ANNUAL REPORT

2025

MOVE BANK

RAILWAYS CREDIT UNION LIMITED
trading as MOVE Bank
ABN 91 087 651 090

FINANCIAL REPORT
For the year ended 30 June 2025

Contents to Financial Report

Directors' Report

The Directors submit their report on the consolidated entity (Group)consisting of Railways Credit Union Limited trading as MOVE Bank ("MOVE Bank") and the entities it controlled at the end of, or during, the financial year ended 30 June 2025.

MOVE Bank is a company registered under the *Corporations Act 2001.*

Directors

The names of the Directors in office at any time during or since the end of the year are:

Scott J Riedel (Chair)
Rachel L Adair
Thomas (Bill) W Armagnacq
Sarah Dixon
Marcus Salouk
Michael (Mick) F Skinner
Timothy (Tim) J Staley

The names of the Company Secretaries in office at any time during or since the end of the year are:

Michael (Mike) Currie
Craig A Nichols

Qualifications, experience and special responsibilities

Scott J Riedel	BEng (Hons), RPEQ, Grad Dip Business, GAICD Elected Director of MOVE Bank since 2016 Appointed Board Chair in November 2022 Chair of the Strategy Committee and member of the Risk Management Committee, Audit & Compliance Committee and the Remuneration & Succession Committee
Rachel L Adair	LLB (hons), FCA, GAICD Head of Finance - Coal, Aurizon Elected Director of MOVE Bank since 2021 Member of the Audit & Compliance Committee
Thomas (Bill) W Armagnacq	B Com, FCA, FAICD Company Director Appointed as an External Director of MOVE Bank since October 2019 Chair of the Audit & Compliance Committee and a member of the Remuneration & Succession Committee and Strategy Committee
Sarah Dixon	BCom, Bachelor of Science Executive General Manager Infrastructure Planning and Capital, Seqwater Casual Director of MOVE Bank since March 2024 Member of the Risk Management Committee
Marcus Salouk	F Fin, BE (hons), CPEng, RPEQ, MSc Analytics, MAppFin&Invest, GAICD, Executive Director (Technology Consulting Company) Appointed as an External Director of MOVE Bank since July 2021 Chair of the Remuneration & Succession Committee
Michael (Mick) F Skinner	BBus (Transport & Logistics Mgt), Grad Cert (Intermodal Transport), FCILT, GAICD Company Director Elected Director of MOVE Bank since 2016 (and previously from 2003 to 2006) Member of the Risk Management Committee

Qualifications, experience and special responsibilities (continued)

Timothy (Tim) J Staley	BCom, FCPA, GAICD Chief Operating Officer / Transport & Logistics Lead, NCS Australia Elected Director of MOVE Bank since 2020 Chair of the Risk Management Committee and member of the Strategy Committee

All Directors have held their office from 1 July 2024 to the date of this report unless otherwise stated.

Company Secretaries

Qualifications and experience

Michael (Mike) Currie	Bachelor of Business (Banking and Finance), GAICD, SF Fin, Master of Applied Finance Appointed as Company Secretary on 8 March 2023
Craig Nichols	Bachelor of Commerce, Bachelor of Laws, Master of Applied Finance Member Queensland Law Society Appointed as Company Secretary on 7 May 2024

Directors' Meetings

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director was as follows:

Meetings of Board & Committees	Board	Risk Management	Audit & Compliance	Remuneration & Succession	Strategy
Number of meetings held	11	4	5	2	12
Number of meetings attended	Attended/Eligible to attend				
Scott J Riedel	11/11	4/4	5/5	2/2	12/12
Rachel L Adair	10/11	-	5/5	-	-
Thomas (Bill) W Armagnacq	10/11	-	5/5	2/2	12/12
Sarah Dixon	10/11	3/4	-	-	-
Marcus Salouk	9/11	-	-	2/2	-
Michael (Mick) F Skinner	10/11	4/4	-	-	-
Timothy (Tim) J Staley	11/11	4/4	-	-	12/12

Directors' Report

Insurance and Indemnification of Directors, Officers or Auditor

Insurance premiums have been paid to insure each of the Directors and Officers of the Group, against any costs and expenses incurred by them in defending any legal proceeding arising out of their conduct while acting in their capacity as a director or officer of the Group. In accordance with normal commercial practice disclosure of the premium amount and the nature of the insured liabilities is prohibited by a confidentiality clause in the contract. An indemnity has been provided to Directors to the extent permitted by law.

No insurance cover or indemnity has been provided for the benefit of the auditors of MOVE Bank.

Principal Activities

The principal activities of The Group during the year were the provision of financial services to members as prescribed by the MOVE Bank Constitution.

No significant changes in the nature of these activities occurred during the year.

Operating Results for the Year

The net profit of the Group for the year ended 30 June 2025 after providing for income tax was $**2,261,211** (2024: $1,051,676).

Review of Operations

The Group's operations from its activities of providing financial services to its members did not change from the previous financial year.

This year's operating environment was characterised by an interest rate environment whereby the Reserve Bank of Australia ("RBA") only undertook two cash rate reductions of 0.25% - in February 2025 and May 2025. House prices have remained buoyant throughout the current financial year.

The Group's pre-tax profit of $2,978,109 increased 128.5% from the prior year.

Total income increased by $4,140,794 - the combination of the net Interest income increasing by $2,399,451 and other income increasing by $1,741,343. Other income was supported by a profit of $1,811,564 from the sale of The Group's investment in Cuscal Limited. The Group's net interest income increased due to an improvement in the net interest margin from 1.92% to 2.00% over the year and a combination of 15% loan growth in the 2023/2024 year and a further 13.9% in loan growth in the current year.

The Group's operating expenses increased by $2,428,373. Most of the increase related to staff costs and uplifting our information technology capabilities and resilience (including commencing a core banking migration). Referral costs associated with externally sourced loans also increased as volumes through our broker channel continue to rise.

In addition, the bank was able to maintain its credit impairment losses at extremely low levels. This is due to bank's commitment to maintaining prudent lending practices despite growing its loan book significantly and economy being subject to a high-interest rate environment throughout the year.

Directors' Report

Dividends

No dividends have been paid or declared since the beginning of the financial year and no dividends have been recommended or provided for by the Directors of the Group.

Options

No options over unissued shares or interests in the Group were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Significant Changes in the State of Affairs

In the opinion of the Directors there have been no significant changes in the state of affairs during the year.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the reporting period which have significantly affected, or may significantly affect, the operations, the results of those operations or the state of affairs of the Group in subsequent financial years.

Likely Developments and Expected Results

The Group is committed to continuing to provide a full range of retail financial products and services to our members.

The Group's strategy remains centred on sustainable growth through strong relationships with our members and leveraging investments in technology and capability. The Group plans a continuation of the investment in its information technology capability to deliver its digital strategy to improve the member experience. The Group expects to operationalise its new operating system over the next 12 months. Once it is fully established, the new operating system will not only provide members with a better banking experience but also will provide improved efficiencies. The bank will continue to promote a strong risk culture and endeavour to attract and retain the right people.

Environmental Regulation and Performance

The Group is not subject to any particular or significant environmental regulation under laws of the Commonwealth or of a State or Territory.

Proceedings

No person has applied for leave of the Court to bring proceedings on behalf of the Group or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings. The Group was not a party to any such proceedings during the year.

Auditor Independence

The Directors received an independence declaration from the auditor, BDO Audit Pty Ltd. A copy has been included on the following page of the report.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Scott Riedel	*Bill Armagnacq*
Scott J Riedel	Thomas W (Bill) Armagnacq
Chair	Chair, Audit & Compliance Committee

Brisbane, 24 September 2025

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DECLARATION OF INDEPENDENCE BY M CUTRI TO THE DIRECTORS OF RAILWAYS CREDIT UNION LIMITED T/A MOVE BANK

As lead auditor of Railways Credit Union limited trading as MOVE bank for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
2. No contraventions of any applicable code of professional conduct in relation to the audit

This declaration is in respect of Railways Credit Union limited t/a MOVE bank and the entities it controlled during the year.

M Cutri
Director

BDO Audit Pty Ltd

Brisbane, 24 September 2025

Consolidated Statement of Profit or Loss & Other Comprehensive Income for the year ended 30 June 2025

	Note	2025 $	2024 $
Interest income	4(a)	43,866,208	36,516,980
Interest expense	4(b)	(26,701,184)	(21,751,407)
Net interest income	4	17,165,024	14,765,573
Other income	5	3,326,146	1,584,803
Employee benefits expense	6(a)	(7,383,384)	(6,928,230)
Depreciation and amortisation expense	6(b)	(425,931)	(597,826)
Credit impairment (loss) / gain	6(c),13(a)	(74,131)	(36,613)
Other expenses	6(d)	(9,629,615)	(7,484,501)
Profit before income tax		2,978,109	1,303,206
Income tax expense	7	(716,898)	(251,530)
Profit for the year		2,261,211	1,051,676
Other comprehensive income, net of income tax			
Items that will not be reclassified to profit or loss			
Net loss on revaluation of land and buildings	14(a)	(66,729)	-
Income tax relating to these items	7(d)	16,682	-
Other comprehensive income for the year, net of income tax		(50,047)	-
Total comprehensive income for the year		2,211,164	1,051,676

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

Consolidated Statement of Financial Position
as at 30 June 2025

	Note	2025 $	2024 $
ASSETS			
Cash and cash equivalents	8	25,063,154	33,030,448
Other receivables	10	979,891	1,000,279
Financial assets at amortised cost	11	126,435,140	108,228,312
Loans and advances	12	756,299,050	663,588,092
Investment securities	9	348,840	1,772,211
Property, plant and equipment	14	3,643,276	3,843,566
Intangible assets	15	366,313	496,645
Deferred tax assets	7	82,044	-
Other assets		129,585	206,494
TOTAL ASSETS		913,347,293	812,166,047
LIABILITIES			
Deposits	16	835,013,269	737,280,410
Other payables	17	2,936,847	1,975,574
Income tax payable		624,662	68,431
Deferred tax liabilities	7	-	230,994
Provisions	19	154,860	204,147
TOTAL LIABILITIES		838,729,638	739,759,556
NET ASSETS		74,617,655	72,406,491
EQUITY			
Redeemed preference shares	20	253,210	248,670
Reserves	21	74,364,445	72,157,821
TOTAL EQUITY		74,617,655	72,406,491

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

Consolidated Statement of Changes in Equity for the year ended 30 June 2025

	Asset revaluation reserve	Fair value reserve	General reserve	Redeemed preference shares	Total equity
	$	$	$	$	$
Balance at 1 July 2024	3,131,906	501,591	68,524,324	248,670	72,406,491
Profit for the year	-	-	2,261,211	-	2,261,211
Other comprehensive income for the year					
Net loss on revaluation of land & buildings, net of tax	(50,047)	-	-	-	(50,047)
Total comprehensive income for the year	(50,047)	-	2,261,211	-	2,211,164
Transfers					
Disposal of investments recorded through other comprehensive income, net of tax	-	(485,240)	485,240	-	-
Redeemed preference shares	-	-	(4,540)	4,540	-
Total transfers	-	(485,240)	480,700	4,540	-
Balance at 30 June 2025	3,081,859	16,351	71,266,235	253,210	74,617,655
Balance at 1 July 2023	3,131,906	501,591	67,477,578	243,740	71,354,815
Profit for the year	-	-	1,051,676	-	1,051,676
Other comprehensive income for the year					
Net loss on revaluation of land & buildings, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	1,051,676	-	1,051,676
Transfers					
Redeemed preference shares	-	-	(4,930)	4,930	-
Total transfers	-	-	(4,930)	4,930	-
Balance at 30 June 2024	3,131,906	501,591	68,524,324	248,670	72,406,491

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

Consolidated Statement of Cash Flows
for the year ended 30 June 2025

	Note	2025 $	2024 $
Operating activities			
Interest received		43,832,900	36,396,997
Payments to suppliers and employees		(17,042,580)	(15,257,375)
Dividends received		127,518	103,474
Fees and commissions received		1,634,099	1,649,603
Other income		421,202	332,366
Interest and other costs of finance paid		(26,010,985)	(19,343,595)
Income tax paid		(457,022)	(298,290)
Net movement in financial assets at amortised cost		(18,206,828)	(3,316,138)
Net movement in loans and advances		(92,381,814)	(86,066,538)
Net movement in deposits		97,043,320	113,781,853
Net movement in borrowings		-	(9,815,442)
Net cash inflows/(outflows) from operating activities	23(b)	(11,040,190)	18,166,915
Investing activities			
Purchase of property, plant and equipment		(67,625)	(659,158)
Purchase of intangible assets		(94,414)	(361,830)
Proceeds from the sale of investment securities		3,234,935	-
Net cash flows used in investing activities		3,072,896	(1,020,988)
Financing activities			
Principal portion of lease liabilities paid		-	(88,305)
Net cash flows used in financing activities	23(c)	-	(88,305)
Net increase/(decrease) in cash and cash equivalents		(7,967,294)	17,057,622
Cash and cash equivalents at 1 July		33,030,448	15,972,826
Cash and cash equivalents at 30 June	8	25,063,154	33,030,448

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

Notes to the Financial Statements
for the year ended 30 June 2025

1. CORPORATE INFORMATION

The financial statements cover the consolidated entity consisting of Railways Credit Union Limited trading as MOVE Bank (Company, Parent Entity), and its controlled entities (Group, Consolidated Entity), as required by the Corporations Act 2001, for the financial year ended 30 June 2025 and were authorised for issue in accordance with a resolution of the Directors on 24 September 2025.

MOVE Bank is an unlisted public company limited by shares, incorporated and domiciled in Australia.

For the purpose of preparing the financial statements, the Group is a for profit entity.

The registered office and principal place of business of MOVE Bank is Level 1, 179 Ann Street, Brisbane, Queensland 4000.

The principal activities of the Group during the year were the provision of financial services to members.

2. BASIS OF PREPARATION

Basis of preparation

The financial statements are consolidated general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards including Australian Accounting Interpretations.

The financial statements have been prepared on an accruals basis and are based on historical costs except for land and buildings and financial assets at Fair Value through Other Comprehensive Income (FVOCI).

The presentation currency of the financial statements is Australian Dollars.

Compliance with IFRS Accounting Standards

The financial statements comply with Australian Accounting Standards and interpretations and International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board in their entirety.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements.

Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

(i) Significant accounting judgements

Impairment of non-financial assets

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. No impairment indicators were noted during this review.

Fair value of property, plant and equipment

Refer to Note 14.

(ii) Significant accounting estimates and assumptions

Impairment of loans and advances

The measurement of the Expected Credit Loss (ECL) allowance for loans and advances measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 13(a).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- determining criteria for significant increase in credit risk;
- choosing appropriate models and assumptions for the measurement of ECL;
- establishing the number and relative weightings of forward-looking scenarios for each type of product and the associated ECL;
- establishing groups of similar financial assets for the purposes of measuring ECL; and
- determining the relevant period of exposure to credit risk when measuring ECL for credit cards and revolving credit facilities.

Refer to Note 13 for policies regarding impairment of loans and advances.

Estimation of useful life of assets

The estimation of the useful life of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment), lease terms (for leased equipment), remainder of lease term (for leasehold improvements) and turnover policies (for motor vehicles). There have been no changes in the estimated useful lives of assets during the year.

In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life and adjustments are made when considered necessary.

Depreciation charges are included in Note 14.

4. NET INTEREST INCOME

	2025 $	2024 $
(a) Interest income on assets carried at amortised cost		
Cash and cash equivalents	793,341	565,730
Financial assets at amortised cost	6,437,960	5,937,112
Loans and advances	36,634,907	30,014,138
Total interest income	43,866,208	36,516,980
(b) Interest expense on liabilities		
Borrowings	3,462	10,284
Lease liabilities	-	733
Deposits	26,697,722	21,740,390
Total interest expense	26,701,184	21,751,407
Total net interest income	17,165,024	14,765,573

Recognition and measurement

Interest income and interest expense

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, future cash flows are estimated considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

Loan origination fees and loan transaction costs that are direct and incremental to the establishment of loans are deferred and amortised as a component of the calculation of the effective interest rate in relation to the originated loans. Fees charged on loans after origination of the loan are recognised in profit or loss when the service is provided.

Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance. The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves. For information on when financial assets are credit-impaired, see Note 13.

5. OTHER INCOME	2025 $	2024 $
Fees and commission income from contracts with customers	1,384,221	1,472,254
Dividend income	127,518	103,474
Bad debts recovered	980	7,220
Gain on sale of shares	1,811,564	-
Other	1,863	1,855
Total other income	3,326,146	1,584,803

Recognition and measurement

Fee and commission income and expense

The Group earns fee and commission income from a diverse range of financial services it provides to its customers. Fee and commission income is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for providing the services.

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate. Loan fees that are recognised using the effective interest method are included with loan balances in the statement of financial position.

Other fee and commission income – including account servicing fees, loan discharge and administration fees – is recognised as the related services are performed. If a loan commitment is not expected to result in the draw-down of a loan, then the related loan commitment fee is recognised on a straight-line basis over the commitment period.

Insurance brokerage commission income - the Group offers insurance arrangements to customers acting as agent on behalf of an insurer and receives a commission on each insurance product as a percentage of premium paid by customers for each policy. The Group has generally concluded that it is the agent in its insurance arrangements because it typically does not act in the capacity of an insurer and its responsibility is limited to arranging or mediating the provision of insurance for the third-party insurer.

The Group's performance obligation is to execute the insurance policy on behalf of the insurer and revenue is recognised once the policy has been executed or renewed (ie. on the trade date). Payment of the commission is typically due on the trade date.

The Group estimates the amount to which it will be entitled, but constrains that amount until it is highly probable that including the estimated fee in the transaction price will not result in a significant revenue reversal, which generally occurs upon satisfaction of the performance obligation, on the trade date. The transaction price is determined by taking the commission fee earned, less an allowance for credits for policies which may be cancelled during the policy period. The credits are calculated based on the average customer retention rate provided by the insurer.

Dividend income

Dividend income is recognised on an accrual basis when the Group's right to receive the dividend is established. Dividends on equity instruments designated as at FVOCI that clearly represent a recovery of part of the cost of the investment are presented in Other Comprehensive Income (OCI).

Gain on sale of shares

Investment securities held by the Group are measured at fair value and any fair value changes are recognised through OCI. On 28 November 2024 the Group's Cuscal shares were bought back by Cuscal (1,260,974 shares for $3,234,935) as part of Cuscal's Initial Public Offer ("IPO"). The difference between the carrying fair value of these shares and the payment received for these shares has been recognised as gain on the sale of shares in net income from other financial institutions at Fair Value through Profit or Loss (FVTPL).

6. EXPENSES

	2025 $	2024 $
(a) Employee benefits expense		
Wages, salaries and other employee benefits expense	6,739,848	6,345,117
Workers' compensation costs	11,879	9,326
Defined contribution superannuation expense	631,657	573,787
Total employee benefits expense	7,383,384	6,928,230
(b) Depreciation and amortisation expense		
Depreciation of property, plant and equipment		
Buildings	65,280	67,991
Plant and equipment	135,905	155,046
Total depreciation of property, plant and equipment	201,185	223,037
Amortisation of intangible assets		
Computer software	224,746	153,692
Total amortisation of intangible assets	224,746	153,692
Depreciation of right-of-use assets		
Properties	-	221,097
Total depreciation of right-of-use assets	-	221,097
Total depreciation and amortisation expense	425,931	597,826
(c) Credit Impairment		
Credit impairment loss / (gain)	74,131	36,613
(d) Other expenses		
Audit and other accounting expenses	374,204	308,988
Director fees and other expenses	432,806	395,695
Information technology expenses	3,189,031	2,774,382
Loan administration expenses	1,387,093	1,031,836
Marketing and promotion expenses	421,667	369,601
Member transaction expenses	1,133,582	1,121,507
Other occupancy expenses	249,978	205,161
Other expenses	1,088,130	958,014
Strategic project costs	1,170,065	-
Telephone and postage expenses	183,059	319,317
Total other expenses	9,629,615	7,484,501
(e) Other expenses relating to leases		
Short-term lease expenses included in other expenses 6(d)	-	12,247

7. TAXATION

(a) Components of income tax expense

The major components of income tax expense are:

	2025 $	2024 $
Current income tax charge	1,004,535	363,371
Deferred tax relating to temporary differences	(287,637)	(111,841)
Income tax expense	716,898	251,530

(b) Reconciliation of income tax expense to prima facie tax payable

	2025 $	2024 $
Accounting profit before tax	2,978,109	1,303,206
At company statutory income tax rate of 25.0% (2024: 25.0%)	744,527	325,802
Non-deductible entertainment		749
Rebatable fully franked dividends	(54,650)	(44,346)
Other deductible items	-	(41,762)
Other non-deductible items	27,021	11,087
Income tax expense	716,898	251,530

(c) Recognised deferred tax assets and liabilities

Deferred income tax as at 30 June relates to the following:

(i) Deferred tax liabilities

	2025 $	2024 $
Land & buildings - recognised in other comprehensive income	185,008	201,690
Land & buildings - recognised in profit or loss	242,966	258,447
Other receivables	65,082	43,466
Shares – recognised in other comprehensive income	21,760	183,510
Gross deferred tax liabilities	514,816	687,113

(ii) Deferred tax assets

	2025 $	2024 $
Provisions	277,574	266,272
Depreciation	176,178	128,237
Other	143,108	61,610
Gross deferred tax assets	596,860	456,119
Net deferred tax asset/(liabilities)	82,044	(230,994)

7. TAXATION (continued)

(d) The movement in deferred tax assets and liabilities during the year is as follows:

	Deferred Tax Assets	Deferred Tax Liabilities	Net deferred tax asset/(liabilities)
Balance at 1 July 2024	456,119	687,113	(230,994)
Change recognised in other comprehensive income	-	(16,682)	16,682
Change recognised in profit or loss	80,396	(207,238)	287,634
Prior year adjustment	60,345	51,623	8,722
Balance at 30 June 2025	596,860	514,816	82,044
Balance at 1 July 2023	451,737	705,316	(253,579)
Change recognised in other comprehensive income	-	-	-
Change recognised in profit or loss	(28,385)	(140,226)	111,841
Prior year adjustment	32,767	122,023	(89,256)
Balance at 30 June 2024	456,119	687,113	(230,994)

(e) Franking credit balance	2025 $	2024 $
Balance of the franking account at year-end adjusted for franking credits or debits arising from payment of the provision for income tax or receipt of dividends receivable at the end of the reporting period based on a tax rate of 25.0% (2024: 25.0%)	27,742,060	26,870,713

Recognition and Measurement

Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the Australian corporate tax rate of 25.0% (2024: 25.0%) adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, offset by any unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The amount of deductible temporary differences brought to account as deferred tax assets is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the Group will derive sufficient future assessable income to enable the deferred tax asset to be realised and comply with the conditions of deductibility imposed by the law.

7. TAXATION (continued)

Recognition and measurement (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

8. CASH AND CASH EQUIVALENTS	2025 $	2024 $
Deposits with Authorised Deposit-Taking Institutions (ADIs)	25,063,154	33,030,448

(a) Reconciliation to Statement of Cash Flows

For the purposes of the statement of cash flows, cash includes cash on hand and 'at call' deposits, net of overdrafts with other financial institutions. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Deposits with ADIs	25,063,154	33,030,448

(b) Restricted Cash

The cash and cash equivalents disclosed above and in the statement of cash flows include $8,983,189 which are held by the MTG MOVE Bank Repo Series No.1 Trust. These deposits are held in the trust to only pay for the operating costs of the trust and to fund any further purchases of loans from MOVE Bank. They are therefore not available for general use by the other entities in the Group.

9. INVESTMENT SECURITIES	2025 $	2024 $
At fair value through other comprehensive income		
Investment securities	348,840	1,772,211
Balance at the beginning of the year	1,772,211	1,772,211
Funds received on disposal of investment securities	(3,234,935)	-
Gain/Loss on disposal of investment securities	1,811,564	-
Balance at the end of the year	348,840	1,772,211
Amount of investment securities expected to be recovered more than 12 months after the reporting date	348,840	1,772,211

Shares in Cuscal Limited (Cuscal) and Indue Ltd (Indue)

These companies provide transactional banking solutions to various financial institutions across Australia. The shares are not publicly traded and are not redeemable. On 28 November 2024 the Group's Cuscal shares were bought back by Cuscal as part of Cuscal's Initial Public Offer ("IPO").

9. INVESTMENT SECURITIES (continued)

Recognition and measurement

Investment securities are instruments that meet the definition of equity from the issuer's perspective; that is the instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

Investment securities are measured at fair value and any fair value changes are recognised through OCI. It is the Group's policy to designate investment securities as FVOCI when those investments are held for purposes other than to generate investment returns and the Group intends to hold for the foreseeable future.

Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Group's rights to receive payment is established. When the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, such gains are recognised in OCI.

Impairment

All equity instruments designated at fair value through OCI are not subject to impairment under AASB 9.

10. OTHER RECEIVABLES	2025 $	2024 $
Accrued interest	821,525	788,217
Sundry debtors	158,366	212,062
Total other receivables	979,891	1,000,279
Amount of other receivables expected to be recovered more than 12 months after the reporting date	-	-

11. FINANCIAL ASSETS AT AMORTISED COST	2025 $	2024 $
ADI interest bearing deposits	122,717,779	103,304,153
Investments in residential mortgage-backed securities	3,717,361	4,924,159
Total financial assets at amortised costs	126,435,140	108,228,312
Amount of financial assets amortised cost expected to be recovered more than 12 months after the reporting date	38,317,361	35,524,159

11. FINANCIAL ASSETS AT AMORTISED COST (continued)

Recognition and Measurement

Financial assets at amortised cost includes deposits held with financial institutions with original maturities of more than three months and investments in residential mortgage-backed securities. ADI interest bearing deposits and investments in residential mortgage-backed securities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

Amortised cost is the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Impairment of financial assets at amortised cost

No provision for impairment is required against ADI interest bearing deposits. The Group considers these assets to have a low credit risk as the ADIs have a credit rating that is "investment grade"; or if the ADI is unrated the ADI is highly capitalised (see Note 24(c)(ii)).

No provision for impairment is required against the Group's residential mortgage-backed securities as they all have a AAA credit rating.

12. LOANS AND ADVANCES	2025 $	2024 $
Overdrafts	14,650,052	18,599,814
Term loans	740,501,979	644,186,802
Gross loans and advances	755,152,031	662,786,616
Deferred application fees	(393,453)	(278,182)
Deferred loan document and settlement costs	283,231	246,901
Deferred loan referral costs	1,750,419	1,328,715
Deferred valuation fee costs	176,858	116,346
Provisions for credit impairment (Note 13)	(670,036)	(612,304)
Net loans and advances	756,299,050	663,588,092
Amount of loans and advances expected to be recovered more than 12 months after the reporting date	733,187,378	641,654,519

12. LOANS AND ADVANCES (continued)

(a) Collateral held

The Group holds collateral against loans and advances to members as detailed below:

Loans and advances with no collateral	3,718,300	4,239,056
Loans and advances with collateral	751,433,731	658,547,560
Gross loans and advances	755,152,031	662,786,616

Where collateral is held, it is in the form of mortgage interests over property, other registered securities over assets, mortgage insurance and guarantees. The fair value of the collateral is measured at the time of providing the loan and advance and is required to be no less than 100% of the loan or advance not including capitalised fees and insurances. The fair value of the collateral is generally not updated except when a loan or advance is individually assessed as impaired. Collateral is usually not held over loans and advances to, or deposits with, other financial institutions. Collateral is usually not held against non-property investment securities.

Recognition and measurement

Loans and advances are financial assets for which the contractual cash flows are solely repayments of principal and interest and that are held in a business model with the objective of collecting contractual cash flows.

Loans and advances are initially recognised at fair value plus transaction costs directly attributable to the origination of the loan or advance, which are primarily brokerage and origination fees. These costs are amortised over the estimated life of the loan.   Subsequently, loans and advances are measured at amortised cost using the effective interest rate method, net of any provision for credit impairment

13. IMPAIRMENT OF LOANS AND ADVANCES

(a) Allowance for impairment

The following tables show reconciliations from the opening to the closing balance of the allowance for ECL by stage for loans and advances.

Loans and advances to members at amortised cost

2025	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Balance at 1 July 2024	24,110	440,028	148,166	612,304
Transfer to 12-month ECL	62,780	(5,332)	(57,448)	-
Transfer to lifetime ECL not credit-impaired	(9,865)	11,939	(2,074)	-
Transfer to lifetime ECL credit-impaired	(24,139)	(2)	24,141	-
Bad debts written off	-	-	(15,607)	(15,607)
Net remeasurement of loss allowance	(39,943)	119,067	(4,993)	74,131
Other movements	(792)	-	-	(792)
Balance at 30 June 2025	12,151	565,700	92,185	670,036

2024	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Balance at 1 July 2023	61,012	409,832	121,178	592,022
Transfer to 12-month ECL	5,951	(2,478)	(3,473)	-
Transfer to lifetime ECL not credit-impaired	(5,333)	5,333	-	-
Transfer to lifetime ECL credit-impaired	(18,649)	(29,871)	48,520	-
Bad debts written off	-	-	(15,712)	(15,712)
Net remeasurement of loss allowance	(18,252)	57,212	(2,347)	36,613
Other movements	(619)	-	-	(619)
Balance at 30 June 2024	24,110	440,028	148,166	612,304

The allowance for impairment in these tables includes ECL on loan commitments for certain retail products such as credit cards and overdrafts, because the Group cannot separately identify the ECL on the loan commitment component from those on the financial instrument component.

13. IMPAIRMENT OF LOANS AND ADVANCES (Continued)

(a) Allowance for impairment (continued)

Explanation of the changes in the allowance for impairment

The main changes in the allowance for impairment are:

- All of the total loan and advance write-offs of $15,607 had been recognised as being subject to a significant increase in credit risk at least 12 months prior to the write-off occurring.

- The stage 2 ECL increase from the prior year is mainly due to an increase in the stage 2 ECL allowance for concerns as to the impact of sustained high interest rates on increased unemployment rates, borrowers' capacity to meet required repayments and potentially property values. MOVE Bank management increased the allowance for impairment for forward looking macro-economic factors by $125,672 in the current year.

- The decrease in the stage 3 ECL of $55,981 is mainly due to $35,381 in the allowance for impairment for loans that transitioned from stage 3 to stage 1 and the loans and advances written-off of $15,607.

Impact of movements in gross carrying amount on provision for impairment

The changes in the gross carrying amount of financial assets that contributed to changes in the loss allowance can be summarised as follows:

2025	Stage 1	Stage 2	Stage 3	
	Gross Loans classified as 12-month ECL	Gross Loans classified as Lifetime ECL not credit-impaired	Gross Loans classified as Lifetime ECL credit-impaired	Total
Balance at 1 July 2024	661,075,452	563,859	1,147,305	662,786,616
Transfer to 12-month ECL	1,225,916	(371,454)	(854,462)	-
Transfer to lifetime ECL not credit-impaired	(1,837,325)	1,842,511	(5,186)	-
Transfer to lifetime ECL credit-impaired	(842,642)	(192,405)	1,035,047	-
Bad debts written off	-	-	(15,607)	(15,607)
Net movement in loan balances	92,394,298	(5,176)	(8,100)	92,381,022
Balance at 30 June 2025	752,015,699	1,837,335	1,298,997	755,152,031

The contractual amount outstanding on loans that were written off during the year ended 30 June 2025 and that are still subject to enforcement activity is $nil (2024: $nil).

13. IMPAIRMENT OF LOANS AND ADVANCES (Continued)

(a) Allowance for impairment (continued)

2024	Stage 1	Stage 2	Stage 3	
	Gross Loans classified as 12-month ECL	Gross Loans classified as Lifetime ECL not credit-impaired	Gross Loans classified as Lifetime ECL credit-impaired	Total
Balance at 1 July 2023	574,149,663	1,579,582	1,007,164	576,736,409
Transfer to 12-month ECL	1,774,378	(886,481)	(887,897)	-
Transfer to lifetime ECL not credit-impaired	(563,859)	563,859	-	-
Transfer to lifetime ECL credit-impaired	(360,828)	(693,101)	1,053,929	-
Bad debts written off	-	-	(15,712)	(15,712)
Net movement in loan balances	86,076,098	-	(10,179)	86,065,919
Balance at 30 June 2024	661,075,452	563,859	1,147,305	662,786,616

Recognition and measurement

Impairment of loans and advances

The Group applies a three-stage approach to measuring ECLs for the following categories of financial assets that are not measured at FVTPL:

- financial assets that are debt instruments carried at amortised cost (loans and advances to members); and
- loan commitments issued.

Exposures are assessed on a collective basis in each stage unless there is sufficient evidence that one or more events associated with an exposure could have a detrimental impact on estimated future cash flows. Where such evidence exists, the exposure is assessed on an individual basis.

Stage	Measurement basis
12-months ECL (Stage 1)	The portion of lifetime ECL associated with the probability of default events occurring within the next 12 months.
Lifetime ECL – not credit impaired (Stage 2)	ECL associated with the probability of default events occurring throughout the life of an instrument.
Lifetime ECL – credit impaired (Stage 3)	Lifetime ECL, but interest revenue is measured based on the carrying amount of the instrument net of the associated ECL.

At each reporting date, the Group assesses the default risk of exposures in comparison to the risk at initial recognition, to determine the stage that applies to the associated ECL measurement. If the default risk of an exposure has increased significantly since initial recognition, the loan will migrate to Stage 2. If no significant increase in default risk is observed, the loan will remain in Stage 1. Should a loan become impaired it will be transferred to Stage 3.

The Group considers reasonable and supportable information that is relevant and available without undue cost or effort, for this purpose. This includes quantitative and qualitative information and also forward-looking analysis. Refer to Note 24 (c) Credit risk management.

13. IMPAIRMENT OF LOANS AND ADVANCES (Continued)

(a) Allowance for impairment (continued)

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- other financial assets measured at amortised cost that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

Inputs, assumptions and techniques used for estimating impairment

In assessing the impairment of loans under the expected credit loss model, the Group defines default (a 'non-performing loan') in accordance with its Credit Policy and procedures, which includes defaulted loans and impaired loans as described below. Default occurs when a loan obligation is 90 days or more past due, or when it is considered unlikely that the credit obligation to the Group will be paid in full without recourse to actions, such as realisation of security.

Impaired exposures under the expected credit loss model consist of:

- Loans which are contractually 90 days or more past due.
- Loans that are subject to a debt repayment arrangement whereby some of the debt is highly unlikely to be fully repaid
- Off-balance sheet credit exposures where current circumstances indicate that losses may be incurred.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the Group considers both quantitative and qualitative information, including expert credit risk assessment, forward looking information and analysis based on the Group's historical experience.

For loans and advances the Group uses the number of days past due (DPD) or the relative change in probability of default at account level, to determine significant increase in credit risk. This includes loans for which the Group has agreed to a temporary change in the repayment arrangements because of the borrower's financial circumstances having changed.

In addition, as a backstop, the Group considers that significant increase in credit risk occurs when an asset is more than 30 days past due (DPD).

Calculation of expected credit losses

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- *financial assets that are not credit-impaired at the reporting date*: as the present value of all cash shortfalls (ie. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive);
- *financial assets that are credit-impaired at the reporting date*: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- *undrawn loan commitments*: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive.

13. IMPAIRMENT OF LOANS AND ADVANCES (Continued)

(a) Allowance for impairment (continued)

Restructured loans

If the terms of a loan are renegotiated or modified or an existing loan is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the loan should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing loan, then the expected cash flows arising from the modified loan are included in calculating the cash shortfalls from the existing loan.

- If the expected restructuring will result in derecognition of the existing loan, then the expected fair value of the new loan is treated as the final cash flow from the existing loan at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing loan that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing loan.

Credit-impaired financial assets

At each reporting date, the Group assesses whether loans carried at amortised cost are credit impaired.

A loan is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the loan have occurred.

Evidence that a loan is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is overdue for 90 days or more is considered impaired.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- loans and advances measured at amortised cost: as a deduction from the gross carrying amount of the loans and advances;
- loan commitments generally, as a provision;
- where a loan includes both a drawn and an undrawn component and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component.
- Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Write off

Loans and advances are written off when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

14. PROPERTY, PLANT AND EQUIPMENT

	2025 $	2024 $
Land and buildings		
At fair value	3,000,000	3,200,000
Accumulated depreciation	-	(67,991)
Net carrying amount	3,000,000	3,132,009
Plant and equipment		
At cost	4,219,433	4,151,808
Accumulated depreciation	(3,576,157)	(3,440,251)
Net carrying amount	643,276	711,557
Total property, plant and equipment		
At fair value	3,000,000	3,200,000
At cost	4,219,433	4,151,808
	7,219,433	7,351,808
Accumulated depreciation and impairment	(3,576,157)	(3,508,242)
Net carrying amount	3,643,276	3,843,566

(a) Reconciliation of carrying amount at beginning and end of the period

	Land and buildings	Plant and equipment	Right-of-use property	Total property, plant & equipment
Balance at June 2023	3,200,000	207,445	379,328	3,786,773
Additions	-	659,158	-	659,158
Depreciation charge for the year	(67,991)	(155,046)	(221,097)	(444,134)
Lease modification adjustment	-	-	(158,231)	(158,231)
Net revaluation movements	-	-	-	-
Balance at June 2024	3,132,009	711,557	-	3,843,566
Additions	-	67,624	-	67,624
Depreciation charge for the year	(65,280)	(135,905)	-	(201,185)
Lease modification adjustment	-	-	-	-
Net revaluation movements	(66,729)	-	-	(66,729)
Balance at June 2025	3,000,000	643,276	-	3,643,276

14. PROPERTY, PLANT AND EQUIPMENT (continued)

(b) Revaluation of land and buildings

The valuation of the Group's freehold land and buildings as at June 2025 was undertaken by independent valuers, Valuations QLD on 11 June 2025 and assessed the carrying value of the Group's land and buildings to be $3,000,000. The Group obtains an independent valuation of its freehold land buildings every three years, with the previous independent valuation occurring on 2 June 2023. Due to concerns as to the commercial property market in Brisbane's CBD the Board of Directors requested an independent valuation occur for the current year.

If revalued land and buildings were stated at historical cost, amounts would be as follows:

	2025 $	2024 $
Cost	1,347,967	1,347,967
Accumulated depreciation	(1,347,967)	(1,347,967)
Net book value	-	-

Valuation techniques used to derive level 3 fair values recognised in the financial statements

The fair value measurement for land and buildings has been categorised as a level 3 fair value based on the inputs to the valuation technique used. Details of the significant inputs used and the relationship between unobservable inputs and the fair values are:

Description	Valuation approach	Unobservable inputs	Range of inputs	Relationship between unobservable inputs and fair value
Land and Buildings	Sale price comparison approach undertaken by an external valuer. Sales prices of comparable land and buildings in a similar location are adjusted for differences in key attributes such as property size and standard. The valuation model is based on a price per square metre.	Sale Prices	$2,558 to $5,935 per square metre	The greater the sales price per square metre of the property the greater the fair value.

Recognition and Measurement

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are measured at their fair value, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction, less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

A revaluation increase is credited to other comprehensive income unless it reverses a revaluation decrease on the same asset previously recognised in profit or loss. A revaluation decrease is recognised in profit or loss unless it directly offsets a previous revaluation increase on the same asset in the asset revaluation reserve. On disposal, any revaluation reserve relating to sold assets is transferred to retained earnings.

14. PROPERTY, PLANT AND EQUIPMENT (continued)

Recognition and Measurement (continued)

It is the policy of the Group to have an independent valuation every three years, with annual appraisals being made by the Directors.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Depreciation

The depreciable amount of all property, plant and equipment including buildings and capitalised leased assets but excluding freehold land, is depreciated over their useful lives to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired term of the lease or the estimated useful life of the improvements.

Property, plant and equipment is depreciated on a straight-line basis. A summary of rates used:

Buildings	4%
Plant and equipment	10% - 40%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss.

15. INTANGIBLE ASSETS

	2025 $	2024 $
Computer software		
At cost	3,626,154	3,531,740
Accumulated amortisation	(3,259,841)	(3,035,095)
Net carrying amount	366,313	496,645

(a) Reconciliation of carrying amount at beginning and end of the period

	2025 $	2024 $
Computer software		
Balance at the beginning of the year	496,645	288,507
Additions	94,414	361,830
Amortisation expense	(224,746)	(153,692)
Balance at the end of the year	366,313	496,645

Recognition and Measurement

Items of computer software which are not integral to the computer hardware owned by the Group are classified as intangible assets with a finite life.

Computer software is amortised on a straight-line basis over the expected useful life of the software ranging from 3 – 5 years.

16. DEPOSITS

	2025 $	2024 $
Call deposits (including withdrawable shares)	517,206,775	491,858,851
Term deposits (including accrued interest)	317,806,494	245,421,559
	835,013,269	737,280,410
Amount of deposits expected to be settled more than 12 months after the reporting date	4,091,483	10,074,707

(a) Concentration of deposits

There are no concentrations of deposits greater than 10% of total deposits.

(b) Fair value

Refer to Note 31(c) for details of the fair value of these financial instruments.

Recognition and measurement

Deposits are initially measured at fair value less directly attributable transaction costs, and subsequently measured at their amortised cost using the effective interest method. Interest on deposits is recognised on an accrual basis. Interest accrued at the end of the reporting date is shown as a part of deposits.

17. OTHER PAYABLES

	2025 $	2024 $
Annual leave	307,191	270,119
Sundry creditors and accrued expenses	2,629,656	1,705,455
	2,936,847	1,975,574
Amount of other payables expected to be paid more than 12 months after the reporting date	-	-

Recognition and Measurement

Short-term employee benefits

Liabilities for wages, salaries, annual leave entitlements and the value of fringe benefits received (including non-monetary benefits) that are expected to be settled wholly within twelve months of the end of the reporting period are recognised in other payables in respect of employee services provided to the end of the reporting period and are measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

18. LEASE LIABILITIES

	2025 $	2024 $
Set out below are the carrying amounts of lease liabilities and the movements during the period:		
Movement schedule of lease liabilities		
Balance at the beginning of the year	-	413,583
Accretion of interest	-	733
Payments	-	(89,038)
Remeasurement of lease liability	-	(325,278)
Balance at the end of the year	-	-
Amount of property leases expected to be paid more than 12 months after the reporting date	-	-

(a) Property leases

Lease liabilities related to the former tenancy at Central Railways Station, Brisbane (Plaza Level). The lease required monthly payments in advance. The lease was contracted to expire on 15 December 2025, however, effective 6 July 2023 the lease was modified to expire on 15 January 2024.

Recognition and Measurement

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

19. PROVISIONS	**2025 $**	**2024 $**
Long service leave and associated costs	154,860	204,147
Amount of provisions expected to be paid more than 12 months after the reporting date	53,889	81,737

Recognition and Measurement

Long-term employee benefits

Liabilities for long service leave and annual leave which are not expected to be settled within twelve months of the end of the reporting period are recognised as provisions for employee benefits and are measured at the present value of the expected future payments to be made in respect of services provided to the end of the reporting period. Consideration is given to expected future salary and wage increases, experience of employee departures and periods of service.

Expected future payments are discounted using corporate bond rates at the end of the reporting period with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Contributions are made by the Group to employee superannuation funds and are recognised in profit or loss when incurred except those included in the provision for long service leave and associated costs.

20. REDEEMED PREFERENCE SHARES	**2025 $**	**2024 $**
Redeemed preference shares	253,210	248,670

Under the *Corporations Act 2001* member shares are classified as redeemable preference shares. The redemption of these shares is required under the Act to be made from profits. The value of the shares that have been paid to members is in accordance with the terms and conditions of the share issue and the redemption account represents the amount of profits appropriated.

21. RESERVES

Nature and purpose of reserves

(a) Asset revaluation reserve

The asset revaluation reserve records revaluations of land and buildings.

(b) Fair value reserve

The fair value reserve records the movement in the fair value of investment securities at each reporting date.

(c) General reserve

The general reserve records funds set aside for future expansion and to ensure the prudential strength of the Group.

22. SECURITISATION

The MTG MOVE Bank Repo Series No.1 Trust has been established to support the ongoing liquidity management of MOVE Bank. MOVE Bank has purchased the Residential Mortgage-Backed Securities (RMBS) issued by the MTG MOVE Bank Repo Series No.1 Trust. The senior RMBS held by MOVE Bank are eligible to be used as collateral in repurchase agreements with the Reserve Bank of Australia (RBA). These arrangements enable MOVE Bank to raise funds from the RBA utilising its loans and advances as underlying security.

MOVE Bank has retained substantially all the risks and rewards of ownership of the relevant loans and advances as it has retained the credit risk and interest rate risk. Due to the retention of substantially all the risks and rewards of ownership MOVE Bank continues to recognise the transferred loans and advances.

MOVE Bank collects the cash receipts relating to the loans and advances and passes those receipts onto the MTG MOVE Bank Repo Series No.1 Trust. The trust uses these receipts to pay for on-going operation of the trust and to fund any future loan transfers from MOVE Bank to the trust.

The following table sets out the carrying amounts of the transferred assets and the associated liabilities at the reporting date:

	2025 $	2024 $
Carrying amount of transferred assets	72,424,639	-
Carrying amount of associated liabilities	81,779,646	-
For those liabilities that have recourse only to the transferred assets:		
Carrying amount of transferred assets	72,424,639	-
Carrying amount of associated liabilities	81,779,646	-

MOVE Bank assigns the rights and benefits of a parcel of mortgage secured loans to a securitisation entity, the MTG MOVE Bank Repo Series No.1 Trust. The total assigned mortgage secured loans to the securitised entity amounted to $72,424,639 as at 30 June 2025 (2024: $Nil).

MOVE Bank acts in a custodian and servicer capacity for the securitisation entity in respect of the day-to-day operation of the mortgage loans and receives fees for these functions based on a percentage of the loan balances outstanding. MOVE Bank receives an excess distribution as the income unit holder of the trust, which is the surplus income from the securitisation entity after deducting funding and operating costs. MOVE Bank also receives interest in relation to notes which fund the trust.

Recognition and Measurement

Securitisation

The Group enters into transactions whereby it transfers assets recognised on its consolidated statement of financial position but retains substantially all the risks and rewards of ownership of the transferred assets. The assignment of loans does not satisfy the de-recognition criteria prescribed in AASB9, and accordingly the loans are recognised in the statement of financial position. The Group continues to recognise the transferred assets as loans and advances and the transfer is accounted for as a secured financing transaction.

23. CONSOLIDATED STATEMENT OF CASH FLOWS RECONCILIATION

(a) Statement of cash flows on a net basis

Cash flows arising from the following activities are presented on a net basis in the statement of cash flows:

- Deposits in and withdrawals from savings and other deposit accounts;
- Sales and purchases of dealing securities (if applicable);
- Sales and purchases of maturing certificates of deposit; and
- Provision of member loans and the repayment of such loans.

(b) Reconciliation of net profit after tax to net cash flows from operating activities

	2025 $	2024 $
Net profit for the year	2,261,211	1,051,676
Adjustments for:		
Depreciation	201,185	444,134
Amortisation	224,746	153,692
Impairment of loans and advances	74,131	36,613
Make good component in lease asset remeasurement	-	(167,047)
Profit on disposal of investment securities	(1,811,564)	-
Changes in assets and liabilities		
(Increase)/decrease in other receivables	20,388	(99,752)
(Increase)/decrease in financial assets amortised cost	(18,206,828)	(3,316,138)
(Increase)/decrease in loans and advances	(92,785,089)	(86,381,886)
(Increase)/decrease in other assets	76,909	293,352
(Decrease)/increase in current tax payable	556,231	(24,173)
(Decrease)/increase in provisions	(49,287)	(181,534)
(Decrease)/increase in other payables	961,273	16,657
(Decrease)/increase in net deferred taxes	(296,355)	(22,585)
(Decrease)/increase in deposits	97,732,859	116,200,389
(Decrease)/increase in borrowings	-	(9,836,483)
Net cash (outflows)/inflows from operating activities	(11,040,190)	18,166,915

(c) Reconciliation of movements of net debt to cash flows arising from financing activities

		Cashflows	Non-cash changes		
Year ended 30 June 2025	**Net debt opening balance $**	**Repayments $**	**Initial recognition $**	**Remeasurement changes $**	**Net debt closing balance $**
Lease liabilities	-	-	-	-	-

		Cashflows	Non-cash changes		
Year ended 30 June 2024	**Net debt opening balance $**	**Repayments $**	**Initial recognition $**	**Remeasurement changes $**	**Net debt closing balance $**
Lease liabilities	413,583	(88,305)	-	(325,278)	-

24. FINANCIAL RISK MANAGEMENT

The Group's activities principally relate to the use of financial instruments. The Group accepts deposits and provides loans at both fixed and floating rates for various periods. Surplus liquidity is invested in high quality assets. Accordingly, the activities of the Group expose it to the following key financial risks; market risk (including interest rate risk), credit risk and liquidity risk.

Treasury risk management is carried out by an appropriately skilled and trained management team and is monitored by the Board Risk Management Committee, under Board mandated and approved risk policies. The management team identifies, evaluates and if deemed appropriate, hedges financial risk. The Board approves written principles for overall risk management, as well as detailed policies covering specific areas, such as mitigating interest and credit risk, specific large credit exposures and management of delinquent loans.

(a) Risk management

The Group has appointed a Chief Risk Officer (CRO) whose responsibilities include maintaining and continuously reviewing the Group's risk management framework. Oversight of risk management is the responsibility of the Board's Risk Management Committee operating in accordance with formal risk policies approved by the Board.

The Risk Management Committee, which meets regularly, comprises independent non-executive Directors. It recommends to the Board the risk management policies which the Board's Audit & Compliance Committee monitor. This includes the identification, assessment and reporting of risks. It also ensures that contingency plans are in place to achieve business continuity in the event of serious disruptions to business operations.

The Audit & Compliance Committee, which comprises independent non-executive Directors, oversees the testing and assessment of internal controls implemented by management to manage material risk. The internal audit program is approved by this committee, and it considers the outcome of both internal and external audit reports.

The Audit & Compliance Committee monitors compliance with Board policies as well as prudential and statutory requirements.

The committee reviews annual financial statements prior to sign off by the Board and oversees breach reporting to regulatory bodies such as APRA and ASIC.

The Chair of the Board and the Chair of the Risk Management Committee annually certify to APRA that senior management and the Board have identified key risks facing the Group, established systems to monitor those risks, including setting and requiring adherence to a series of prudential limits and adequate, timely reporting processes, and they ensure that these risk management systems are operating effectively and are adequate having regard to the risks they are designed to control. Any breaches in compliance are reported to the Board in a timely manner in accordance with the applicable policy.

(b) Market risk

Market risk is the potential adverse change in the Group's income or the value of the Group's net worth arising from movements in interest rates. The objective of the Group is to manage and control market risk exposure in order to minimise risk and optimise return. The Group is not exposed to currency risk or any other significant price risk. It does not trade in the financial instruments it holds on its books and is only exposed to interest rate risk arising from changes in market interest rates.

The management of market risk is the joint responsibility of the Chief Financial Officer (CFO) and Chief Executive Officer (CEO). Market risk is also monitored by management through the Asset & Liability Committee (ALCO) on a monthly basis.

Market risk is measured and reported using a variety of techniques, according to the appropriateness of the technique to the exposure concerned. The techniques used to measure interest rate risk include interest rate repricing gap analysis, sensitivity analysis and interest rate risk management profiles which are conducted by management using a system developed by an independent risk management consultancy. Refer to Note 24(e) below for the details of these policies and for quantitative disclosures in respect of interest rate risk.

24. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

Credit risk is the risk of financial loss as a result of a default by counterparties to discharge contractual obligations. The Group assumes credit risk predominantly from its lending activities. Exposure also arises from investment activities and off-balance sheet financial instruments such as loan commitments.

Credit risk policy

Credit risk, being the most significant risk faced by the Group, is managed to ensure exposure is minimised while supporting sound growth.

(i) Loans and advances

The method of managing credit risk is by way of strict adherence to the credit assessment policies before the loan is approved and close monitoring of defaults in the repayment of loans thereafter. The credit policy has been endorsed by the Board to ensure that loans are only made to borrowers who are considered capable of meeting loan repayments. A regular review of compliance with these policies is conducted as part of the scope of external audit.

(ii) Liquid investments

Credit risk in relation to liquid investments is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. Refer to Note 24(d).

Credit risk management

(i) Loans and advances

Concentrations of risk arise when loans are extended to borrowers of similar risk characteristics, such as industry and geographic location. Credit risk is minimised by dealing with many individual members. A sizeable portion of the loan book is represented by residential mortgages. The primary means of reducing the risk on these loans is the acquisition of security, which is residential property in Australia.

The Group has a concentration in retail lending to members who are employees of Queensland Rail or Aurizon Holdings Limited (Aurizon). This concentration is considered acceptable as the Group was formed to service these members, and the employment concentration is not exclusive.

Should members leave the industry, the loans continue, and other employment opportunities are available to the members to facilitate the repayment of the loans.

It is the policy of the Group to allow members with a secured loan or advance reasonable assistance and opportunity to rectify a breach prior to recovery procedures being initiated. However, if a counterparty has failed to make a payment when contractually due, various actions are triggered such as re-negotiation, enforcement of covenants or legal proceedings and the impairment and provisioning policies are actioned.

Concentrations of credit risk on loans greater than 10% of capital currently arise in the following categories:

2025	Maximum credit exposure	
Industry	$	% Total Loans
Queensland Rail	73,718,093	9.76%
Aurizon	26,772,186	3.55%

2024	Maximum credit exposure	
Industry	$	% Total Loans
Queensland Rail	81,977,182	12.37%
Aurizon	32,206,196	4.86%

At the reporting date there were no concentrations of credit risk on loans to individual members (including associated members) greater than 10% of capital.

(ii) Liquid investments

To limit the concentration of risk, the Group uses the following credit rating limits:

	Eligible capital base	
	Investment in an individual couterparty	Investment in a number of counterparties
Credit Rating	Maximum	Maximum
AAA to A-	25%	N/A
BBB+ to BBB-	25%	100%
Unrated*	5%	15%

*Deposits with Indue Limited (Indue) are excluded from the calculation relevant to these limits. Indue provides transaction and settlement services and the Group must deposit with Indue a security amount calculated based on previous twelve month's average banking transactions provided by Indue to the Group.

The eligible capital base for the purposes of the exposures to individual counterparties is the Group's tier 1 regulatory capital.

24. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

The maximum exposure limit to a number of counterparties rated BBB+ to BBB- only applies when the Group's liquidity ratio is below 18%.

Measurement of credit risk

(i) Loans and advances

Lending conditions are continually monitored to compare the position of the Group to the rest of the market to ensure that opportunities are maximised and the Group is prepared for downturns.

Comprehensive reports are tabled on a regular basis to the Board and senior executive dissecting the loan book balance into various risk profiles. For example, in relation to retail loans risk characteristics such as geographic distribution of loans, security type, occupancy type, loan to value ratios, and mortgage insurance percentages are detailed.

Stress testing is an integral tool in the management of credit risk exposure, by projecting financial impacts of movements in market conditions including economic downturn resulting in low business growth, increase in unemployment and reduction in property values. Recent stress testing has indicated that the Group is resistant to a significant downturn in the economy.

(ii) Liquid investments

In April 2025 the Group investment policy was changed to include investing its liquid funds with ADIs and Government & Semi-Government entities. As at 30 June 2025 the bank was yet to undertake any investments in a Government or Semi-Government entity.

The Group uses the ratings of reputable ratings agencies to assess the credit quality of all investment exposures.

Prior to placing an investment with an acceptable unrated ADI, Management must ensure sufficient due diligence is undertaken to satisfy itself that the unrated ADI is a financially viable and stable entity. As part of this process, Management will review the unrated ADI's most recent annual report, and such other financial information as may be available. Management will also ensure the unrated ADI is regulated by APRA.

The carrying values associated with liquidity investments held by the Group are as follows:

Credit Rating	2025	2024
	$	$
ADI Exposures		
AAA to A-	80,469,940	72,208,406
BBB+ to BBB-	55,951,764	51,515,569
Unrated	11,359,229	12,610,625
RMBS exposures		
AAA to A-	3,717,361	4,924,159
Total	151,498,294	141,258,759

Impairment and provisioning policies

(i) Loans and advances

On 1 January 2022 a revised credit risk management prudential standard came into effect. This standard adopts the principles of AASB9 for the purposes of recognising an allowance for impairment losses.

Refer to Note 13 (a) allowance for impairment of loans and advances.

Credit risk exposure

The Group's maximum credit risk exposure, without taking into account the value of any collateral or other security, in the event other parties fail to perform their obligations under financial instruments in relation to each class of recognised financial asset, is the carrying amount of those assets as indicated in the Statement of Financial Position where the maximum credit risk exposure is $820,031,647 (2024: $716,506,599).

In relation to loans, the maximum credit exposure is the value of the Statement of Financial Position plus the undrawn facilities (loans approved not advanced and undrawn overdraft limits). Details of undrawn facilities are shown in Note 25(a). Details of collateral held as security are disclosed in Note 12(a).

24. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments e.g. borrowing repayments or member withdrawal demands. It is the policy of the Board that the Group maintains adequate cash reserves to meet the member withdrawal demands when requested.

Liquidity risk management

The Group manages liquidity risk by:

- Continuously monitoring actual daily cash flows and longer-term forecast cash flows;
- Monitoring the maturity profiles of financial assets and liabilities;
- Maintaining adequate reserves and liquidity support facilities; and
- Monitoring the prudential liquidity ratio daily.

The Group has a long-standing arrangement with the industry liquidity support scheme, CUFSS, which can access industry funds to provide support to the Group should this be necessary at short notice.

MOVE Bank also operationalised the MTG MOVE Bank Repo Series No.1 Trust during the year – Refer Note 22. The senior RMBS held in the trust by MOVE Bank are eligible to be used as collateral in for short-term borrowings from the Reserve Bank of Australia (RBA).

The Group is required to maintain at least 9% of total adjusted liabilities as liquid assets capable of being converted to cash within 48 hours under the APRA Prudential Standards. The Group's policy is to apply an operational minimum of 12.5% of funds as liquid assets to maintain adequate funds for meeting member withdrawal requests.

The ratio is checked daily and should the liquidity ratio fall below this level, Management will take action to raise additional liquid funds from new deposits from members and/or access borrowing facilities available.

The ratio of liquid funds over the past year is set out below:

	2025	2024
Ratio to total adjusted liabilities:		
As at 30 June	15.48%	16.61%
Average for the year	17.20%	16.34%
Minimum during the year	15.48%	14.90%
Ratio to total deposits:		
As at 30 June	16.24%	17.23%

Maturity profile of financial liabilities

The table shows the undiscounted cash flows on The Group's financial liabilities, including unrecognised loan commitments on the basis of the earliest possible contractual maturity. These values will not agree to the statement of financial position.

The Group's expected cash flows on financial liabilities vary significantly from this analysis. For example, on-call deposits from members are expected to maintain a stable or increasing balance and any unrecognised loan commitments are not expected to be all drawn down immediately.

To manage the liquidity risk arising from financial liabilities, the Group holds liquid assets comprising cash and cash equivalents and investment grade investment securities for which there is an active and liquid market. These assets can be readily sold to meet liquidity requirements.

24. FINANCIAL RISK MANAGEMENT (continued)

The maturity profile of the Group's financial liabilities is shown in the following table:

Year ended 30 June 2025	Carrying value	Within 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Gross nominal outflows
	$	$	$	$	$	$	$
FINANCIAL LIABILITIES							
Deposits	835,013,269	580,354,863	129,338,313	125,740,964	4,417,087	-	839,851,227
Other payables	2,936,847	2,638,273	-	298,574	-	-	2,936,847
Total financial liabilities	**837,950,116**	**582,993,136**	**129,338,313**	**126,039,538**	**4,417,087**	**-**	**842,788,074**
Off balance sheet items undrawn loan commitments (Note 25(a)	-	64,879,616	-	-	-	-	-

Year ended 30 June 2024	Carrying value	Within 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Gross nominal outflows
	$	$	$	$	$	$	$
FINANCIAL LIABILITIES							
Deposits	737,280,410	529,008,706	50,478,391	153,062,704	10,967,267	-	743,517,068
Other payables	1,975,574	1,710,944	-	264,630	-	-	1,975,574
Total financial liabilities	**739,255,984**	**530,719,650**	**50,478,391**	**153,327,334**	**10,967,267**	**-**	**745,492,642**
Off balance sheet items undrawn loan commitments (Note 25(a)	-	53,719,983	-	-	-	-	-

(e) Interest rate risk

Interest rate risk is the risk or variability of the fair value of future cash flows arising from financial instruments due to the changes in interest rates.

The policy of the Group is to maintain a balanced 'on book' strategy by ensuring the net interest rate gaps between assets and liabilities are not excessive. The Group aims to limit any loss due to a change in interest rates to be no greater than 1.5% of regulatory capital.

The gap is measured monthly to identify any large exposures to the interest rate movements and to rectify the excess through targeted fixed rate interest products available through investment assets, and term deposit liabilities to rectify the imbalance to within acceptable levels. The Group can undertake derivative transactions to reduce the interest rate risks.

A review of the interest rate risk management profile is conducted by Management through the Asset & Liability Committee. The Board monitors interest rate risk through these reviews and other Management reports.

24. FINANCIAL RISK MANAGEMENT (continued)

(e) Interest rate risk (continued)

Based on calculations as at 30 June 2025, the profit before tax and equity impact for a 1% (2024: 1%) movement in interest rates would be as follows:

2025

Movement in interest rates	Impact on Profit before tax	Impact on Equity
1% increase	717,400	538,050
1% decrease	(717,400)	(538,050)

2024

Movement in interest rates	Impact on Profit before tax	Impact on Equity
1% increase	(313,300)	(234,975)
1% decrease	313,300	234,975

The method used in determining the sensitivity is to evaluate the profit impact based on the timing of the interest repricing on the banking book of the Group for the next 12 months. In doing the calculation the assumptions applied were that:

- The interest rate change would be applied equally to loans, term deposits and savings;
- The rate change would be as at the beginning of the 12-month period and no other rate changes would be effective during the period;
- The term deposits would all reprice to the new interest rate at the term maturity;
- Savings that are considered by the Group to be sensitive to interest rate changes would all reprice in the event of a rate change within 30 days;
- Savings that are not considered by the Group to be sensitive to interest rate changes and are as a consequence less likely to change in the future, would reprice no earlier than 1 year;
- Variable interest rate mortgage loans would all reprice to the new interest rate within 30 days;
- Fixed rate mortgage loans would all reprice at a new interest rate at the expiry of their fixed rate period.
- Variable interest rate personal loans would reprice to the new interest rate within 2 years;
- Fixed rate personal loans would not reprice as the rate is fixed for the duration of the loan;
- All loans would be repaid in accordance with the current average repayment rate (or contractual repayment terms);
- The value and mix of call savings to term deposits remains unchanged; and
- The value and mix of personal loans to mortgage loans remains unchanged.

There has been no significant change to the Group's exposure to market risk or the way the Group manages and measures interest rate risk in the reporting period

Interest rate risk maturity profile

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value or cash flows will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate on classes of financial assets and financial liabilities, is set out below.

24. FINANCIAL RISK MANAGEMENT (continued)

(e) Interest rate risk (continued)

2025	Floating interest rate	Fixed interest rate maturing Within 1 year	Fixed interest rate maturing 1-5 years	Fixed interest rate maturing Over 5 years	Non-interest sensitive	Total	Effective interest rate
	$	$	$	$	$	$	%
ASSETS							
Cash and cash equivalents	21,104,800	3,958,354	-	-	-	25,063,154	3.59%
Investment securities	-	-	-	-	348,840	348,840	N/A
Other receivables	-	-	-	-	979,891	979,891	N/A
Financial assets at amortised cost	-	126,435,140	-	-	-	126,435,140	3.40%
Loans and advances	316,046,660	398,186,714	37,067,067	4,998,609	-	756,299,050	5.19%
Total assets	**337,151,460**	**528,580,208**	**37,067,067**	**4,998,609**	**1,328,731**	**909,126,075**	
LIABILITIES							
Deposits	517,206,775	313,654,167	4,152,327	-	-	835,013,269	2.81%
Other payables	-	-	-	-	2,936,840	2,936,840	N/A
Borrowings	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-
Total liabilities	**517,206,775**	**313,654,167**	**4,152,327**	**-**	**2,936,840**	**837,950,109**	

2024	Floating interest rate	Fixed interest rate maturing Within 1 year	Fixed interest rate maturing 1-5 years	Fixed interest rate maturing Over 5 years	Non-interest sensitive	Total	Effective interest rate
	$	$	$	$	$	$	%
ASSETS							
Cash and cash equivalents	23,143,636	9,886,812	-	-	-	33,030,448	4.07%
Investment securities	-	-	-	-	1,772,211	1,772,211	N/A
Other receivables	-	-	-	-	1,000,279	1,000,279	N/A
Financial assets at amortised cost	-	108,228,312	-	-	-	108,228,312	5.05%
Loans and advances	414,104,831	196,833,565	45,798,922	6,850,774	-	663,588,092	5.21%
Total assets	**437,248,467**	**314,948,689**	**45,798,922**	**6,850,774**	**2,772,490**	**807,619,342**	
LIABILITIES							
Deposits	491,858,851	235,181,346	10,240,211	-	-	737,280,408	3.00%
Other payables	-	-	-	-	1,975,574	1,975,574	N/A
Borrowings	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-
Total liabilities	**491,858,851**	**235,181,346**	**10,240,211**	**-**	**1,975,574**	**739,255,982**	

24. FINANCIAL RISK MANAGEMENT (continued)

(f) Operational risk

Operational risk is the risk of loss to the Group resulting from deficiencies in processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks. Operational risks in the Group relate mainly to legal, compliance, business continuity, data infrastructure, outsourced services, fraud and employee errors.

The Group's objective is to manage operational risk to balance the avoidance of financial losses through the implementation of controls, whilst avoiding procedures which inhibit innovation. These risks are managed through the implementation of policies and systems to monitor the likelihood of the events and minimise the impact.

- Systems of internal control are enhanced through: segregation of duties between employee duties and functions, including approval and processing duties;
- documentation of the policies and procedures, employee job descriptions and responsibilities, to reduce the incidence of errors and inappropriate behaviour;
- implementation of whistleblowing policies to promote a compliance culture and awareness of duty to report exceptions by staff;
- education of members to review their account statements and report exceptions to the Group promptly;
- effective dispute resolution procedures to respond to member complaints;
- effective insurance arrangements to reduce the impact of losses;
- contingency plans for dealing with loss of functionality of systems or premises or staff; and
- use of a software system designed to manage controls and compliance related tasks.

Fraud

Fraud can arise from members' banking activities including where either Personal Identification Numbers (PINs) or passwords become compromised as a result of members failing to protect them adequately. It can also arise from other system failures.

The Group has systems in place which are considered to be robust enough to prevent any material fraud. However, in common with all retail ADIs fraud is potentially a real cost to the Group. Fraud losses have arisen from Visa card transactions and internet banking activity.

IT Systems

The Group manages the majority of its IT environment with the contracted support of specialist organisations. The Group's investment in its IT environment and training of the IT staff is significant to ensure that the Group is able to meet member expectations and service requirements.

Other network suppliers are engaged on behalf of the Group by Indue to service the settlements with other financial institutions for direct entry, Visa cards, member chequing, New Payments Platform and BPay.

(g) Capital management

The Group is regulated by APRA. As a result, the Group must, for capital adequacy purposes, hold the minimum levels of capital required by Australian Prudential Standard – APS 110 Capital Adequacy. As part of these requirements the Group must hold tier 1 capital and may also include tier 2 capital as part of its required capital holding up to certain prescribed limits.

Tier 1 capital comprises the highest quality components of capital that fully satisfy the following essential characteristics:

(a) provide a permanent and unrestricted commitment of funds;
(b) are freely available to absorb losses;
(c) do not impose any unavoidable servicing charge against earnings; and
(d) rank behind claims of depositors and other creditors in the event of winding up.

24. FINANCIAL RISK MANAGEMENT (continued)

(g) Capital management (continued)

For the purpose of calculating the Group's capital base, tier 1 capital consists of retained earnings, realised reserves and current year earnings. The Group's tier 1 capital consists entirely of common equity tier 1 capital.

Tier 2 capital includes other components that, to varying degrees, fall short of the quality of tier 1 capital, however, still contribute to the overall strength of the financial institution as a going concern.

Capital held by the Group comprises:

Tier 1 Capital	2025 $	2024 $
General reserve net of provisions for future losses	70,698,254	68,065,521
Asset revaluation reserve	3,081,859	3,131,906
Asset fair value reserve	16,351	501,591
Capitalised loan origination and settlement costs	(2,033,650)	(1,575,616)
Prescribed deductions	(797,197)	(2,268,856)
Net tier 1 capital	70,965,617	67,854,546
Tier 2 Capital		
Provisions for Future Losses	567,981	458,803
Net Tier 2 capital	567,981	458,803
Total Capital	71,533,598	68,313,349
Less deductions from total capital	-	-
Total Capital	71,533,598	68,313,349

APRA requires authorised deposit-taking institutions (ADIs) to maintain a minimum capital ratio of 8% of risk weighted assets at any given time in accordance with Prudential Standards. In addition, APRA imposes ADI specific minimum capital ratios.

The Group's capital ratios as at the end of the financial year for the past 5 years are as follows:

Year	Capital ratio
2025	19.53%
2024	21.12%
2023	23.58%
2022	21.71%
2021	20.15%

The level of capital ratio can be affected by growth in assets relative to growth in reserves and by changes in the mix of assets. The Group measures the capital ratio on a monthly basis and monitors any major movements in asset levels.

Policies have been implemented which require reporting to the Board and APRA if the capital ratio falls below 15%. During the financial year, the Group has complied with its capital ratio requirements at all times.

The component of the AASB 9 provision that provides for future credit losses is classified as Tier 2 capital. Tier 1 capital includes the Group's General Reserve net of the provision for future losses. The General Reserve in the Group's Statement of Changes in Equity is therefore the combined values of these Tier 1 and Tier 2 capital items.

25. COMMITMENTS

(a) Outstanding loan commitments

	2025 $	2024 $
Loans and credit facilities approved but not funded or drawn at the end of the financial year:		
Loans approved but not funded	36,637,512	24,853,929
Undrawn overdrafts	28,242,104	28,866,054

26. CONTINGENCIES

Credit Union Financial Support Scheme (CUFSS)

The Group is a participant in CUFSS. The purpose of the CUFSS is to protect the interests of its Mutual ADI members, increase stability in the industry and provide liquidity in excess of current borrowing limits in times of need. The balance of the debt at 30 June 2025 was Nil (2024: Nil).

27. AUDITORS' REMUNERATION

The auditor of the Group is BDO Audit Pty Ltd.

	2025 $	2024 $
Amounts received or due and receivable by BDO Audit Pty Ltd for:		
An audit or review of the financial report of the Group	114,000	109,650
Other statutory assurance services - regulatory or prudential audits	50,750	51,600
	164,750	161,250

28. KEY MANAGEMENT PERSONNEL

(a) Remuneration of Key Management Personnel

Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group.

As at the reporting date, KMP comprises 7 Directors (2024: 7) and 5 members of Management (2024: 5) responsible for the day-to-day financial and operational management of the Group.

The aggregate compensation of KMP during the year comprising of amounts paid, payable or provided for was as follows:

	Directors		Other KMP	
	2025 $	2024 $	2025 $	2024 $
Short-term employee benefits	340,189	307,450	1,729,918	1,670,113
Termination payment (including long service leave and annual leave)	-	-	176,422	266,378
Post-employment (including superannuation)	38,946	31,785	139,465	145,698
Other long-term (including long service leave)	-	-	13,893	(18,139)
	379,135	339,235	2,059,698	2,064,050

Remuneration shown as short-term benefits means (where applicable) wages, salaries, sick leave, annual leave and the value of fringe benefits received, but excludes out of pocket expense reimbursements. Long service leave is not expected to be paid within 12 months of the reporting date.

28. KEY MANAGEMENT PERSONNEL (continued)

All remuneration to Directors was approved by the members at the 2024 Annual General Meeting of MOVE Bank.

(b) Loans to KMP and their Close Family Members

All loans disbursed to KMP were approved on the same terms and conditions applicable to members for each class of loan. There are no loans that are impaired in relation to the loan balances with KMP.

No KMP received a concessional rate of interest on their loans and facilities.

There are no benefits or concessional terms and conditions applicable to the close family members of the KMP. There are no loans that are impaired in relation to the loan balances with close family relatives of KMP.

	2025 $	2024 $
The aggregate value of loans	617,051	787,257
The total value of other credit facilities to KMP as at the balance date amounted to:	5,000	5,000
Less amounts drawn down and included in the above balance	-	(1)
Net balance available	5,000	4,999
During the year the value of term loans funded to KMP	660,000	-
	660,000	-
During the year the aggregate value of revolving credit facility limits granted or increased to KMP amounted to:	-	-
Interest and other revenue earned on loans and revolving credit facilities to KMP and related parties	6,412	21,002

(c) Other Transactions of KMP and their Close Family Members

KMP have received interest on deposits with the Group during the financial year. Interest has been paid to all KMP on terms and conditions no more favourable than those available on similar transactions to members of the Group.

	2025 $	2024 $
Total value term and savings deposits at year end	712,989	1,279,736
Total interest paid on deposits	21,214	20,239

The Group's policy for receiving deposits from other related parties and in respect of other related party transactions, is that all transactions are approved, and deposits accepted on the same terms and conditions that apply to members for each type of deposit.

There are no benefits paid or payable to the close family members of the KMP. There are no service contracts to which KMP or their close family members are an interested party.

29. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No matters or circumstance have arisen since the end of the reporting period which have significantly affected or may significantly affect the operations, the results of those operations, or the state of affairs of the Group in subsequent financial years.

30. CLASSES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following is a summary of financial instruments by class.

	2025 $	2024 $
Financial assets at amortised cost		
Cash and cash equivalents	25,063,154	33,030,448
Other receivables	979,891	1,000,279
Financial assets at amortised cost	126,435,140	108,228,312
Loans and advances	756,299,050	663,588,092
	908,777,235	805,847,131
Financial assets at fair value through other comprehensive income		
Investment securities	348,840	1,772,211
Financial liabilities measured at amortised cost		
Deposits	835,013,269	737,280,410
Other payables	2,936,840	1,975,574
	837,950,109	739,255,984

31. FAIR VALUE MEASUREMENT

(a) Fair value hierarchy

The Group measures fair values of assets and liabilities using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument;
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (ie. derived from prices). This category includes instruments valued using:
  - quoted market prices in active markets for similar instruments
  - quoted prices for identical or similar instruments in markets that are considered less than active; or
  - other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values for assets and liabilities traded in active markets are based on quoted market prices at reporting date. The quoted market price for financial assets is the current bid price. The fair value of assets and liabilities that are not traded in an active market are determined using valuation techniques. To the extent possible assumptions used are based on observable market prices and rates at the end of the reporting date.

(b) Fair value estimates

The fair value estimates were determined as follows:

Cash and cash equivalents and other receivables

The carrying values approximate their fair value as they are short term in nature or are receivable on demand.

Investment securities measured at fair value through other comprehensive income

The shareholdings in Indue are measured at fair value and any changes in that fair value are recognised through other comprehensive income under AASB 9. This company was created by credit unions to supply services to the shareholding credit unions.

The shares in this company are not able to be publicly traded and are not redeemable.

The financial reports of Indue record net tangible assets backing of these shares exceeding their cost value. Shares may be sold to other shareholders of the companies.

The fair value of the shareholdings in Indue was determined using an adjusted net tangible assets calculation.

The carrying values of financial assets amortised cost approximate their fair value due to either the investment being for a short-term or if the investment initially has a long term to maturity, the investment's interest rate is re-set on a short-term basis (either monthly or quarterly).

Loans and advances

For variable rate loans the carrying value is a reasonable estimate of fair value. The fair value for fixed rate loans was calculated by utilising discounted cash flow models based on the maturity of the loans. The discount rates applied were based on the current benchmark rate offered for the average remaining term of the portfolio as at 30 June 2025.

Deposits

The fair value of at call and variable rate deposits, and fixed rate deposits repriced within twelve months, approximates the carrying value.

Discounted cash flow models based upon deposit types and related maturities were used to calculate fair value of other term deposits. The discount rates applied were based on the current benchmark rate offered for the actual remaining term of the portfolio as at 30 June 2025.

Other payables

The carrying value approximates their fair value as they are short term in nature.

31. FAIR VALUE MEASUREMENT (continued)

(c) Financial assets and liabilities

The table below summarises the fair values of financial assets and liabilities at reporting date.

		2025		2024	
		Carrying value	Fair value	Carrying value	Fair value
	Note	$	$	$	$
Financial Assets					
Cash and cash equivalents	8	25,063,154	25,063,154	33,030,448	33,030,448
Other receivables	10	979,891	979,891	1,000,279	1,000,279
Financial assets at amortised cost	11	126,435,140	126,435,140	108,228,312	108,228,312
Loans and advances	12	756,299,050	759,126,127	663,588,092	663,903,768
Investment securities	9	348,840	348,840	1,772,211	1,772,211
Financial Liabilities					
Deposits	16	835,013,269	836,227,164	737,280,410	737,868,906
Other payables	17	2,936,847	2,936,847	1,975,574	1,975,574

The values reported have not been adjusted for any changes in credit ratings of the assets.

(d) Fair value hierarchy levels

The table below categorises assets and liabilities measured and recognised at fair value at the reporting date by the level of the fair value hierarchy into which the fair value measurement is categorised.

	Level 1	Level 2	Level 3	Total
2025	$	$	$	$
Financial Assets				
Investment securities	-	-	348,840	348,840
Non-Financial Assets				
Land and buildings	-	-	3,000,000	3,000,000
	-	-	3,348,840	3,348,840
2024				
Financial Assets				
Investment securities	-	-	1,772,211	1,772,211
Non-Financial Assets				
Land and buildings	-	-	3,132,009	3,132,009
	-	-	4,904,220	4,904,220

Transfers into and out of the different fair value hierarchy levels are recognised at the date the event or change in circumstances that caused the transfer to occur. There have been no significant transfers into or out of each level during the year ended 30 June 2025 or the prior year.

The table below categorises assets and liabilities not measured and recognised at fair value at the reporting date by the level of the fair value hierarchy into which the fair value measurement is categorised.

31. FAIR VALUE MEASUREMENT (continued)

(d) Fair value hierarchy levels (continued)

	Level 1	Level 2	Level 3	Total Fair Values	Total Carrying Amount
	$	$	$	$	$
2025					
Financial Assets					
Loans and advances	-	759,126,127	-	759,126,127	756,299,050
Financial Liabilities					
Deposits	-	836,227,164	-	836,227,164	835,013,269
Borrowings	-	-	-	-	-
2024					
Financial Assets					
Loans and advances	-	663,903,768	-	663,903,768	663,588,092
Financial Liabilities					
Deposits	-	737,868,906	-	737,868,906	737,280,410
Borrowings	-	-	-	-	-

(e) Level 3 fair value hierarchy

	2025	2024
	$	$
Balance at the beginning of the financial year	1,772,211	1,772,211
Proceeds from sale of investment securities	(3,234,935)	-
Gains recognised in profit or loss	1,811,564	-
Balance at the end of the financial year	348,840	1,772,211
Total gains/losses for the period included in other income in profit or loss that relate to assets held at the end of the reporting period	-	-

Please refer to Note 14 (a) for movement reconciliation of land and buildings

32. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Consolidated Financial Statements

Basis of Consolidation

The consolidated financial statements incorporate the assets, liabilities, income and expenses of all subsidiaries of MOVE Bank as at 30 June and the results of all subsidiaries for the year then ended. The ADI and its subsidiaries together are referred to in these financial statements as "the Group".

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of the subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the Group gains control until the dater the Group ceases to control the subsidiary.

Subsidiaries

Subsidiaries are entities, including special purpose entities, over which the Group has control. The Group has control over an entity when its exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to use its power to affect those returns. A reporting entity has power when it has rights that give it the current ability to direct the activities that significantly affect the investee's return. The Group not only has to consider its holdings and rights but the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes. Generally there is a presumption that a majority of voting rights results in control.

To support this presumption, and when the Group has less than a majority of voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an entity. The Group re-assesses whether or not it controls an entity if facts and circumstances indicate that there are changes in one or more of the elements of control.

The MTG NMOVE Bank Repo Series No.1 Trust is 100% (2024: 100%) owned subsidiary of MOVE Bank incorporated and domiciled in Australia. The bank transfers loans and advances to the MTG MOVE Bank Repo Series No.1 Trust. MOVE Bank retains substantially all the risks and rewards of ownership of the relevant loans and advances as it has retained the credit risk and interest rate risk. Due to the retention of substantially all the risk and rewards of ownership MOVE Bank continues to recognise the transferred assets within the loans and advances and the transfer is accounted for as a secured financing transaction. As such the Parent Entity and consolidated balances are identical and have not been presented separately.

Transactions eliminated on consolidation

Intercompany transactions, balances and unrealised gains on transactions between the Group entities are eliminated. Unrealised losses are eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiaries are consistent with those policies of the Group.

(b) Financial assets and financial liabilities

(i) Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instruments. A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the profit or loss.

(ii) Classification and subsequent recognition and measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that

(b) Financial assets and financial liabilities (continued)

- are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – eg. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (eg. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets. There were no changes to any of the Group business models during the current year (2024: Nil).

Financial liabilities

The Group classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost or FVTPL

32. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(b) Financial assets and financial liabilities (continued)

(iii) De-recognition

Financial assets

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of:

(i) the consideration received (including any new asset obtained less any new liability assumed) and
(ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions, the Group retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract if the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

Financial liabilities

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled or when they expire.

(iv) Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (iii)) and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

(v) Offsetting

Financial assets and financial liabilities are set off and the net amount presented in the Statement of Financial Position when, and only when, the Group has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

(vi) Fair value measurement

Refer to Note 31(d) for details.

(c) Fair value measurement

Fair values may be used for financial and non-financial asset and liability measurement as well as sundry disclosures.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

It is based on the presumption that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal

(c) Fair value measurement (continued)

market, in the most advantageous market. The principal or most advantageous market must be accessible to, or by, the Group.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The fair value measurement of a non-financial asset takes into account the market participant's ability to generate economic benefits by using the asset at its highest and best use or by selling it to another market participant that would use the asset at its highest and best use.

In measuring fair value, the Group uses valuation techniques that maximise the use of observable inputs and minimise the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant.

External valuers are selected based on market knowledge and reputation.

Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(d) Impairment of assets (excluding financial assets)

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired.

If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in profit or loss (except for items carried at a revalued amount).

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(f) New and amended accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period and have not been early adopted by the Group. The Group is in the process of assessing the impact of these standards, and as at the reporting date these are not expected to have a material effect on the financial statements of the Group.

Consolidated Entity Disclosure Statement as at 30 June 2025

Name of entity	Type of entity	Trustee, partner or participant in joint venture	% share of capital held	Country of incorporation	Australian resident	Foreign tax jurisdiction(s) in which the entity is a resident for tax purposes (according to the law of the foreign jurisdiction)
Railways Credit Union Limited	Body Corporate	N/A	N/A	Australia	Yes	N/A
MTG MOVE Bank Repo Series No.1 Trust	Trust	-	N/A	Australia	Yes	N/A

Basis of preparation
The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign tax resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financials years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency
Section 295 (3B)(a) of the Corporation Acts 2001 defines Australian resident as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:
(a) Australian tax residency
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Directors' Declaration

The Directors of Railways Credit Union Limited trading as MOVE Bank declare that:

(a) The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and accompanying notes are in accordance with the *Corporations Act 2001* and:

  (i) comply with Australian Accounting Standards and Interpretations and the *Corporations Regulations 2001*; and

  (ii) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date.

(b) Railways Credit Union Limited has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards; and

(c) In the Directors' opinion, there are reasonable grounds to believe that Railways Credit Union Limited will be able to pay its debts as and when they become due and payable.

(d) The information disclosed in the consolidated entity disclosure statement is true and correct.

Signed for and on behalf of the Directors in accordance with a resolution of the Board of Directors

Scott Riedel

Scott J Riedel
Chair
Brisbane

Bill Armagnacq

Thomas W (Bill) Armagnacq
Chair, Audit & Compliance Committee
Brisbane

Dated this 24th day of September 2025.

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INDEPENDENT AUDITOR'S REPORT

To the members of Railways Credit Union Limited trading as MOVE Bank

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Railways Credit Union Limited trading as MOVE Bank (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of Railways Credit Union Limited trading as MOVE Bank, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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

We 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.

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors report 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 on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/apzlwn0y/ar3_2024.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

M Cutri
Director

Brisbane, 24 September 2025