Ku-ring-gai Financial Services Limited

ABN 56 103 129 184

Half-year Financial Report - 31 December 2025

Ku-ring-gai Financial Services Limited
Directors' report
31 December 2025

The directors present their report, together with the financial statements, on the company for the half-year ended 31 December 2025.

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

Jennifer Gai Anderson
Kristyn Ann Haywood
Edward John Kitchener
Dale Crosby
Panagiota (Betty) Hall
Ka Keung Kok (appointed 2 July 2025)
Marianne Broeng (appointed 22 September 2025)
David Andrew Langdon (resigned17 November 2025)
Julie Fidler (resigned17 November 2025)

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

Review of operations
The profit for the company after providing for income tax amounted to $358,978 (31 December 2024: $495,238).

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

Matters subsequent to the end of the financial half-year
No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

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

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the directors

Jennifer Anderson (Feb 25, 2026 11:11:27 GMT+11)

Jennifer Gai Anderson
Chair

25 February 2026

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

Lead auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Ku-ring-gai Financial Services Limited

I declare that, to the best of our knowledge and belief, during the half-year ended 31 December 2025 there have been:

a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
b. no contraventions of any applicable code of professional conduct in relation to the review.

Andrew Frewin Stewart
61 Bull Street, Bendigo Vic 3550
Dated: 25 February 2026

Lachlan Tatt
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation.

Ku-ring-gai Financial Services Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025

	Note	31-Dec-25 $	31-Dec-24 $
Revenue from contracts with customers	3	1,386,111	1,477,466
Other revenue		3,512	3,512
Finance revenue		62,665	91,792
Total revenue		1,452,288	1,572,770
Employee benefits expense		(470,001)	(535,592)
Advertising and marketing costs		(107,137)	(94,677)
Occupancy and associated costs		(18,611)	(18,854)
Systems costs		(30,594)	(24,403)
Depreciation and amortisation expense		(85,904)	(67,106)
Finance costs		(18,980)	(8,626)
General administration expenses		(119,021)	(103,359)
Total expenses before community contributions and income tax		(850,248)	(852,617)
Profit before community contributions and income tax expense		602,040	720,153
Charitable donations, sponsorships and grants expense		(118,280)	(58,012)
Profit before income tax expense		483,760	662,141
Income tax expense		(124,782)	(166,903)
Profit after income tax expense for the half-year		358,978	495,238
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year		358,978	495,238
		Cents	**Cents**
Basic earnings per share		15.95	22.00
Diluted earnings per share		15.95	22.00

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

Ku-ring-gai Financial Services Limited
Statement of financial position
As at 31 December 2025

	31-Dec-25 $	30-Jun-25 $
Assets		
Current assets		
Cash and cash equivalents	642,362	263,381
Trade and other receivables	285,382	398,338
Investments	2,684,087	2,834,087
Current tax assets	-	265,322
Total current assets	3,611,831	3,761,128
Non-current assets		
Property, plant and equipment	128,937	150,178
Right-of-use assets	354,989	432,825
Intangibles	38,881	45,884
Deferred tax assets	52,596	79,452
Total non-current assets	575,403	708,339
Total assets	4,187,234	4,469,467
Liabilities		
Current liabilities		
Trade and other payables	111,620	247,274
Lease liabilities	128,491	126,920
Current tax liabilities	11,153	-
Employee benefits	104,364	98,317
Total current liabilities	355,628	472,511
Non-current liabilities		
Trade and other payables	15,279	30,559
Lease liabilities	284,092	344,352
Employee benefits	8,275	6,271
Provisions	29,620	30,195
Total non-current liabilities	337,266	411,377
Total liabilities	692,894	883,888
Net assets	3,494,340	3,585,579
Equity		
Issued capital	1,258,525	1,258,525
Retained earnings	2,235,815	2,327,054
Total equity	3,494,340	3,585,579

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

Ku-ring-gai Financial Services Limited
Statement of changes in equity
For the half-year ended 31 December 2025

	Note	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2024		1,258,525	2,867,134	4,125,659
Profit after income tax expense		-	495,238	495,238
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	495,238	495,238
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	4	-	(450,217)	(450,217)
Balance at 31 December 2024		1,258,525	2,912,155	4,170,680
Balance at 1 July 2025		1,258,525	2,327,054	3,585,579
Profit after income tax expense		-	358,978	358,978
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	358,978	358,978
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	4	-	(450,217)	(450,217)
Balance at 31 December 2025		1,258,525	2,235,815	3,494,340

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

Ku-ring-gai Financial Services Limited
Statement of cash flows
For the half-year ended 31 December 2025

	Note	31-Dec-25 $	31-Dec-24 $
Cash flows generated from operating activities			
Receipts from customers (inclusive of GST)		1,517,366	1,638,122
Payments to suppliers and employees (inclusive of GST)		(1,042,620)	(1,062,105)
Interest received		97,923	106,647
Income taxes refunded/(paid)		178,549	(233,115)
Net cash generated from operating activities		751,218	449,549
Cash flows from investing activities			
Redemption of/(investment in) term deposits		150,000	-
Payments for property, plant and equipment		-	(3,203)
Payments for intangible assets		(13,890)	(13,890)
Net cash from/(used in) investing activities		136,110	(17,093)
Cash flows from financing activities			
Interest and other finance costs paid		(17,868)	(7,933)
Dividends paid	4	(450,217)	(450,217)
Repayment of lease liabilities		(40,262)	(60,468)
Net cash used in financing activities		(508,347)	(518,618)
Net increase/(decrease) in cash and cash equivalents		378,981	(86,162)
Cash and cash equivalents at the beginning of the financial half-year		263,381	989,016
Cash and cash equivalents at the end of the financial half-year		642,362	902,854

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

Ku-ring-gai Financial Services Limited
Notes to the financial statements
31 December 2025

Note 1. Material accounting policy information

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). The financial statements have been prepared on an accrual and historical cost basis for the interim half-year reporting period ending 31 December 2025.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the company during the period.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Note 2. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of revenue under the franchise agreement. The franchise agreement expires in October 2028.

The directors have a reasonable expectation that a new franchise agreement will be signed prior to the expiry date.

Note 3. Revenue from contracts with customers

	31-Dec-25 $	31-Dec-24 $
Margin income	1,260,864	1,337,181
Fee income	44,068	50,215
Commission income	81,179	90,070
Revenue from contracts with customers	1,386,111	1,477,466

Disaggregation of revenue
The company's franchise agreement with Bendigo Bank provides for a share of interest margin, fee and commission revenue to be earned by the company on the outstanding portfolio of loans, deposits and other business that it has sourced. The company acts as an agent under the franchise agreement with revenue being recognised at a point in time during the reporting period.

Note 4. Dividends

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

	31-Dec-25 $	31-Dec-24 $
Fully franked dividends totaling 20 cents per share (31-Dec-24: 20 cents)	450,217	450,217

The tax rate at which dividends have been franked is 25%.

Note 5. Contingent assets and liabilities

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

Note 6. Related party transactions

The company has related party transactions that include payments to not-for-profit organisations affiliated with certain directors. These related party transactions are consistent with those disclosed in the company’s financial report for the year ended 30 June 2025. There have been no significant changes to the nature or amount of these related party transactions during the half-year ended 31 December 2025.

Note 7. Events after the reporting date

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Ku-ring-gai Financial Services Limited
Directors' declaration
31 December 2025

In the directors' opinion:

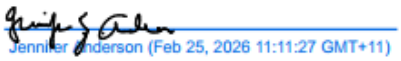
- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Jennifer Gai Anderson
Chair

25 February 2026

Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
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Independent auditor's review report to the Directors of Ku-ring-gai Financial Services Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Ku-ring-gai Financial Services Limited (the company), which comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Ku-Ring-Gai Financial Services Limited does not comply with the *Corporations Act 2001* including:

a. giving a true and fair view of the company's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
b. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity.* Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the company's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Andrew Frewin Stewart
61 Bull Street, Bendigo Vic 3550
Dated: 25 February 2026

Lachlan Tatt
Lead Auditor

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