



Annual Report 2022

Bright Community Financial
Services Limited

Community Bank
Bright

ABN 93 117 798 553

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Chairman's report

For year ending 30 June 2022

It's a distinctly different, and positive, feeling writing this Chairman's report compared to the last two years. Over this 2021-22 financial year, Community Bank Bright has been able to focus more on what it does best – delivering excellent banking services to satisfied customers, and approving community investments that transform our region. On behalf of the Board of Bright Community Financial Services Limited, I am pleased to report a profit of \$69,534 and annual community investment of \$55,061 for the 2022 FY, and a total community investment of more than \$635,000 over the sixteen years of operation.

The challenges this financial year were more around growing the business in the volatile financial and economic environment, and less around maintaining health and safety in a widespread COVID-19 setting. The housing market stayed strong over the year, although some new owners tended to come to the region with their housing finance pre-arranged, so we were able to capture only some of this business. We were able to secure significant deposit funds as many customers 'parked' their cash while thinking about their next investment. Our goal, as always, was to promote the Community Bank message that the more people who bank with Community Bank Bright the more we will be able to invest in the community.

The Board maintained its focus on investing in the community in a year when sizeable government recovery funds were available in the Alpine Shire, and many other shires. Standout community investments this year included the Alpine Shire L2P driver education program, the Bright and the Myrtleford Bowls Clubs, the Bright Pony Club, the Bright and District Chamber of Commerce, and the United Bright Football & Netball Club. Community Bank Bright's community investment enables many 100's of children and adults to participate in social activities that promote their wellbeing. The Board also approved a one-off donation to the Shepparton community which was particularly hard hit during COVID-19 lockdowns. This was a jointly organised fund-raiser by local Community Bank branches and was gratefully received by Shepparton.

Our focus next financial year is to continue to build customer numbers; to promote increased awareness of the range of Bendigo Bank products and services we offer as a franchise of the Better Big Bank, and to maintain our focus on community investment.

Two new Directors have joined the Board, thank you Lenore Harris and Helen Hofbauer for choosing to be part of the team. Thank you to fellow longer standing Board members for your dedicated and enthusiastic contribution to the Board's work. A huge thankyou to Mark Ditcham, Branch Manager and every member of the branch team – Naomi, Kasey, Courtney, Jill, Lisa and Leesa. Each person comes to work every day to do the best job they can as the public face of the bank. The results of this are that Community Bank Bright is a consistent high performer in the regular performance benchmark reports. Community Bank Bright is well supported by the Bendigo and Adelaide Bank Limited team, especially our nominated contacts who are there every time we reach out during the year.

My thanks continue to the Alpine Shire, with whom we have developed a valued partnership on projects and other issues of benefit to the community.

The deepest and wholehearted thankyou goes to shareholders, the most important people in the success of the unique Community Bank story. Your generosity is the all-important element that enables a small branch team and volunteer board to come together and make such an impact.



Ros Holland
Chairman
Bright Community Financial Services Limited

Manager's report

For year ending 30 June 2022

It is once again my pleasure to submit the Branch Manager's report for Community Bank Bright.

It was yet again a financial year that presented the challenges and the unpredictability's of the recent past financial years, that local businesses of all types have had to navigate.

We were no different at Community Bank Bright, and it is with pride that I can say that our branch staff met the challenges and continued to be here for our customers and our community.

Despite these challenges, and the competition in the banking industry, Community Bank Bright was again able to grow our business during this last financial year, and return a good profitable result, however, even more importantly, we were able to give back to our communities with financial support to a wide range of local groups, clubs, and projects.

Our branch funds under management increased during the financial year to \$160 million. We also increased our number of customers and accounts, with again more individuals and businesses choosing to make Community Bank Bright their bank of choice.

As a result of all this, the Board of Bright Community Financial Services Limited were able to continue its commitment to our communities with sponsorships and support to our local community groups, clubs, and projects. This is an outstanding result, given the challenges faced during the financial year, but also a testament to the Community Bank model.

Community Bank Bright has a charter and purpose of giving back to our communities with a variety of support from Bright to Myrtleford and surrounds. We consider this to be a privilege, and something we are enormously proud of.

The Community Bank model is a unique point of difference with the support we can offer and contribute back to our local communities. Our local Community Bank Board also has an ongoing commitment to supporting our customers by maintaining a full service and fully staffed branch which is open from 9.30am – 5.00pm Monday to Friday (closing from 1.00 – 2.00pm each day for lunch). Our branch and staff are also directly contactable by either email or phone, and even in this changing banking landscape of mobile and internet banking, we know that being present and available is valued by our customers and the community.

Our Myrtleford Agency continues to operate through the local business "Myrtleford Real Estate and Livestock." Their office is located at 99 Myrtle Street, Myrtleford and we again thank Greg and his team for supporting the Myrtleford Agency. This has also allowed us to assist local groups and clubs in Myrtleford and surrounding communities.

From a banking perspective, the support of Bendigo and Adelaide Bank Limited means Community Bank Bright can offer competitive Bendigo Bank products, interest rates, banking options and services to customers. Operational risk and regulatory requirements are a critical area of focus for Bendigo and Adelaide Bank Limited and for Community Bank Bright. This ensures our staff and branch adhere to its policies and procedures. The operational reviews conducted at our branch over the last 12 months confirm that our staff continue to meet these regulatory requirements.

I would again like to personally thank our fantastic branch staff, Naomi, Lisa, Courtney, Kasey, Leesa and Jill for the support and service they provide to our customers. The personal service and care we provide to customers is something we are proud and passionate about. The staff form a fantastic team and I thank them also for the support and assistance they provide to myself and the Board.

We receive tremendous support from our Bendigo and Adelaide Bank Limited business partners, such as our Business Bankers and our Rural Bank Agribusiness Managers. They are the specialists and experts in their respective areas of business, finance and agribusiness and provide great support and service to our branch and to our customers.

Manager's report (continued)

I also thank our Bendigo and Adelaide Bank Limited support team of Tracie Kyne and Kendall Beattie (Regional Managers) and Tim Dean (Risk & Compliance Manager) and their respective teams who provide great support to our branch and staff.

I would also like to sincerely thank all members of our local Board of Bright Community Financial Services Limited. We really appreciate the support and assistance provided by the Board. The Board members are all volunteers and I thank our Chairman Ros Holland, and all the Board members for their support, passion, and commitment.

Perhaps most of all I would like to thank our shareholders once again, our individual customers and the local businesses, clubs and groups that choose to do their banking with Community Bank Bright. It is only because they trust their banking to Bendigo Bank that we can provide invaluable support to our local communities.

Our success is linked to the success of our communities, so assisting local groups and supporting community events and projects is ultimately good for all of us.

On behalf of the branch staff, we look forward to the next 12 months and another year of servicing current, new, and potential customers, growing our business, and continuing to support our communities.

Thank you

A handwritten signature in black ink, appearing to read 'Mark Ditcham', with a stylized flourish at the end.

Mark Ditcham
Branch Manager

Directors' report

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2022.

Directors

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

Name:	Rosalind Anne Holland
Title:	Chairman
Experience and expertise:	Grad Dip Bus Mgt, Assoc Dip Bus Admin. Business management consulting 16 years – public, private and NFP organisations. Positions in the public and private sectors in the people and business management – 10 years. Currently owner and manager Bright Mystic Valley Accommodation. Member of the Bright and District Chamber of Commerce. Owner and manager holiday accommodation.
Special responsibilities:	Marketing and Communications working party; Sponsorship working party.
Name:	Julie Rose Blood
Title:	Non-executive director
Experience and expertise:	Office manager for 22 years. Bright Community Financial Services Limited Company Secretary for 10 years. General Manager at Bright Vehicle Preservation Society for 3 years. Past President of United Bright Football and Netball Club and Bright Junior Football Club. Past Treasurer for Bright Wanderers Cricket Club.
Special responsibilities:	Company Secretary
Name:	Josef Wowk
Title:	Non-executive director
Experience and expertise:	Certificate of Business Studies (Banking & Finance). 26 years of banking experience at CBC and NAB. Owner/operator of a news agency/lotto business for 10 years. Bright Tourism/Accommodation Operator 5 years. Several positions held with community groups including Treasurer/Secretary of the Lions club and Tennis club. Currently retired.
Special responsibilities:	Treasurer; Sponsorship working party.
Name:	William George Andrews
Title:	Non-executive director
Experience and expertise:	Secondary Teacher for 20 years, Brown Brothers Cellar Door Manager for 8 years, Proprietor for Wattle Park Cellars for 5 years and Fine Wine Manager at Dan Murphy's for 10 years. President of Buckley Ridges, Rainbow and Bright Wanderers Cricket Clubs, Vice President of Dandenong & District Cricket Association and Ovens & Kiewa cricket association. Committee member of Rainbow Football Club, Bright Football Club and Rutherglen Winemakers. Member of the Bright and District Chamber of Commerce. Tourism operator.
Special responsibilities:	OHS working party.
Name:	Timothy David May
Title:	Non-executive director
Experience and expertise:	Solicitor admitted to practice in October 2002, Bachelor of Laws, Graduate Diploma Legal Practice. Director and Principal Toner & May Legal Pty Ltd. 2015-present. Twenty years experience merchant banking and finance UK and Australia. Member of Law Institute Victoria and Bright Country Golf Club.
Special responsibilities:	Property working party.
Name:	Graham Wayne Gales
Title:	Non-executive director
Experience and expertise:	B. Sc. (Ed.) (Melbourne), Grad Dip. Ed. Studies (Charles Sturt). Teacher and Curriculum Consultant, Victorian Department of Education. Deputy Controller, Bright SES; SES volunteer; SES Regional Trainer and RCR Assessor. Member, Upper Ovens Landcare Group. Volunteer Guide, Alpine National Park, Parks Victoria Volunteer, Hut restorations, Alpine National Park, Parks Victoria. Semi-retired.
Special responsibilities:	Nil.

Directors' report (continued)

Name: Britt Howard
Title: Non-executive director
Experience and expertise: Britt is an enthusiastic person who loves design, and after two decades working in corporate IT sales and marketing roles in big cities, she moved to Bright in 2017. Here she re-trained to be an Interior Designer & Decorator, opening her own studio and employing locals, working with residential renovation clients in the Alpine Shire. She loves our local community and is hard working and committed. Super passionate about nature, architecture, art, colour & design, her work helps to enrich the lives of her clients and the community through best practices and sustainability in design. She has previously been Vice President of the Bright Community Co-working space and also holds a Bachelor of Business majoring in Marketing and Tourism.

Special responsibilities: Nil.

Name: Lenore Harris
Title: Non-executive director (appointed 27 July 2022)
Experience and expertise: Experienced retail and human resources manager with experience in training, organisational development, operational human resources and communication. Bachelor of Arts and Diploma in Investor Relations.

Special responsibilities: Nil

Name: Helen Fay Hofbauer
Title: Non-executive director (appointed 27 July 2022)
Experience and expertise: Currently managing the accounts, administration and payroll for a local construction company. 20 years experience employed by Alpine Health in the role of Client Services. A 6-year volunteer role as the bookkeeper and office manager for the Mt Hotham Race Squad - a not-for-profit club. Previously a receptionist at the historic Mt Buffalo Chalet and an administration role at Cresta Valley for the Department of Conservation and Environment.

Special responsibilities: Nil

Name: Alia Bridget Parker
Title: Non-executive director (resigned 27 July 2022)
Experience and expertise: Alia Parker is the Executive Officer of Alpine community Plantation, a not-for-profit community group that manages Mystic Park - one of the country's top mountain bike parks and paragliding launches - within a commercial pine plantation. Alia has a diverse range of experience spanning a background as a former journalist and investment editor, both in Australia and abroad, Local Government, marketing and communications and has extensive work within the cycling industry. She holds a MA in International Communications from Macquarie University.

Special responsibilities: Marketing and Communications working party; Sponsorship working party.

No directors have material interest in contracts or proposed contracts with the company.

Company secretary

The Company secretary is Julie Blood. Julie was appointed to the position of Company secretary on 23 May 2011.

Principal activity

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

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

Review of operations

The profit for the company after providing for income tax amounted to \$69,534 (30 June 2021: \$51,518).

Operations have continued to perform in line with expectations.

Directors' report (continued)

Dividends

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

	2022 \$
Fully franked dividend of 6 cents per share (2021: 6 cents)	41,647

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments

The company will continue its policy of facilitating banking services to the community.

Environmental regulation

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

Meetings of directors

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

	Board	
	Eligible	Attended
Rosalind Anne Holland	11	10
Julie Rose Blood	11	10
Josef Wowk	11	10
William George Andrews	11	11
Timothy David May	11	10
Graham Wayne Gales	11	7
Britt Howard	11	7
Lenore Harris	-	-
Helen Fay Hofbauer	-	-
Alia Bridget Parker	11	7

Eligible: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Directors' report (continued)

Directors' interests

The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Rosalind Anne Holland	-	600	600
Julie Rose Blood	-	-	-
Josef Wowk	-	-	-
William George Andrews	-	500	500
Timothy David May	-	-	-
Graham Wayne Gales	5,000	-	5,000
Britt Howard	-	-	-
Lenore Harris	-	-	-
Helen Fay Hofbauer	-	-	-
Alia Bridget Parker	-	-	-

Indemnity and insurance of directors and officers

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

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

Proceedings on behalf of the company

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

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

Indemnity and insurance of auditor

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

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

Non-audit services

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 25 to the accounts.

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

- all non-audit services have been reviewed by the Board to ensure they do not impact on the impartiality, integrity and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the company, acting as an advocate for the company or jointly sharing risks and rewards.


Directors' report (continued)

Auditor's independence declaration

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

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

On behalf of the directors

A handwritten signature in black ink, appearing to read 'R. Holland', written over a light blue horizontal line.

Rosalind Anne Holland
Chairman

28 September 2022

Auditor's independence declaration



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550

afs@afsbendigo.com.au
03 5443 0344

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Bright Community Financial Services Limited

As lead auditor for the audit of Bright Community Financial Services Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 28 September 2022

A handwritten signature in black ink, appearing to read 'Adrian Downing'.

Adrian Downing
Lead Auditor



afs@afsbendigo.com.au

Liability limited by a scheme approved under Professional Standards Legislation. ABN: 65 684 604 390

Financial statements

Bright Community Financial Services Limited Statement of profit or loss and other comprehensive income For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue from contracts with customers	6	775,294	713,055
Other revenue	7	2,500	54,198
Finance revenue		1,859	2,789
Employee benefits expense	8	(401,856)	(367,409)
Advertising and marketing costs		(2,818)	(4,984)
Occupancy and associated costs		(14,234)	(17,356)
System costs		(18,365)	(20,934)
Depreciation and amortisation expense	8	(70,009)	(70,007)
Finance costs	8	(12,564)	(11,931)
General administration expenses		(109,317)	(103,853)
Profit before community contributions and income tax expense		150,490	173,568
Charitable donations and sponsorships expense		(55,061)	(107,837)
Profit before income tax expense		95,429	65,731
Income tax expense	9	(25,895)	(14,213)
Profit after income tax expense for the year	20	69,534	51,518
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u>69,534</u>	<u>51,518</u>
		Cents	Cents
Basic earnings per share	27	10.02	7.42
Diluted earnings per share	27	10.02	7.42

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

Financial statements (continued)

Bright Community Financial Services Limited Statement of financial position As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	10	700,175	639,218
Trade and other receivables	11	76,152	68,767
Current tax assets	9	-	9,889
Total current assets		<u>776,327</u>	<u>717,874</u>
Non-current assets			
Property, plant and equipment	12	24,617	36,059
Right-of-use assets	13	324,187	205,769
Intangibles	14	56,238	4,160
Deferred tax assets	9	22,907	16,716
Total non-current assets		<u>427,949</u>	<u>262,704</u>
Total assets		<u>1,204,276</u>	<u>980,578</u>
Liabilities			
Current liabilities			
Trade and other payables	15	37,249	45,702
Lease liabilities	16	34,635	26,103
Current tax liabilities	9	8,831	-
Employee benefits	17	56,573	42,666
Total current liabilities		<u>137,288</u>	<u>114,471</u>
Non-current liabilities			
Trade and other payables	15	45,731	-
Lease liabilities	16	308,118	178,432
Employee benefits	17	7,754	9,441
Provisions	18	16,126	16,862
Total non-current liabilities		<u>377,729</u>	<u>204,735</u>
Total liabilities		<u>515,017</u>	<u>319,206</u>
Net assets		<u>689,259</u>	<u>661,372</u>
Equity			
Issued capital	19	670,347	670,347
Retained earnings/(accumulated losses)	20	18,912	(8,975)
Total equity		<u>689,259</u>	<u>661,372</u>

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

Financial statements (continued)

Bright Community Financial Services Limited Statement of changes in equity For the year ended 30 June 2022

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2020		670,347	(18,846)	651,501
Profit after income tax expense		-	51,518	51,518
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for	22	-	(41,647)	(41,647)
Balance at 30 June 2021		<u>670,347</u>	<u>(8,975)</u>	<u>661,372</u>
 Balance at 1 July 2021		 670,347	 (8,975)	 661,372
Profit after income tax expense		-	69,534	69,534
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for	22	-	(41,647)	(41,647)
Balance at 30 June 2022		<u>670,347</u>	<u>18,912</u>	<u>689,259</u>

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

Financial statements (continued)

Bright Community Financial Services Limited Statement of cash flows For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		843,350	827,032
Payments to suppliers and employees (inclusive of GST)		(680,966)	(687,904)
		162,384	139,128
Interest received		1,859	2,789
Income taxes paid		(13,366)	(22,325)
Net cash provided by operating activities	26	150,877	119,592
Cash flows from investing activities			
Payments for property, plant and equipment		-	(14,202)
Payments for intangibles		(9,018)	-
Payments for right-of-use assets		-	(42,046)
Proceeds from disposal of property, plant and equipment		-	9,091
Net cash used in investing activities		(9,018)	(47,157)
Cash flows from financing activities			
Proceeds from lease liabilities		-	35,981
Dividends paid	22	(41,647)	(41,647)
Repayment of lease liabilities	16	(39,255)	(43,339)
Net cash used in financing activities		(80,902)	(49,005)
Net increase in cash and cash equivalents		60,957	23,430
Cash and cash equivalents at the beginning of the financial year		639,218	615,788
Cash and cash equivalents at the end of the financial year	10	700,175	639,218

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

Notes to the financial statements

For the year ended 30 June 2022

Note 1. Reporting entity

The financial statements cover Bright Community Financial Services Limited (the company) as an individual entity. The financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is Shop 2, 104 Gavan Street, Bright VIC 3741.

A description of the nature of the company's operations and its principal activity is included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 September 2022. The directors have the power to amend and reissue the financial statements.

Note 2. Basis of preparation and statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). The financial statements have been prepared on an accrual and historical cost basis.

Note 3. Significant accounting policies

The company has consistently applied the following accounting policies to all periods presented in these financial statements.

Changes in accounting policies, standards and interpretations

There are a number of amendments to accounting standards issued by the AASB that became mandatorily effective for accounting periods beginning on or after 1 July 2021, and are therefore relevant for the current financial year. The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Current and non-current classification

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

An asset is classified as current when, it is expected to be realised or intended to be sold or consumed in the company's normal operating cycle, it is held primarily for the purpose of trading, it is expected to be realised within 12 months after the reporting period or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when, it is either expected to be settled in the company's normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within 12 months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Impairment

Non-derivative financial assets

Expected credit losses (ECL) are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received. At each reporting date, the entity recognises the movement in the ECL (if any) as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

Notes to the financial statements (continued)

Note 3. Significant accounting policies (continued)

The company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end. Due to the reliance on Bendigo Bank the company has reviewed credit ratings provided by Standard & Poors, Moody's and Fitch Ratings to determine the level of credit exposure to the company. The company also performed a historical assessment of receivables from Bendigo Bank and found no instances of default. As a result no ECL has been made in relation to trade receivables as at 30 June 2022.

Non-financial assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets that have an indefinite useful life to determine whether there is any indication those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except when the amount of GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue or expense item.

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

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

Note 4. Critical 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, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. There does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Revenue from contracts with customers involving sale of goods

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Notes to the financial statements (continued)

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

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax

The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

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

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations, comparison of terms and conditions to prevailing market rates, incurrence of significant penalties, existence of significant leasehold improvements and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

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

Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Note 5. Economic dependency

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

Notes to the financial statements (continued)

Note 5. Economic dependency (continued)

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

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

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

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

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

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

Note 6. Revenue from contracts with customers

	2022 \$	2021 \$
Margin income	628,285	593,187
Fee income	48,640	47,127
Commission income	98,369	72,741
Revenue from contracts with customers	<u>775,294</u>	<u>713,055</u>

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

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

Revenue is recognised on an accruals basis, at the fair value of consideration specified in the franchise agreement. Under AASB 15 *Revenue from Contracts with Customers* (AASB 15), revenue recognition for the company's revenue stream is as follows:

Notes to the financial statements (continued)

Note 6. Revenue from contracts with customers (continued)

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

Revenue calculation

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

Margin

Margin is arrived at through the following calculation:

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

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

Commission

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

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

Fee income

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

Core banking products

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

Ability to change financial return

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

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

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

Notes to the financial statements (continued)

Note 7. Other revenue

	2022 \$	2021 \$
Market development fund	2,500	22,500
Cash flow boost	-	22,608
Other income	-	9,090
Other revenue	<u>2,500</u>	<u>54,198</u>

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

Revenue stream

Discretionary financial contributions (also "Market development fund" or "MDF" income)

Cash flow boost

Other income

Revenue recognition policy

MDF income is recognised when the right to receive the payment is established. MDF income is discretionary and provided and receivable at month-end and paid within 14 days after month-end.

Cash flow boost income is recognised when the right to the payment is established (e.g. monthly or quarterly in the activity statement).

All other revenues that did not contain contracts with customers are recognised as goods and services are provided.

All revenue is stated net of the amount of GST.

Discretionary financial contributions

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

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

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

Cash flow boost

In response to the COVID-19 outbreak, *Boosting Cash Flow for Employers (Coronavirus Economic Response Package) Act 2020* (CFB Act) was enacted. The purpose was to provide temporary cash flow to small and medium sized businesses that employ staff and have been affected by the economic downturn associated with COVID-19.

The amounts received are in relation to amounts withheld as withholding tax reported in the activity statement. This essentially subsidises the company's obligation to remit withholding tax to the Australian Taxation Office. For reporting purposes, the amounts subsidised are recognised as revenue.

The amounts are not assessable for tax purposes and there is no obligation to repay the amounts.

Notes to the financial statements (continued)

Note 8. Expenses

Depreciation and amortisation expense

	2022 \$	2021 \$
<i>Depreciation of non-current assets</i>		
Plant and equipment	11,442	11,638
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	33,141	33,087
Leased motor vehicles	12,614	11,888
	45,755	44,975
<i>Amortisation of intangible assets</i>		
Franchise fee	2,131	2,238
Franchise renewal fee	10,681	11,156
	12,812	13,394
	70,009	70,007

Finance costs

	2022 \$	2021 \$
Lease interest expense	11,914	11,048
Unwinding of make-good provision	650	883
	12,564	11,931

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

Employee benefits expense

	2022 \$	2021 \$
Wages and salaries	329,943	314,523
Non-cash benefits	3,738	3,004
Superannuation contributions	33,729	34,349
Expenses related to long service leave	5,166	4,615
Other expenses	29,280	10,918
	401,856	367,409

Leases recognition exemption

	2022 \$	2021 \$
Expenses relating to low-value leases	7,362	8,528

The company pays for the right to use information technology equipment. The underlying assets have been assessed as low value and exempted from recognition under AASB 16 accounting. Expenses relating to low-value exempt leases are included in system costs expenses.

Notes to the financial statements (continued)

Note 9. Income tax

	2022 \$	2021 \$
<i>Income tax expense</i>		
Current tax	30,049	12,177
Movement in deferred tax	(6,192)	(941)
Under/over adjustment	2,038	2,308
Reduction in company tax rate	-	669
Aggregate income tax expense	<u>25,895</u>	<u>14,213</u>
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	<u>95,429</u>	<u>65,731</u>
Tax at the statutory tax rate of 25% (2021: 26%)	23,857	17,090
Tax effect of:		
Non-deductible expenses	-	24
Reduction in company tax rate	-	669
Other assessable income	-	(5,878)
	<u>23,857</u>	<u>11,905</u>
Under/over adjustment	2,038	2,308
Income tax expense	<u>25,895</u>	<u>14,213</u>
	2022 \$	2021 \$
<i>Deferred tax assets/(liabilities)</i>		
Employee benefits	16,358	13,030
Provision for lease make good	4,032	4,216
Lease liabilities	79,178	43,373
Right-of-use assets	(76,661)	(43,903)
Deferred tax asset	<u>22,907</u>	<u>16,716</u>
	2022 \$	2021 \$
Income tax refund due	<u>-</u>	<u>9,889</u>
	2022 \$	2021 \$
Provision for income tax	<u>8,831</u>	<u>-</u>

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Accounting policy for current tax

Current tax assets and liabilities are measured at amounts expected to be recovered from or paid to the taxation authorities. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Notes to the financial statements (continued)

Note 9. Income tax (continued)

Accounting policy for deferred tax

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

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

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

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

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

Note 10. Cash and cash equivalents

	2022 \$	2021 \$
Cash at bank and on hand	116,970	100,860
Term deposits	583,205	538,358
	<u>700,175</u>	<u>639,218</u>

Accounting policy for cash and cash equivalents

For the purposes of the Statement of Financial Position and Statement of Cash Flows, cash and cash equivalents comprise cash on hand and deposits held with banks.

Note 11. Trade and other receivables

	2022 \$	2021 \$
Trade receivables	73,369	61,163
Other receivables and accruals	456	456
Prepayments	2,327	7,148
	<u>2,783</u>	<u>7,604</u>
	<u>76,152</u>	<u>68,767</u>

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Notes to the financial statements (continued)

Note 12. Property, plant and equipment

	2022 \$	2021 \$
Plant and equipment - at cost	196,315	196,315
Less: Accumulated depreciation	(171,698)	(160,256)
	<u>24,617</u>	<u>36,059</u>

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

	Plant and equipment \$	Total \$
Balance at 1 July 2020	22,856	22,856
Additions	24,841	24,841
Depreciation	(11,638)	(11,638)
Balance at 30 June 2021	36,059	36,059
Depreciation	(11,442)	(11,442)
Balance at 30 June 2022	<u>24,617</u>	<u>24,617</u>

Accounting policy for property, plant and equipment

Items of property, plant and equipment are measured at cost or fair value as applicable, less accumulated depreciation. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	5 to 13 years
Plant and equipment	5 to 13 years
Motor vehicles	3 years

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

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

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

Changes in estimates

During the financial year, the company assessed estimates used for property, plant and equipment including useful lives, residual values, and depreciation methods. There were no changes in estimates for the current reporting period.

Notes to the financial statements (continued)

Note 13. Right-of-use assets

	2022 \$	2021 \$
Land and buildings - right-of-use	405,885	241,712
Less: Accumulated depreciation	(99,242)	(66,101)
	<u>306,643</u>	<u>175,611</u>
Motor vehicles - right-of-use	42,046	42,046
Less: Accumulated depreciation	(24,502)	(11,888)
	<u>17,544</u>	<u>30,158</u>
	<u>324,187</u>	<u>205,769</u>

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

	Land and buildings \$	Motor vehicles \$	Total \$
Balance at 1 July 2020	206,338	42,046	248,384
Remeasurement adjustments	2,360	-	2,360
Depreciation expense	(33,087)	(11,888)	(44,975)
Balance at 30 June 2021	175,611	30,158	205,769
Remeasurement adjustments	164,173	-	164,173
Depreciation expense	(33,141)	(12,614)	(45,755)
Balance at 30 June 2022	<u>306,643</u>	<u>17,544</u>	<u>324,187</u>

Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Refer to note 16 for more information on lease arrangements.

Note 14. Intangibles

	2022 \$	2021 \$
Franchise fee	101,329	90,514
Less: Accumulated amortisation	(91,956)	(89,825)
	<u>9,373</u>	<u>689</u>
Franchise renewal fee	110,036	55,961
Less: Accumulated amortisation	(63,171)	(52,490)
	<u>46,865</u>	<u>3,471</u>
	<u>56,238</u>	<u>4,160</u>

Notes to the financial statements (continued)

Note 14. Intangibles (continued)

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

	Franchise fee \$	Franchise renewal fee \$	Total \$
Balance at 1 July 2020	2,927	14,627	17,554
Amortisation expense	(2,238)	(11,156)	(13,394)
Balance at 30 June 2021	689	3,471	4,160
Additions	10,815	54,075	64,890
Amortisation expense	(2,131)	(10,681)	(12,812)
Balance at 30 June 2022	<u>9,373</u>	<u>46,865</u>	<u>56,238</u>

Additions

During the financial year the franchise fee were renewed. This is to be amortised over five years to October 2026.

Accounting policy for intangible assets

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

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

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

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

Asset class	Method	Useful life	Expiry/renewal date
Franchise fee	Straight-line	Over the franchise term (5 years)	October 2026
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	October 2026

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

Change in estimates

During the financial year, the company assessed estimates used for intangible assets including useful lives, residual values, and amortisation methods. There were no changes in estimates for the current reporting period.

Note 15. Trade and other payables

	2022 \$	2021 \$
<i>Current liabilities</i>		
Trade payables	3,639	2,789
Other payables and accruals	<u>33,610</u>	<u>42,913</u>
	<u>37,249</u>	<u>45,702</u>
<i>Non-current liabilities</i>		
Other payables and accruals	<u>45,731</u>	<u>-</u>

Notes to the financial statements (continued)

Note 15. Trade and other payables (continued)

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Where the company is liable to settle the amount within 12 months of the reporting date, the liability is classified as current. All other obligations are classified as non-current.

Note 16. Lease liabilities

	2022 \$	2021 \$
<i>Current liabilities</i>		
Land and buildings lease liabilities	40,200	30,008
Unexpired interest	(10,737)	(8,905)
Motor vehicle lease liabilities	5,992	5,992
Unexpired interest	(820)	(992)
	<u>34,635</u>	<u>26,103</u>
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	331,650	170,851
Unexpired interest	(44,403)	(18,461)
Motor vehicle lease liabilities	21,984	27,977
Unexpired interest	(1,113)	(1,935)
	<u>308,118</u>	<u>178,432</u>
<i>Reconciliation of lease liabilities</i>		
	2022 \$	2021 \$
Opening balance	204,535	198,484
Additional lease liabilities recognised	-	35,981
Remeasurement adjustments	165,559	2,361
Lease interest expense	11,914	11,048
Lease payments - total cash outflow	(39,255)	(43,339)
	<u>342,753</u>	<u>204,535</u>
<i>Maturity analysis</i>		
	2022 \$	2021 \$
Not later than 12 months	46,192	36,000
Between 12 months and 5 years	182,784	188,778
Greater than 5 years	170,850	10,050
	<u>399,826</u>	<u>234,828</u>

Accounting policy for lease liabilities

Lease liabilities were measured at amounts equal to the present value of enforceable future payments of the term reasonably expected to be exercised, discounted at the appropriate incremental borrowing rate.

Notes to the financial statements (continued)

Note 16. Lease liabilities (continued)

Lease payments included in the measurement of the lease liability comprise fixed or variable lease payments that depend on an index or rate and lease payments in a renewal option if the company is reasonably certain to exercise that option. For leases of property the company has elected to separate lease and non-lease components when calculating the lease liability.

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

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if the company changes its assessment of whether it will exercise an extension option or if there is a revised in-substance fixed lease payment.

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

Where the company is a lessee for the premises to conduct its business, extension options are included in the lease term except when the company is reasonably certain not to exercise the extension option. This is due to the significant disruption of relocating premises and the loss on disposal of leasehold improvements fitted out in the demised leased premises.

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

The company's lease portfolio includes:

Bright branch premises	The lease agreement commenced in October 2016. A 5 year renewal option was exercised in October 2021. The company has 3 x 5 year renewal options available which for AASB 16: Leases purposes they are reasonably certain to exercise one of these options. As such, the lease term end date used in the calculation of the lease liability is September 2031. The discount rate used in calculations is 3.54%.
Motor vehicle	The lease agreement is a non-cancellable term of 5 years which will end in July 2025. The lease includes a balloon payment at which the registered security over the motor vehicle is removed.

Remeasurement adjustments

The 5 year renewal option exercised in October 2021 also included 3 x 5 year renewal options. The company are reasonable certain for AASB 16: Leases purposes to exercise one of these additional options. As such a remeasurement of the right-of-use, lease liability and make-good provision occurred using the revised lease term end date of September 2031.

Note 17. Employee benefits

	2022 \$	2021 \$
<i>Current liabilities</i>		
Annual leave	22,242	15,188
Long service leave	34,331	27,478
	<u>56,573</u>	<u>42,666</u>
<i>Non-current liabilities</i>		
Long service leave	<u>7,754</u>	<u>9,441</u>

Notes to the financial statements (continued)

Note 17. Employee benefits (continued)

Accounting policy for employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for salary and wages where the employee has provided the service but payment has not yet occurred at the reporting date. They are measured at amounts expected to be paid, plus related on-costs. Non-accumulating sick leave is expensed when the leave is taken and measured at the rates paid or payable.

An annual leave liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be reliably estimated. The company's obligations for short-term employee benefits such as salaries and wages are recognised as part of current trade and other payables in the statement of financial position. The company's obligations for employees' annual leave and long service leave entitlements are recognised in employee benefits in the statement of financial position.

Superannuation contributions

Contributions to superannuation plans are expensed in the period in which they are incurred.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

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

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

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

Note 18. Provisions

	2022 \$	2021 \$
Lease make good	16,126	16,862

Lease make good

In accordance with the branch lease agreement, the company must restore the leased premises to the original condition before the expiry of the lease term. The company has estimated the provision to be \$22,364 for the Bright Branch lease, based on experience and consideration of the expected future costs to remove all fittings and the ATM as well as cost to remedy any damages caused during the removal process. The lease is due to expire on 30 September 2031 at which time it is expected the face-value costs to restore the premises will fall due.

Accounting policy for provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Notes to the financial statements (continued)

Note 19. Issued capital

	2022 Shares	2021 Shares	2022 \$	2021 \$
Ordinary shares - fully paid	694,113	694,113	694,113	694,113
Less: Equity raising costs	-	-	(23,766)	(23,766)
	<u>694,113</u>	<u>694,113</u>	<u>670,347</u>	<u>670,347</u>

Accounting policy for issued capital

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

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

Dividends

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

Transfer

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

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

Prohibited shareholding interest

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

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

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

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

Notes to the financial statements (continued)

Note 19. Issued capital (continued)

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

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

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

Note 20. Retained earnings/(accumulated losses)

	2022 \$	2021 \$
Accumulated losses at the beginning of the financial year	(8,975)	(18,846)
Profit after income tax expense for the year	69,534	51,518
Dividends paid (note 22)	(41,647)	(41,647)
Retained earnings/(accumulated losses) at the end of the financial year	<u>18,912</u>	<u>(8,975)</u>

Note 21. Capital management

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

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

The distribution limit is the greater of:

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

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

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

Notes to the financial statements (continued)

Note 22. Dividends

Dividends provided for and paid during the period

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

	2022 \$	2021 \$
Fully franked dividend of 6 cents per share (2021: 6 cents)	41,647	41,647

Franking credits

	2022 \$	2021 \$
Franking account balance at the beginning of the financial year	72,442	64,750
Franking credits (debits) arising from income taxes paid (refunded)	13,366	22,325
Franking debits from the payment of franked distributions	(13,882)	(14,633)
	71,926	72,442
<i>Franking transactions that will arise subsequent to the financial year end:</i>		
Balance at the end of the financial year	71,926	72,442
Franking credits (debits) that will arise from payment (refund) of income tax	8,831	(9,889)
Franking credits available for future reporting periods	80,757	62,553

Franking credits

The ability to utilise franking credits is dependent upon the company's ability to declare dividends. The tax rate at which future dividends will be franked is 25%.

Accounting policy for dividends

Dividends are recognised in the financial year they are declared.

Note 23. Financial instruments

	2022 \$	2021 \$
Financial assets		
Trade and other receivables	73,825	61,619
Cash and cash equivalents	700,175	639,218
	774,000	700,837
Financial liabilities		
Trade and other payables	82,980	45,702
Lease liabilities	342,753	204,535
	425,733	250,237

Accounting policy for financial instruments

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

Trade receivables are initially recognised at the transaction price when they originated. All other financial assets and financial liabilities are initially measured at fair value plus transaction costs (where applicable), when the company becomes a party to the contractual provisions of the instrument. These assets and liabilities are subsequently measured at amortised cost using the effective interest method.

Notes to the financial statements (continued)

Note 23. Financial instruments (continued)

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the rights are transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and rewards associated with the asset. Financial liabilities are derecognised when its contractual obligations are discharged, cancelled, or expire. Any gain or loss on derecognition is recognised in profit or loss.

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

Financial risk management

The company has exposure to credit, liquidity and market risk arising from financial instruments. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company does not use derivative instruments. Risk management is carried out directly by the Board.

Price risk

The company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. The company is not exposed to commodity price risk.

Cash flow and fair value interest rate risk

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

The company held cash and cash equivalents of \$700,175 at 30 June 2022 (2021: \$639,218). The cash and cash equivalents are held with Bendigo Bank, which are rated BBB+ on Standard & Poor's credit ratings.

Liquidity risk

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

Exposure to liquidity risk

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

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2022				
Non-derivatives				
Trade and other payables	37,249	45,731	-	82,980
Lease liabilities	46,192	182,784	170,850	399,826
Total non-derivatives	83,441	228,515	170,850	482,806
	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2021				
Non-derivatives				
Trade and other payables	45,702	-	-	45,702
Lease liabilities	36,000	188,778	10,050	234,828
Total non-derivatives	81,702	188,778	10,050	280,530

Notes to the financial statements (continued)

Note 24. Key management personnel disclosures

The following persons were directors of Bright Community Financial Services Limited during the financial year:

Rosalind Anne Holland	Graham Wayne Gales
Julie Rose Blood	Britt Howard
Josef Wowk	Lenore Harris
William George Andrews	Helen Fay Hofbauer
Timothy David May	Alia Bridget Parker

No director of the company receives remuneration for services as a company director or committee member.

There are no executives within the company whose remuneration is required to be disclosed.

Note 25. Remuneration of auditors

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

	2022 \$	2021 \$
<i>Audit services</i>		
Audit or review of the financial statements	5,200	5,000
<i>Other services</i>		
General advisory services	2,520	3,270
Share registry services	4,556	3,550
	7,076	6,820
	<u>12,276</u>	<u>11,820</u>

Note 26. Reconciliation of profit after income tax to net cash provided by operating activities

	2022 \$	2021 \$
Profit after income tax expense for the year	69,534	51,518
Adjustments for:		
Depreciation and amortisation	70,009	70,007
Net gain on disposal of non-current assets	-	(9,091)
Lease liabilities interest amount	11,914	11,048
Change in operating assets and liabilities:		
Increase in trade and other receivables	(7,385)	(7,425)
Decrease in income tax refund due	9,889	-
Decrease/(increase) in deferred tax assets	(6,191)	33,933
Decrease in trade and other payables	(18,594)	(30,089)
Increase in provision for income tax	8,831	-
Increase/(decrease) in employee benefits	12,220	(1,192)
Increase in other provisions	650	883
Net cash provided by operating activities	<u>150,877</u>	<u>119,592</u>

Notes to the financial statements (continued)

Note 27. Earnings per share

	2022 \$	2021 \$
Profit after income tax	69,534	51,518
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	694,113	694,113
Weighted average number of ordinary shares used in calculating diluted earnings per share	694,113	694,113
	Cents	Cents
Basic earnings per share	10.02	7.42
Diluted earnings per share	10.02	7.42

Accounting policy for earnings per share

Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of Bright Community Financial Services Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

Note 28. Commitments

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

Note 29. Contingencies

There were no contingent liabilities or contingent assets at the date of this report to affect the financial statements.

Note 30. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Directors' declaration

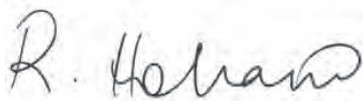
For the financial year ended 30 June 2022

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

A handwritten signature in black ink, appearing to read 'R. Holland', is written over a light blue rectangular background.

Rosalind Anne Holland
Chairman

28 September 2022

Independent audit report



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550

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03 5443 0344

Independent auditor's report to the Directors of Bright Community Financial Services Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Bright Community Financial Services Limited's (the company), which comprises:

- Statement of financial position as at 30 June 2022
- Statement of profit or loss and other comprehensive income
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements, including a summary of significant accounting policies
- The directors' declaration of the company.

In our opinion, the accompanying financial report of Bright Community Financial Services Limited, is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2022 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 company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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



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(liability limited by a scheme approved under Professional Standards Legislation. ABN: 65 684 604 390)



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550

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03 5443 0344

Other Information

The company usually prepares an annual report that will include the financial statements, directors' report and declaration and our independence declaration and audit report (the financial report). The annual report may also include "other information" on the entity's operations and financial results and financial position as set out in the financial report, typically in a Chairman's report and Manager's report, and reports covering governance and shareholder matters.

The directors are responsible for the other information. The annual report is expected to be made available to us after the date of this auditor's report.

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

Our responsibility is to read the other information identified above when it becomes available 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 we identify that a material inconsistency appears to exist when we read the annual report (or become aware that the other information appears to be materially misstated), we will discuss the matter with the directors and where we believe that a material misstatement of the other information exists, we will request management to correct the other information.

Responsibilities of the Directors for the Financial Report

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

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

Auditor's responsibilities for the Audit of the Financial Report

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



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As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 28 September 2022

A handwritten signature in black ink, appearing to read 'Adrian Downing'.

Adrian Downing
Lead Auditor



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