL		
Listed investments	302,109	259,754
	1,105,011	**1,023,362**

Term deposits classified as financial assets include only those with a maturity period greater than three months. Where maturity periods are less than three months, these investments are recorded as cash and cash equivalents.

Note 16. Other Assets

	2025 $	2024 $
Prepayments	9,070	9,188
	9,070	**9,188**

Other assets represent items that will provide the entity with future economic benefits controlled by the entity as a result of past transactions or other past events.

Note 17. Property, Plant & Equipment

(a) Carrying Amounts

	2025 $			2024 $		
	At Cost / Valuation	Accumulated Depreciation	Written Down Value	At Cost / Valuation	Accumulated Depreciation	Written Down Value
Buildings	1,889,915	394,736	1,495,179	1,782,808	346,278	1,436,530
Leasehold improvements	313,183	135,677	177,506	253,940	130,373	123,567
Plant & equipment	588,582	254,180	334,402	586,754	232,711	354,043
Furniture & fittings	164,422	130,703	33,719	164,422	124,836	39,586
Start-up costs	220,596	220,596	-	220,596	220,596	-
Total	**3,176,698**	**1,135,892**	**2,040,806**	**3,008,520**	**1,054,794**	**1,953,726**

(b) Movements in Carrying Amounts

2025	Buildings $	Leasehold Imp. $	Plant & Equipment $	Furniture & Fittings $	Start-up costs $	Total
Opening carrying value	1,436,530	123,567	354,043	39,586	-	1,953,726
Revaluation	81,830	-	-	-	-	81,830
Additions	25,276	59,243	1,830	-	-	86,349
Depreciation expense	(48,457)	(5,304)	(21,471)	(5,867)	-	(81,099)
Closing carrying value	**1,495,179**	**177,506**	**334,402**	**33,719**	**-**	**2,040,806**

2024	Buildings $	Leasehold Imp. $	Plant & Equipment $	Furniture & Fittings $	Start-up costs $	Total
Opening carrying value	1,484,786	107,336	377,645	46,793	-	2,016,560
Additions	-	21,510	-	-	-	21,510
Disposals	-	-	(1,818)	(94)	-	(1,912)
Depreciation expense	(48,256)	(5,279)	(21,784)	(7,113)	-	(82,432)
Closing carrying value	**1,436,530**	**123,567**	**354,043**	**39,586**	**-**	**1,953,726**

(c) Capital Expenditure Commitments

The entity does not have any capital expenditure commitments as at 30 June 2025 (2024: None).

(d) Changes in Estimates

During the financial year, the Company assessed estimates used for property, plant and equipment including useful lives, residual values, and depreciation methods.

There were no changes in estimates for the current reporting period.

Note 18. Right-of-use Assets

Right-of-use assets are measured at amounts equal to the present value of enforceable future payments on the adoption date, adjusted for lease incentives, make-good provisions, and initial direct costs.

The Company derecognises right-of-use assets at the termination of the lease period or when no future economic benefits are expected to be derived from the use of the underlying asset.

The Company's lease portfolio includes buildings.

Options to Extend or Terminate

"The option to extend or terminate is contained in the property lease of the Company. All extension or termination options are only exercisable by the Company. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use asset."

AASB 16 Amounts Recognised in the Statement of Financial Position

	2025			2024		
	At Cost / Valuation	Accumulated Depreciation	Written Down Value	At Cost / Valuation	Accumulated Depreciation	Written Down Value
Leased buildings	588,646	(179,765)	408,881	588,646	(140,522)	448,124
	588,646	**(179,765)**	**408,881**	**588,646**	**(140,522)**	**448,124**

Movements in carrying amounts:

	Leased Buildings $	Total ROU Asset $
Opening balance	448,124	448,124
Depreciation expense	(39,243)	(39,243)
Net carrying amount	**408,881**	**408,881**

AASB 16 Amounts Recognised in the Statement of Profit or Loss and Other Comprehensive Income

	2025 $	2024 $
Depreciation expense related to right-of-use assets	39,243	39,351
Interest expense on lease liabilities	28,558	29,818

Note 19. Intangible Assets

(a) Carrying Amounts

	2025			2024		
	At Cost / Valuation	Accumulated Amortisation	Written Down Value	At Cost / Valuation	Accumulated Amortisation	Written Down Value
Franchise fees	141,893	11,825	130,068	134,713	118,997	15,716
	141,893	**11,825**	**130,068**	**134,713**	**118,997**	**15,716**

b) Movements in Carrying Amounts

2025	Franchise Fees $
Opening carrying value	15,716
Additions	141,893
Amortisation expense	(27,541)
Closing carrying value	**130,068**

Note 19. Intangible Assets (continued)

(b) Movements in Carrying Amounts

2024	Franchise Fees $
Opening carrying value	42,659
Amortisation expense	(26,943)
Closing carrying value	**15,716**

Note 20. Tax Assets & Liabilities

(a) Current Tax

	2025 $	2024 $
Income tax refundable	**22,750**	**41,729**

(b) Deferred Tax

Movement in the Company's deferred tax balances for the year ended 30 June 2025:

	30 June 2024 $	Recognised in P & L $	30 June 2025 $
Deferred Tax Assets			
- Expense accruals	6,842	2,389	9,231
- Provision for doubtful debts	64,982	3,593	68,575
- Unused tax losses	57,188	(7,374)	49,814
- Property, plant & equipment	20,329	(7,621)	12,708
- Employee provisions	(4,639)	4,639	-
Total deferred tax assets	**144,702**	**(4,374)**	**140,328**
Deferred Tax Liabilities			
- Right-of-use assets	(245,850)	8,330	(237,520)
- Accrued income	(2,922)	836	(2,086)
- Property, plant & equipment	(2,297)	29	(2,268)
Total deferred tax liabilities	**(251,069)**	**9,195**	**(241,874)**
Net deferred tax liabilities	**(106,367)**	**4,821**	**(101,546)**

Movement in the Company's deferred tax balances for the year ended 30 June 2024:

	30 June 2023 $	Recognised in P & L $	30 June 2024 $
Deferred Tax Assets			
- Expense accruals	5,049	1,793	6,842
- Unused tax losses	62,807	2,175	64,982
- Employee provisions	50,130	7,058	57,188
- ROU assets and lease liabilities from AASB 16	15,488	4,841	20,329
- Financial assets carried at FVTPL	11,438	(16,077)	(4,639)
Total deferred tax assets	**144,912**	**(210)**	**144,702**

Note 20. Tax Assets & Liabilities (continued)

	30 June 2023 $	Recognised in P & L $	30 June 2024 $
Deferred Tax Liabilities			
- Property, plant & equipment	(257,159)	11,309	(245,850)
- Accrued income	(3,155)	233	(2,922)
- Prepayments	(2,691)	394	(2,297)
Total deferred tax liabilities	**(263,005)**	**11,936**	**(251,069)**
Net deferred tax liabilities	**(118,093)**	**11,726**	**(106,367)**

Note 21. Trade & Other Payables

	2025 $	2024 $
Current		
Trade creditors	1,256	5,617
Other creditors and accruals	133,171	58,205
	134,427	**63,822**
Non-Current		
Other creditors and accruals	93,649	-
	93,649	**-**

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Note 22. Lease Liabilities

Lease liabilities were measured at amounts equal to the present value of enforceable future payments of the term reasonably expected to be exercised, discounted at the appropriate incremental borrowing rate on the adoption date. The discount rate used on recognition was 5.5%.

The discount rate used in calculating the present value of enforceable future payments takes into account the particular circumstances applicable to the underlying leased assets (including the amount, lease term, economic environment, and other relevant factors).

The Company has applied judgement in estimating the remaining lease term including the effects of any extension or termination options reasonably expected to be exercised, applying hindsight if appropriate.

(a) Lease Portfolio

The Company's lease portfolio includes:

Lease	Details
Yarra Junction Branch	The lease agreement is a non-cancellable lease with an initial term of fifteen years which commenced in Dec 2020. The lease has no further option available.

The Company assesses at the lease commencement date whether it is reasonably certain to exercise extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

Note 22. Lease Liabilities (continued)

(b) Lease Liabilities

Lease liabilities are presented in the consolidated statement of financial position as follows:

	2025 $	2024 $
Current	26,677	23,242
Non-current	479,519	506,196
	506,196	**529,438**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 30 June 2025 were as follows:

	Minimum lease payments due				
	< 1 Year	1 - 2 Years	3 - 5 Years	> 5 years	Total
30 June 2025					
Lease payments	53,872	114,295	328,222	182,873	679,262
Finance charges	(27,195)	(49,566)	(84,166)	(12,139)	(173,066)
Net present values	**26,677**	**64,729**	**244,056**	**170,734**	**506,196**
30 June 2024					
Lease payments	51,800	53,872	174,893	450,553	731,118
Finance charges	(28,558)	(27,195)	(71,435)	(74,492)	(201,680)
Net present values	**23,242**	**26,677**	**103,458**	**376,061**	**529,438**

(c) Lease Payments Not Recognised as a Liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

Total cash outflows for leases for the year ended 30 June 2025 was $23,241 (2024: $19,989).

Note 23. Employee Benefits

	2025 $	2024 $
Current		
Provision for annual leave	81,044	113,648
Provision for long service leave	96,668	91,951
	177,712	**205,599**
Non-Current		
Provision for long service leave	21,546	23,151
	21,546	**23,151**

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

Employee Attrition Rates

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

Note 24. Issued Capital

(a) Issued Capital

	2025		2024	
	Number	$	Number	$
Ordinary shares - fully paid	1,614,110	889,520	1,614,110	906,264
Less: equity raising costs	-	-	-	(16,744)
At the end of the reporting period	**1,614,110**	**889,520**	**1,614,110**	**889,520**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

(b) Movements in share capital

	2025 $	2024 $
Fully paid ordinary shares:		
At the beginning of the reporting period	1,614,110	1,774,160
Buyback	-	(160,050)
At the end of the reporting period	**1,614,110**	**1,614,110**

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At the shareholders' meetings each shareholder is entitled to one vote when a poll is called, or on a show of hands. The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. All shares rank equally with regard to the company's residual assets.

Note 25. Retained Earnings

	Note	2025 $	2024 $
Balance at the beginning of the reporting period		1,548,135	1,412,579
Profit for the year after income tax		226,932	366,197
Dividends paid	31	(169,482)	(230,641)
Balance at the end of the reporting period		**1,605,585**	**1,548,135**

Note 26. Reserves

	2025 $	2024 $
Asset Revaluation Reserve		
Balance at the beginning of the reporting period	481,244	481,244
Fair value movements during the period	81,830	-
Balance at the end of the reporting period	**563,074**	**481,244**

The reserves represent undistributable gains recognised on the revaluation of non-current assets.

Note 27. Cash Flow Information

(a) Cash and cash equivalents balances as shown in the Statement of Financial Position can be reconciled to the Statement of Cash Flows as follows:

	Note	2025 $	2024 $
Cash and cash equivalents	12	200,617	139,220
As per the Statement of Cash Flows		**200,617**	**139,220**

(b) Reconciliation of cash flow from operations with profit after income tax

	2025 $	2024 $
Profit for the year after income tax	226,932	366,197
Non-cash flows in profit		
- Depreciation	81,099	82,431
- Amortisation	27,541	26,943
- Depreciation of ROU Leased buildings	39,243	39,351
- Bad debts	(10)	87
- Fair value increases	(27,928)	(64,307)
- Net loss on disposal of property, plant & equipment	-	1,911
	119,945	**86,416**
Changes in assets and liabilities		
- Decrease in trade and other receivables	21,580	31,141
- Decrease in prepayments and other assets	118	1,577
- Decrease in inventories	18,590	4,507
- Decrease in current tax asset	18,979	-
- (Increase) in deferred tax liabilities	(4,822)	(11,724)
- (Increase) in current tax liabilities	-	(264,244)
- Increase / (decrease) in trade and other payables	53,575	(7,802)
- Increase / (decrease) in provisions	(29,491)	28,227
	78,529	**(218,318)**
Net cash flows from operating activities	**425,406**	**234,295**

Note 28. Financial Instruments

The following shows the carrying amounts for all financial instruments at amortised cost. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	2025 $	2024 $
Financial Assets			
Trade and other receivables	13	175,441	197,010
Cash and cash equivalents	12	200,617	139,220
Term deposits	15	802,902	763,608
		1,178,960	**1,099,838**

Note 28. Financial Instruments (continued)

	Note	2025 $	2024 $
Financial Liabilities			
Trade and other payables	21	228,076	63,822
Lease liabilities	22	506,196	529,438
		734,272	**593,260**

Note 29. Related Parties

(a) Key Management Personnel

Key management personnel includes any person having authority or responsibility for planning, directing or controlling the activities of the entity, directly or indirectly including any Director (whether executive or otherwise) of that Company. The only key management personnel identified for the Company are the Board of Directors, the members of which are listed in the Directors' report.

(b) Key Management Personnel Compensation

	2025 $	2024 $
Short-term employee benefits	46,585	37,440
Post-employment benefits	3,546	4,118
Other long-term benefits	2,752	16,651
Total key management personnel compensation	**52,883**	**58,209**

Short-term Employee Benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive Directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to Executive Directors and other key management personnel.

Post-employment Benefits

These amounts are the current year's estimated cost of providing the Company's defined benefits scheme post-retirement, superannuation contributions made during the year and post-employment life insurance benefits.

Other Long-term Benefits

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

Share-based payments

These amounts represent the expense related to the participation of key management personnel in equity-settled benefits schemes as measured by the fair value of the options, rights and shares granted on grant date.

(c) Other Related Parties

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

Note 29. Related Parties (continued)

(d) Transactions With Key Management Personnel & Related Parties

During the year, the Company purchased goods and services under normal terms and conditions, from related parties as follows:

Name of Related Party	Description of Goods or Services Provided	Value $
Rodney McKail & Garry Michael Lewis - Member, Warburton Milligrove Football Netball Club	Sponsorship	6,000
Garry Michael Lewis - Member, Wesburn Junior Football Club	Sponsorship	1,000
Richard Harding Butler - Member, Little Steiner School	Sponsorship	2,583
Richard Harding Butler - Member, Yarra Valley Ecoss	Sponsorship	17,500
Sally Brennan - Member, Yarra Junction Football Netball Club	Sponsorship	1,000
		28,083

(e) Key Management Personnel Shareholdings

The number of ordinary shares in the Company held by each key management personnel during the financial year has been disclosed in the Director's Report.

(f) Other Key Management Transactions

There has been no other transactions with key management or related parties other than those described above.

Note 30. Auditor's Remuneration

The appointed auditor of Upper Yarra Community Enterprise Limited for the year ended 30 June 2025 is RSD Audit. Amounts paid or due and payable to the auditor are outlined below.

	2025 $	2024 $
Audit & Review Services		
Audit and review of consolidated financial statements (RSD Audit)	6,800	6,400
Total auditor's remuneration	**6,800**	**6,400**

Note 31. Dividends

The following dividends were provided for and paid to shareholders during the reporting period as presented in the statement of changes in equity and statement of cash flows.

	2025		2024	
	Number	$	Number	$
Fully franked dividend	1,614,110	169,482	1,614,110	230,641
Dividends provided for and paid during the year	**1,614,110**	**169,482**	**1,614,110**	**230,641**

The tax rate at which dividends have been franked is 25% (2024: 25%).

	2025 $	2024 $
Franking credit balance		
Balance at the beginning of the reporting period	715,757	393,100
Movements during the period	14,118	322,657
Balance at the end of the reporting period	**729,875**	**715,757**

Note 32. Earnings Per Share

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	2025 $	2024 $
Profit attributable to ordinary shareholders	226,932	366,197

	Number	Number
Weighted average number of ordinary shares	1,614,110	1,614,110

	¢	¢
Basic and diluted earnings per share	14.06	22.69

Note 33. Events After the Reporting Period

There have been no significant events after the end of the financial year that would have a material impact on the consolidated financial statements or the Company's state of affairs.

Note 34. Commitments & Contingencies

Any commitments for future expenditure associated with leases are recorded in Note 22. Details about any capital commitments are detailed in Note 17(c).

The Company has made a commitment of $300,000 grant to the Warburton Mountain Bike Destination Project.

There were no contingent liabilities or assets at the date of this report that would have an impact on the consolidated financial statements.

Note 35. Company Details

The registered office of the Company is:

Upper Yarra Community Enterprise Limited	3399 Warburton Highway, Warburton, VIC, 3799

The principal places of business are:

Warburton Community Bank Branch	3399 Warburton Highway, Warburton, VIC, 3799
Yarra Junction Community Bank Branch	Shop 1/2452 Warburton Hwy, Yarra Junction VIC 3797

Note 36. Fair Value Measurements

The Company may measure some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair value of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Note 36. Fair Value Measurements (continued)

The Company measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- freehold land and buildings
- listed investments.

The Company does not subsequently measure any liabilities at fair value on a non-recurring basis.

(a) Fair Value Hierarchy

AASB 13: Fair value measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level	Measurement Details
Level 1	Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Measurements based on unobservable inputs for the asset or liability.

Fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The following tables provide the fair values of the Company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

	30 June 2025			
	Level 1 $	Level 2 $	Level 3 $	Total $
Recurring Fair Value Measurements				
Non-financial Assets				
Freehold land and building	-	1,495,179	-	1,495,179
	-	**1,495,179**	**-**	**1,495,179**
Financial Assets				
Listed investments	302,109	-	-	302,109
	302,109	**-**	**-**	**302,109**

	30 June 2024			
	Level 1 $	Level 2 $	Level 3 $	Total $
Recurring Fair Value Measurements				
Non-financial Assets				
Freehold land and building	-	1,436,530	-	1,436,530
	-	**1,436,530**	**-**	**1,436,530**
Financial Assets				
Listed investments	259,754	-	-	259,754
	259,754	**-**	**-**	**259,754**

Transfers between levels of the hierarchy

There were no transfers between levels for assets measured at fair value on a recurring basis during the reporting period (2024: no transfers).

Note 36. Fair Value Measurements (continued)

Highest and best use

The current use of each asset measured at fair value is considered to be its highest and best use.

(b) Valuation Techniques

The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the company are consistent with one or more of the following valuation approaches:

Approach	Valuation Details
Market Approach	Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
Income Approach	Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
Cost Approach	Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Valuation Techniques & Inputs - Level 2 Fair Values

Asset	Fair Value at 30 June 2025 $	Valuation Techniques	Inputs Used
Freehold land and building	1,495,179	Market approach	Market Rent, Capital Adjustments

The fair value of freehold land and buildings is determined at least every three years based on valuations by an independent valuer. At the end of each intervening period, the Directors review the independent valuation and, when appropriate, update the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data and discounted cash flow methodologies.

There were no changes during the period in the valuation techniques used by the Company to determine Level 2 fair values.

(c) Reconciliation of Recurring Level 2 Fair Value Measurements

Level 2	Freehold Land & Building $
Balance at the beginning of the year	1,436,530
Additions during the year	25,276
Losses recognised in profit or loss during the year	(48,457)
Revaluation	81,830
Balance at the end of the year	**1,495,179**

Consolidated Entity Disclosure Statement

Basis of Preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Interests in Subsidiaries

(a) Composition of the Group

Entity name	Entity Type	Place formed/ Country of incorporation	Ownerrship interest (%)*	Tax residency
Upper Yarra Power Pty Ltd	Private Company	Australia	100%	Australia**

* The percentage of ownership interest held is equivalent to the percentage of shareholdings.

** Upper Yarra Community Enterprise Limited (the 'parent entity') and its wholly-owned Australian subsidiaries have not formed an income tax consolidated group under the tax consolidation regime.

(b) Significant restrictions relating to subsidiaries

There are no significant restrictions to access or use the assets and settle the liabilities of the Group.

(c) Subsidiary's financial statements

Statement of Profit or Loss and Other Comprehensive Income

The amounts disclosed below are prior to any inter-company eliminations

	2025 $	2024 $
Revenue	41,990	61,357
Expenses	(91,541)	(92,026)
Operating profit before charitable donations and sponsorship	(49,551)	(30,669)
Profit before income tax	(49,551)	(30,669)
Income tax expense	4,663	6,540
Profit for the year after income tax	(44,888)	(24,129)
Total comprehensive income attributable to ordinary shareholders of the company	**(44,888)**	**(24,129)**

(c) Subsidiary's financial statements (continued)

Statement of Financial Position

	2025 $	2024 $
Assets		
Current assets	13,730	43,463
Non-current assets	817,915	841,675
Total assets	**831,645**	**885,138**
Liabilities		
Current liabilities	842	-
Non-current liabilities	517,491	526,937
Total liabilities	**518,333**	**526,937**
Net assets	**313,312**	**358,201**
Equity		
Issued capital	285,151	285,151
Retained earnings	28,161	73,050
Total equity	**313,312**	**358,201**

Parent Entity

The following information has been extracted from the books and records of the parent, Upper Yarra Community Enterprise Limited and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Upper Yarra Community Enterprise Limited has been prepared on the same basis as the consolidated financial statements except as disclosed below.

Investments in subsidiary

Investments in subsidiary is accounted for at cost in the consolidated financial statements of the parent entity. No dividends received from subsidiary for 2025 financial year (2024 : NIL).

Parent entity's financial statements

Statement of Profit or Loss and Other Comprehensive Income

	2025 $	2024 $
Revenue	2,122,200	2,250,374
Expenses	(1,527,600)	(1,400,017)
Operating profit before charitable donations and sponsorship	**594,600**	**850,357**
Charitable donations and sponsorship	(238,356)	(335,652)
Profit before income tax	**356,244**	**514,705**
Income tax expense	(84,424)	(124,380)
Profit for the year after income tax	**271,820**	**390,325**
Total comprehensive income for the year	81,830	-
Total comprehensive income attributable to ordinary shareholders of the company	**271,820**	**390,325**

(c) Subsidiary's financial statements (continued)

Parent entity's financial statements (continued)

Statement of Financial Position

	2025 $	2024 $
Assets		
Current assets	1,174,955	1,084,949
Non-current assets	2,854,836	2,714,130
Total assets	**4,029,791**	**3,799,079**
Liabilities		
Current liabilities	282,875	251117
Non-current liabilities	797,553	700,937
Total liabilities	1,080,428	952,054
Net assets	**2,949,363**	**2,847,025**
Equity		
Issued capital	889,520	889,520
Retained earnings	1,578,599	1,476,261
Reserves	481,244	481,244
Total equity	**2,949,363**	**2,847,025**

Directors' declaration

For the financial year ended 30 June 2025

In accordance with a resolution of the directors of Upper Yarra Community Enterprise Limited, we state that:

In the opinion of the directors:

(a) The consolidated financial statements and notes of the Company are 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 performance for the financial year ended on that date; and

  (ii) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) The information disclosed in the attached consolidated entity disclosure statement, on page 49 is true and correct.

This declaration is made in accordance with a resolution of the board of directors.

Rodney McKail
Chair/Non-Executive Director

Dated this 22nd day of September, 2025

Independent audit report

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Bendigo, Victoria
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF UPPER YARRA COMMUNITY ENTERPRISE LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Upper Yarra Community Enterprise Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the accompanying financial report of Upper Yarra Community Enterprise 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 and its cash flows for the year then ended; and

(ii) complying with Australian Accounting Standards.

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 Entity in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's *APES 110 Code of Ethics* for Professional Accountants (including Independence Standards) 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 opinion.

Other Information

Those charged with governance 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 do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained 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.

Director's Responsibility 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 to cease operations, or have no realistic alternative but to do so.

RSD Audit Pty Ltd
ABN 85 619 186 908
Liability limited by a scheme approved under Professional Standards Legislation

Auditor's Responsibility for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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* (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

RSD Audit
Chartered Accountants

Mahesh Silva
Partner
Bendigo

Dated: 24 September 2025

COMMUNITY 25 YEARS BANKING

Community Bank Warburton and Yarra Junction

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Web: www.bendigobank.com.au/branch/vic/community-bank-yarra-junction-district

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Bendigo Bank

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