

Bacchus Marsh Community Enterprise Limited

ABN 11 164 574 832

Half-year Financial Report - 31 December 2022

Bacchus Marsh Community Enterprise Limited
Directors' report
31 December 2022

The directors present their report, together with the financial statements, on the company for the half-year ended 31 December 2022.

Directors

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

Claire Therese Sutherland
Heather Jean Steegstra
Karen Patricia Hapgood
Paula Elizabeth McMillan
Peter George Tonks

Ian Colin Barnett
Travis Ashley Bawden
Simon Maynard Hooper
Keith Walter Currie
John Payne

Principal activity

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

Review of operations

The profit for the company after providing for income tax amounted to \$300,218 (31 December 2021: \$104,700).

The company has seen a significant increase in its revenue during the period. This is primarily a result of the Reserve Bank of Australia (RBA) increasing the cash rate by 2.25% during the period moving from 0.85% at 1 July 2022 to 3.10% as at 31 December 2022. The increased cash rate has had a direct impact on the revenue received by the company, increasing the net interest margin income received under the revenue share arrangement. The company's continued growth, on the back of three major banks closing their branch in Bacchus March, has also contributed to the increased revenue.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial half-year

Since the end of the half-year, the RBA has increased the cash rate by 25 basis points moving from 3.10% at 31 December 2022 to 3.35% as at the date of signing these accounts.

No other matter or circumstance has arisen since 31 December 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.

Auditor's independence declaration

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

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

On behalf of the directors

Claire Therese Sutherland
Chair

1 March 2023

Bacchus Marsh Community Enterprise Limited
Auditor's independence declaration

[This page has intentionally been left blank for the insertion of the auditor's independence declaration]

Bacchus Marsh Community Enterprise Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022

	Note	31-Dec-22 \$	31-Dec-21 \$
Revenue from contracts with customers	3	1,062,042	733,702
Other revenue		-	13,215
Finance revenue		1,071	673
Total revenue		<u>1,063,113</u>	<u>747,590</u>
Employee benefits expense		(407,617)	(345,825)
Advertising and marketing costs		(6,405)	(1,134)
Occupancy and associated costs		(10,888)	(10,026)
Systems costs		(17,647)	(19,949)
Depreciation and amortisation expense		(54,440)	(54,029)
Finance costs		(16,499)	(17,454)
General administration expenses		(55,501)	(49,193)
Total expenses		<u>(568,997)</u>	<u>(497,610)</u>
Profit before community contributions and income tax expense		494,116	249,980
Charitable donations, grants and sponsorships expense		(92,473)	(109,208)
Profit before income tax expense		401,643	140,772
Income tax expense		(101,425)	(36,072)
Profit after income tax expense for the half-year		300,218	104,700
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year		<u>300,218</u>	<u>104,700</u>
		Cents	Cents
Basic earnings per share		32.36	11.28
Diluted earnings per share		32.36	11.28

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

Bacchus Marsh Community Enterprise Limited
Statement of financial position
As at 31 December 2022

	31-Dec-22 \$	30-Jun-22 \$
Assets		
Current assets		
Cash and cash equivalents	1,135,695	811,355
Trade and other receivables	238,407	155,590
Total current assets	<u>1,374,102</u>	<u>966,945</u>
Non-current assets		
Property, plant and equipment	149,843	126,003
Right-of-use assets	734,796	772,349
Intangibles	23,958	30,492
Deferred tax assets	46,589	47,968
Total non-current assets	<u>955,186</u>	<u>976,812</u>
Total assets	<u>2,329,288</u>	<u>1,943,757</u>
Liabilities		
Current liabilities		
Trade and other payables	167,667	55,844
Lease liabilities	68,046	65,653
Current tax liabilities	93,060	4,956
Employee benefits	84,180	78,451
Total current liabilities	<u>412,953</u>	<u>204,904</u>
Non-current liabilities		
Trade and other payables	-	15,504
Lease liabilities	837,134	872,017
Employee benefits	9,439	7,762
Provisions	11,356	11,157
Total non-current liabilities	<u>857,929</u>	<u>906,440</u>
Total liabilities	<u>1,270,882</u>	<u>1,111,344</u>
Net assets	<u>1,058,406</u>	<u>832,413</u>
Equity		
Issued capital	898,544	898,544
Retained earnings	159,862	(66,131)
Total equity	<u>1,058,406</u>	<u>832,413</u>

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

Bacchus Marsh Community Enterprise Limited
Statement of changes in equity
For the half-year ended 31 December 2022

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2021		898,544	(39,224)	859,320
Profit after income tax expense		-	104,700	104,700
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	104,700	104,700
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for	4	-	(64,947)	(64,947)
Balance at 31 December 2021		<u>898,544</u>	<u>529</u>	<u>899,073</u>
Balance at 1 July 2022		898,544	(66,131)	832,413
Profit after income tax expense		-	300,218	300,218
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	300,218	300,218
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for	4	-	(74,225)	(74,225)
Balance at 31 December 2022		<u>898,544</u>	<u>159,862</u>	<u>1,058,406</u>

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

Bacchus Marsh Community Enterprise Limited
Statement of cash flows
For the half-year ended 31 December 2022

	31-Dec-22	31-Dec-21
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	1,091,695	818,770
Payments to suppliers and employees (inclusive of GST)	(659,405)	(577,654)
Interest received	1,071	673
Income taxes paid	(11,942)	(6,408)
	<u>421,419</u>	<u>235,381</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(34,194)	(14,019)
Payments for intangibles	(14,095)	(14,095)
	<u>(48,289)</u>	<u>(28,114)</u>
Cash flows from financing activities		
Repayment of lease liabilities	(48,790)	(47,588)
	<u>(48,790)</u>	<u>(47,588)</u>
Net increase in cash and cash equivalents	324,340	159,679
Cash and cash equivalents at the beginning of the financial half-year	811,355	822,541
	<u>1,135,695</u>	<u>982,220</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>1,135,695</u></u>	<u><u>982,220</u></u>

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

Bacchus Marsh Community Enterprise Limited
Notes to the financial statements
31 December 2022

Note 1. Significant accounting policies

Statement of compliance

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

Accounting policies

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

Note 2. Basis of preparation

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.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the period.

Note 3. Revenue from contracts with customers

	31-Dec-22	31-Dec-21
	\$	\$
Margin income	977,652	646,189
Fee income	41,590	40,072
Commission income	42,800	47,441
Revenue from contracts with customers	<u>1,062,042</u>	<u>733,702</u>

Disaggregation of revenue

All revenue from contracts with customers has been recognised at a point in time during the period.

Note 4. Dividends

The following dividends were provided for during the financial half-year as presented in the Statement of changes in equity.

	31-Dec-22	31-Dec-21
	\$	\$
Fully franked dividend of 8 cents per share (31-Dec-21: 7 cents)	<u>74,225</u>	<u>64,947</u>

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

Note 5. Contingent assets and liabilities

There were no contingent assets or liabilities at the date of this report that would materially affect the financial statements at the reporting date.

Note 6. Related party transactions

There were no transactions with related parties during the current and previous financial half-year.

Bacchus Marsh Community Enterprise Limited
Notes to the financial statements
31 December 2022

Note 7. Events after the reporting date

Since the end of the half-year, the RBA has increased the cash rate by 25 basis points moving from 3.10% at 31 December 2022 to 3.35% as at the date of signing these accounts.

No other matter or circumstance has arisen since 31 December 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.

Bacchus Marsh Community Enterprise Limited
Directors' declaration
31 December 2022

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard *AASB 134 'Interim Financial Reporting'*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

Claire Therese Sutherland
Chair

1 March 2023

Bacchus Marsh Community Enterprise Limited
Independent auditor's review report to the members of Bacchus Marsh Community Enterprise Limited

[This page has intentionally been left blank for the insertion of page one of the independent auditor's review report]

Bacchus Marsh Community Enterprise Limited
Independent auditor's review report to the members of Bacchus Marsh Community Enterprise Limited

[This page has intentionally been left blank for the insertion of page two of the independent auditor's review report]