

# Boorowa Community Financial Services Limited

ABN: 76093519094

## Financial Statements

For the 6 months ended 31 December 2023

# Boorowa Community Financial Services Limited

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For the 6 months ended 31 December 2023

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# Boorowa Community Financial Services Limited

**Directors' report**  
31 December 2023

The directors present their report on Boorowa Community Financial Services Limited for the half year ended 31 December 2023.

## **Information on directors**

The names of each person who has been a director during the period and to date of the report are:

Sue-Anne Corcoran  
Michelle Fahey  
Christine Coble  
Belinda Reid  
Tim McGrath  
Thomas Corcoran  
Phillip Gorham  
Melanie Whitechurch

Directors have been in office since the start of the financial year to the date of the report unless otherwise stated.

## **Company secretary**

Michelle Fahey has been the Company Secretary of Boorowa Community Financial Services Limited since 2004.

## **Principal activities**

The principal activity of Boorowa Community Financial Services Limited during the financial year was providing Community Bank branch services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

No significant changes in the nature of the Company's activity occurred during the financial year.

## **Operating results**

The profit/(loss) of the Company for the 6 months ended 31 December 2023, after providing for income tax, amounted to \$287,867 (Dec-22: \$269,761)

## **Dividends paid or recommended**

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

## **Significant changes in state of affairs**

There have been no significant changes in the state of affairs of the Company during the year.

# Boorowa Community Financial Services Limited

Directors' report  
31 December 2023

## Information on directors & company secretary

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### Sue-Anne Corcoran

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Qualifications	Bachelor of Pharmacy
Experience	Local business owner

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### Michelle Fahey

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Qualifications	Bachelor of Education in Special Education
Experience	School Principal

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### Christine Coble

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Experience	School Administration
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### Belinda Reid

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Qualifications	Bachelor of Law & Bachelor of Management
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### Tim McGrath

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Experience	Local farmer
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### Thomas Corcoran

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Experience	Farmer, landholder & contractor
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### Phillip Gorham

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Experience	Shearer & landholder
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### Melanie Whitechurch

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Qualifications	Bachelor in Business majoring in Tourism & Event Management
Experience	Local business owner

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## Events after the reporting date

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

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

# Boorowa Community Financial Services Limited

Directors' report  
31 December 2023

## Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

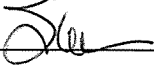
## Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Boorowa Community Financial Services Limited.

## Auditor's Independence Declaration

The lead auditor's independence declaration for the period ended 31 December 2023 has been received and can be found on the following page of the Financial Report.

Signed in accordance with a resolution of the Board of directors.

  
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Sue-Anne Corcoran

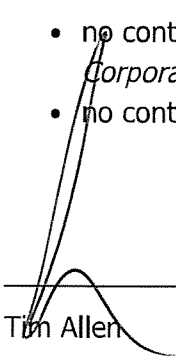
Director

Dated: 27/2/2024

# Auditor's independence declaration to the directors of Boorowa Community Financial Services Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2023, there have been:

- no contraventions of the auditor independence requirements as set out in section 307C of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

  
Tim Allen

Laterals Accounting Solutions  
213-215 Auburn Street,  
Goulburn NSW 2580

Dated: 29-1-24



LATERALS

# Boorowa Community Financial Services Limited

## Statement of profit or loss and other comprehensive income

For the 6 months ended 31 December 2023

	Note	2024 \$	2023 \$
Revenue	4	720,913	755,212
Finance income	5	66,768	15,385
<b>Total income</b>		<b>787,681</b>	<b>770,597</b>
Depreciation and amortisation	10	(11,666)	(14,295)
Employee benefit expenses		(279,766)	(303,432)
<b>Other expenses</b>			
Other expenses		(41,353)	(31,745)
Administrative expenses		(13,908)	(9,987)
Marketing expenses		(19,877)	(10,793)
Occupancy costs		(12,831)	(12,938)
IT Expenses		(15,148)	(12,521)
Freight & Cartage		(5,448)	(5,267)
Insurance		(9,503)	(7,913)
<b>Total expenses</b>		<b>(409,500)</b>	<b>(408,891)</b>
<b>Profit (loss) before income taxes</b>		<b>378,181</b>	<b>361,706</b>
Income tax	6	(90,314)	(91,945)
<b>Profit (loss) from continuing operations</b>		<b>287,867</b>	<b>269,761</b>
<b>Profit (loss) for the year</b>		<b>287,867</b>	<b>269,761</b>
<b>Total comprehensive income for the year</b>		<b>287,867</b>	<b>269,761</b>

The accompanying notes form part of these financial statements.

# Boorowa Community Financial Services Limited

## Statement of changes in equity

For the 6 months ended 31 December 2023

<b>2023</b>	<b>Ordinary shares \$</b>	<b>Retained earnings \$</b>	<b>Revaluation surplus \$</b>	<b>Total \$</b>	<b>Total equity \$</b>
Opening balance 1 Jul 22	387,310	2,365,517	64,326	2,817,153	2,817,153
Profit for the year	-	269,761	-	269,761	269,761
<b>Closing balance 31 Dec 23</b>	<b>387,310</b>	<b>2,635,278</b>	<b>64,326</b>	<b>3,086,914</b>	<b>3,086,914</b>

<b>2024</b>	<b>Ordinary shares \$</b>	<b>Retained earnings \$</b>	<b>Revaluation surplus \$</b>	<b>Total \$</b>	<b>Total equity \$</b>
Opening balance 1 Jul 23	387,310	2,763,700	64,326	3,215,336	3,215,336
Profit for the year	-	287,867	-	287,867	287,867
<b>Closing balance 31 Dec 23</b>	<b>387,310</b>	<b>3,051,567</b>	<b>64,326</b>	<b>3,503,203</b>	<b>3,503,203</b>

The accompanying notes form part of these financial statements.



# Boorowa Community Financial Services Limited

## Statement of financial position

As at 31 December 2023

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	3,460,545	2,912,735
Trade and other receivables	9	137,456	153,628
Other assets	12	5,228	4,552
<b>Total current assets</b>		3,603,229	3,070,915
<b>Non-current assets</b>			
Property, plant and equipment	10	205,281	235,262
Intangible assets	11	42,071	36,098
Deferred tax assets	15	27,309	28,208
<b>Total non-current assets</b>		274,661	299,568
<b>Total assets</b>		3,877,890	3,370,483
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13	238,488	146,988
Employee benefits	14	97,394	101,035
<b>Total current liabilities</b>		335,882	248,023
<b>Non-current liabilities</b>			
Deferred tax liabilities	15	20,671	20,671
Employee benefits	14	18,134	14,875
<b>Total non-current liabilities</b>		38,805	35,546
<b>Total liabilities</b>		374,687	283,569
<b>Net assets</b>		3,503,203	3,086,914
<b>Equity</b>			
Share capital		387,310	387,310
Retained earnings		3,051,567	2,635,278
Reserves	17	64,326	64,326
<b>Total equity</b>		3,503,203	3,086,914

The accompanying notes form part of these financial statements.

# Boorowa Community Financial Services Limited

## Statement of cash flows

For the 6 months ended 31 December 2023

	2024	2023
	\$	\$
<b>Cash flows from operating activities:</b>		
Receipts from customers	733,950	706,507
Payments to suppliers and employees	(377,770)	(359,095)
Interest received	66,768	15,385
Income taxes paid	(48,078)	(9,801)
<b>Net cash flows from/(used in) operating activities</b>	<b>374,870</b>	<b>352,996</b>
<b>Cash flows from investing activities:</b>		
Payment for intangible asset	(15,257)	(15,257)
Purchase of property, plant and equipment	(3,338)	-
<b>Net cash provided by/(used in) investing activities</b>	<b>(18,595)</b>	<b>(15,257)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>356,275</b>	<b>337,739</b>
Cash and cash equivalents at beginning of period	3,104,271	2,574,994
<b>Cash and cash equivalents at end of financial year</b>	<b>3,460,546</b>	<b>2,912,733</b>

The accompanying notes form part of these financial statements.

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 1. Basis of preparation

These financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policy information adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### 2. Material accounting policy information

#### a. Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

#### b. Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the Statement of cash flows are included on a net basis.

#### c. Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 2. Material accounting policy information (continued)

#### d. Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### i. Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### *Classification*

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

##### *Amortised cost*

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments).

##### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 2. Material accounting policy information (continued)

#### d. Financial instruments (continued)

##### i. Financial assets (continued)

- financial assets measured at amortised cost
- debt investments measured at FVOCI.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

Where the simplified approach to expected credit loss (ECL) is not applied, the Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

##### *Trade receivables and contract assets*

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses.

The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 2. Material accounting policy information (continued)

#### d. Financial instruments (continued)

##### ii. Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

#### e. Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2024, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

#### f. New accounting standards and interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards.

### 3. Critical accounting estimates and judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

#### a. Key estimates - impairment of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

#### b. Key estimates - revenue recognition - long term contracts

The Company undertakes long term contracts which span a number of reporting periods. Recognition of revenue in relation to these contracts involves estimation of future costs of completing the contract and the expected outcome of the contract. The assumptions are based on the information available to management at the reporting date, however future changes or additional information may mean the expected revenue recognition pattern has to be amended.

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 3. Critical accounting estimates and judgements (continued)

#### c. Key estimates - property held at fair value

The land upon which the branch is located was revalued during the 2006 financial year.

The carrying amount of land is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from this asset. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset employment and subsequent disposal.

#### d. Key judgments - taxes

##### *Deferred tax assets*

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgments as to the probability of future taxable revenues being generated against which tax losses will be available for offset based on budgets, current and future expected economic conditions.

### 4. Revenue and other income

#### a. Accounting policy

##### i. Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of control of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

#### b. Revenue from continuing operations

	2024	2023
	\$	\$
<b>Revenue from contracts with customers (AASB 15)</b>		
Provision of services		
Subsidiary Product/ Service Income	34,569	28,953
Margin Share	657,482	694,543
Fee Income	28,862	31,716
<b>Total Provision of services</b>	<b>720,913</b>	<b>755,212</b>

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 5. Finance income and expenses

Finance income	2024	2023
	\$	\$
Interest income	(66,768)	(15,385)

### 6. Income tax expense

#### a. Accounting policy

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

#### b. The major components of tax expense/(income) comprise:

	2024	2023
	\$	\$
Current tax expense	90,314	91,945

#### c. Reconciliation of income tax to accounting profit:

	2024	2023
	\$	\$
Profit for the year	378,181	361,706
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2023: 25%)	94,545	90,427
<b>Add tax effect of:</b>		
Other assessable income	-	220
Under provision for income tax in prior year	-	307
Non-deductible expenses	971	2,884
<b>Total Add tax effect of:</b>	971	3,411
<b>Less tax effect of:</b>		
Other assessable income	804	-
Other deductible expenses	1,235	1,893
Over provision for income tax in prior year	3,163	-
<b>Total Less tax effect of:</b>	5,202	1,893
<b>Total Title</b>	90,314	91,945
<b>Income tax expense</b>	90,314	91,945
Weighted average effective tax rate (%)	24	25



# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 7. Auditor's remuneration

	2024	2023
	\$	\$
<b>Remuneration of the auditor of the Company, Lateralis Chartered Accountants, for:</b>		
Auditing or reviewing the financial statements	4,200	4,100
Taxation services	600	600
	4,800	4,700

### 8. Cash and cash equivalents

#### a. Accounting policy

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

#### b. Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2024	2023
	\$	\$
<b>Cash and cash equivalents</b>		
Cash at bank	3,460,545	2,912,735
	3,460,545	2,912,735

### 9. Trade and other receivables

<b>Current</b>	2024	2023
	\$	\$
Trade receivables	137,456	153,628
	137,456	153,628

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

#### a. Collateral held as security

The Company does not hold any collateral over any receivables balances.

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 10. Property, plant and equipment

#### a. Accounting policy

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

#### i. Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Land	0%
Buildings	3%
Plant and equipment	10-40%
Motor vehicles	25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

#### b. Property, plant and equipment details

Summary	2024 \$	2023 \$
Land	135,980	135,980
Buildings	23,661	26,463
Plant and equipment	9,778	7,634
Motor vehicles	35,862	65,185
	205,281	235,262

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 10. Property, plant and equipment (continued)

#### b. Property, plant and equipment details (continued)

##### Movements in carrying amounts

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

Description	Freehold land	Buildings	Plant and equipment	Motor vehicles	Formula
Balance at 1 July 2022	135,980	27,773	8,024	74,587	246,364
Depreciation expense	-	(1,310)	(390)	(9,402)	(11,102)
Balance at 31 December 2022	135,980	26,463	7,634	65,185	235,262
Balance at 1 July 2023	135,980	24,771	7,124	41,014	208,889
Additions	-	-	3,339	-	3,339
Depreciation expense	-	(1,110)	(685)	(5,152)	(6,947)
Balance at 31 December 2023	135,980	23,661	9,778	35,862	205,281

### 11. Intangible assets

#### a. Accounting policy

##### i. Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

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

#### b. Intangible asset details

Summary	2024	2023
	\$	\$
Franchise fees	42,071	36,098

Franchise fees have been initially recorded at cost and amortised on a straight line basis at a rate of 20% per annum. The current amortisation charges for intangible assets are included under depreciation and amortisation in the Statement of financial position.

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 11. Intangible assets (continued)

#### b. Intangible asset details (continued)

Movement in carrying amounts	2024	2023
	\$	\$
Balance at beginning of year	31,534	24,034
Additions	15,257	15,257
Amortisation charge	(4,719)	(3,193)
Closing balance	42,071	36,098

### 12. Other assets

Current	2024	2023
	\$	\$
<b>Other assets</b>		
Prepayments	5,228	4,552

### 13. Trade and other payables

Current	2024	2023
	\$	\$
Trade payables	8,367	10,156
GST payable	42,798	47,166
Employee benefits	10,105	7,775
Provision for tax	177,218	81,891
	238,488	146,988

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

### 14. Employee benefits

#### a. Accounting policy

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 14. Employee benefits (continued)

#### a. Accounting policy (continued)

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### b. Employee benefit details

Current	2024	2023
	\$	\$
Long service leave	69,769	68,469
Annual leave	27,625	32,566
	97,394	101,035
<hr/>		
Non-current	2024	2023
	\$	\$
Long service leave	18,134	14,875

### 15. Tax assets and liabilities

#### a. Accounting policy

Current tax is the amount of income taxes payable in respect of the taxable profit for the year and is measured at the amount expected to be paid to the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax assets are measured at the amounts expected to be recovered from the relevant taxation authority.

#### b. Tax assets and liabilities details

	Opening balance	Charged to income	Charged directly to equity	Changes in tax rate	Exchange difference	Closing balance
2024	\$	\$	\$	\$	\$	\$
Deferred tax assets	24,146	3,163	-	-	-	27,309

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 15. Tax assets and liabilities (continued)

#### b. Tax assets and liabilities details (continued)

2024	Opening balance \$	Charged to income \$	Charged directly to equity \$	Changes in tax rate \$	Exchange difference \$	Closing balance \$
Deferred tax liabilities	20,671	-	-	-	-	20,671

### 16. Financial risk management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are described below:

#### Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

#### Financial instruments used

The principal categories of financial instruments used by the Company are:

- Trade receivables
- Cash at bank
- Bank overdraft
- Trade and other payables

Financial assets	2024 \$	2023 \$
<b>Held at amortised cost</b>		
Cash and cash equivalents	3,460,545	2,912,735
Trade and other receivables	137,456	153,628
	3,598,001	3,066,363

#### a. Objectives, policies and processes

The Board of Directors has overall responsibility for the establishment of the Company's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivatives.

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 16. Financial risk management (continued)

#### a. Objectives, policies and processes (continued)

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

#### b. Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

#### c. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

#### i. Trade receivables and contract assets

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 16. Financial risk management (continued)

#### c. Credit risk (continued)

##### i. Trade receivables and contract assets (continued)

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

On a geographical basis, the Company has significant credit risk exposures only in Australia.

### 17. Reserves

	2024	2023
	\$	\$
Revaluation surplus	64,326	64,326

#### a. Revaluation surplus

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

### 18. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2024 (2023: None).

### 19. Related parties

#### a. The Company's main related parties are as follows:

##### Key management personnel

Key management personnel includes any person having authority or responsibility for planning, directing or controlling the activities of the entity, directly or indirectly including any Director (whether executive or otherwise) of that company.

##### Transactions with key management personnel and related parties

No key management personnel or related party has entered into any contracts with the company. No Director fees have been paid as the positions are held on a voluntary basis.



# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 19. Related parties (continued)

#### b. Key management personnel shareholdings

The number of ordinary shares in Boorowa Community Financial Services Limited held by each key management personnel of the company during the financial year is as follows:

	2024	2023
Sue-Anne Corcoran	5,000	5,000
Michelle Fahey (jointly held with spouse)	500	500
Christine Coble (jointly held with spouse)	600	600
Belinda Reid	100	100
Tim McGrath	500	500
Thomas Corcoran	500	500
Phillip Gorham	5,000	5,000
Melanie Whitechurch	500	500

There was no movement in key management personnel shareholdings during the year other than as shown. Each share held has a paid up value of \$1 and is fully paid.

#### c. Other key management transactions

There have been no other transactions involving equity instruments other than those described above.

### 20. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2024	2023
	\$	\$
Profit for the year	287,867	269,761
<b>Add / (less) non-cash items:</b>		
Depreciation and amortisation	11,666	14,295
<b>Changes in assets and liabilities:</b>		
(increase) / decrease in receivables	13,037	(48,705)
(increase) / decrease in other assets	6,566	6,077
(increase) / decrease in deferred tax assets	(3,163)	307
increase / (decrease) in payables	(973)	1,222
increase / (decrease) in tax provision	45,398	81,837
increase / (decrease) in employee benefits	1,258	1,094
increase / (decrease) in other liabilities	13,214	27,108
<b>Cash flows from operations</b>	<b>374,870</b>	<b>352,996</b>

# Boorowa Community Financial Services Limited

## Notes to the financial statements

For the 6 months ended 31 December 2023

### 21. Events occurring after the reporting date

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

### 22. Statutory information

The registered office of the Company is:

Boorowa Community Financial Services Limited  
32 Marsden Street  
Boorowa NSW Australia  
2586

The principal place of business of the Company is:

Boorowa Community Financial Services Limited  
32 Marsden Street  
Boorowa NSW Australia  
2586

# Boorowa Community Financial Services Limited

## Directors' declaration

The directors of the Company declare that:

The financial statements and notes for the half-year ended 31 December 2023 are in accordance with the *Corporations Act 2001* and:

- comply with Australian Accounting Standards; and
- give a true and fair view of the financial position as at 31 December 2023 and of the performance for the half-year ended on that date of the Company.

In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

This declaration is made in accordance with a resolution of the Board of Directors.

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Sue-Anne Corcoran  
Director

Dated: 27/2/2024

# Independent audit report to the members of Boorowa Community Financial Services Limited

## Report on the Audit of the Financial Report

### Opinion

We have audited the accompanying financial report of Boorowa Community Financial Services Limited (the Company), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the 6 months then ended, notes to the financial statements and the .

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

1. giving a true and fair view of the Company's financial position as at 31 December 2023 and of its financial performance for the 6 months ended; and
2. complying with Australian Accounting Standards and the *Corporations Act 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 Entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (the Code)* that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report 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 is free from material misstatement, whether due to fraud or error.

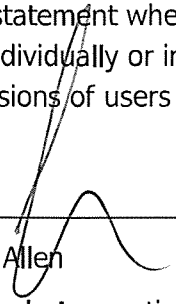
In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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



LATERALS

## Auditor's Responsibilities for the Audit of the Financial Report

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



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Tim Allen

Laterals Accounting Solutions  
213-215 Auburn Street,  
Goulburn NSW 2580

Dated 29-2-24



LATERALS