

# Annual Report 2023

Coleraine and District  
Financial Services Limited

Community Bank  
Coleraine

ABN 77 102 030 017

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# Chairman's report

For year ending 30 June 2023

I'm pleased to be reporting on Coleraine and District Financial Services (CDFS), a year of achievements and milestones; thank you to the dedicated contributions of my fellow Directors and our dynamic staff.

This has been another year of significant social change with the post impact of covid and the changing demographics impacting on how banking is undertaken. The banking industry has been for many years now expanding the opportunity for on-line transactions and communication with branch staff to be utilised as part of an education process for the transition. As part of the transition to on-line banking fraud has been flagged as a risk with all banks continuing to address building systems to offer better security resilience. It is expected customers will continue to choose how they bank, whether on-line or in person in branch for their significant transactions and communication as the time trusted way of doing their banking. This expected outcome demonstrates the need for local banking services into the future.

The impact of the Covid-19 pandemic continues to challenge our status quo. For our local community, it has continued to make us all think of how we communicate and carry out our lives. As a nation-wide trend, the number of people active in community service is diminishing making those that do actively engage even more valuable than in the past. CDFS along with partnering Community groups could not exist without the time given by those that volunteer their time. For those out in the community that are considering volunteering your time would be highly valued for your contribution.

Branch Manager Mary-Ann Summers has continued to strengthen our team beyond our greatest expectations along with becoming a respected and valued community member. I would like to formally acknowledge our current team; Katrina, Bethany, Bernadette, Ann and Tamara;

During the year we have said farewell to Bethany as she has moved on from her role with us and we wish her well. Bernadette has grown her family with the birth of another child and is currently on maternity leave and we congratulate her and look forward to having her back in the branch in the following year. We have welcomed Ann and Tamara to the team where they have settled in well to the task of training. I am sure under Mary-Ann's mentoring, all customers will continue to be provided with excellent professional service that they have become accustomed to.

Our banking partner Bendigo and Adelaide Bank Limited have continued their professional support via Jason Chuck our Regional Manager. Jason's enthusiasm, knowledge and dedication is a pleasure to work with, maintaining a strong working relationship. This relationship along with the efforts of our valued staff have contributed to building funds under management beyond the \$100 Million mark.

To the board of Directors of CDFS; I have great respect and appreciation to each and every one of you. Without your continued efforts behind the scenes Community Bank Coleraine & District would not have seen such a success. Andrew Povey, Beccy Wishart, Rhianna Paton, Grant Little, Steve Zippel, Geoff Mitchell, Janelle Tooley, Tim Leeming, Lisa Gartlan- Betinsky and Fran Malone; thank you for your continued support. We all value the skills and experience that you bring to this business and our community.

During the year Lisa Gartlan-Betinsky has retired from the board and we thank her for the expertise and experience she shared with us during her time on the board. We wish her well in her future endeavours.

Community Bank Coleraine & District continues to service the Casterton district. Our focus continues to build on and further strengthen our relationships within the community with a presence at Judith Cameron on Thursday mornings and a growing a presence in Balmoral on a regular basis.

Last September was eventful with our involvement in the Southern Grampians Shire Business Awards. We won the Regional Business category. It was fitting that we had Janelle as part of the delegation to the awards as she is the epitome of how our business has benefited the community and how the community is represented in CDFS. Janelle has always been strongly involved with the local community, especially with the youth of the area. As a staff member she was there when the doors of the Community Bank opened and now a valuable board member. Grant as one of the long-term Chairs and Mary-Ann to represent the contribution staff members have made since opening the doors. This the 20th year of operation with a total return to the community of over 1 million, it is time to reflect on the achievements of the last 20 years and contemplate the next 20 in a rapidly changing business environment. As a share-holder you can be proud of the contribution that CDFS has made to our communities' ongoing strength and resilience in the face of adversity.

During these rapidly changing times CDFS supports our community's future by providing sponsorship and grants through local community partnerships. The banking that you do, makes the investment in the community our business.

Finally, to our shareholders, I thank you for your continued support, without you, we would not have been able to establish the business that has been serving our local community for 20 years. In the last twelve months we have made investment in contributing to the improvement of district business/ community and with the communities support we hope to continue our investment to improve all our lives into the future.

A handwritten signature in black ink, appearing to read 'Simon Ferrier', with a large, sweeping flourish at the end.

**Simon Ferrier**

**Chairman of Coleraine and District Financial Services Limited**

# Branch Manager's report

For year ending 30 June 2023

I'm very happy to again be presenting my Branch Managers Report to you, our supporters and shareholders.

Today there are more than 300 Community Bank branches throughout Australia, partnering with one of Australia's largest retail banks, and providing banking services to customers who want their banking to make a difference to their local communities.

To date, more than \$292 million has been returned communities just like ours across Australia.

## Customers

It's been a big year, with life returning to normal after 2-3 years Covid. We know that it's still around, but I believe that we've learned to live with it, adapting our working habits, our banking habits, and our social habits so that we can continue to be a functioning community.

More people use Bendigo Bank's website, online banking and the Bendigo Bank App to transact and complete their everyday banking than ever before. Cheques now make up 0.2% of non-cash retail payments in Australia. Along with other major Australian banks, Bendigo Bank is making changes to cheque payments over the coming year. Customers should prepare for the upcoming removal of all cheque payment services (cheque books, bank cheques and cheque deposits), as we move towards the overall removal of cheques as a payment service. We realise some customers still rely on cheque books to pay bills, buy groceries and get cash and this change may be challenging for them. The branch team at Community Bank Coleraine & District are committed to assisting our customers adapt to the 'new now'.

We are still available in branch for face-to-face meetings, technology training and assistance, and fraud & scam awareness and support.

We've added to our representation in our surrounding towns by continuing to deliver our services to Casterton (Thursday mornings), and expanding this to Harrow (Friday mornings) and Balmoral (Wednesday mornings). We're grateful to Judith Cameron for her continued support of our visitations, and to the Harrow and Balmoral Bush Nursing Centres for allowing us to use their facilities.

Over the last year funds under management for Community Bank Coleraine & District has grown from \$107.5M to \$108.5M, with the number of customers remaining above 2000.

With the increased use of technology, teller transactions have dropped from 11,312 last year to 10,400 this year, and the number of accounts has risen to 3,353. This has been due to several factors, including the good work that our team have done making sure that our customers have the accounts that they need, and the support of you, our customers.

## Staff

Ann and Katrina continue to assist our customers and are the backbone of our branch, providing professional and knowledgeable service to our customers and support to myself.

We welcomed Tamarra to the team, and we said goodbye to Bethany, to whom we send our best wishes for her future endeavours. Bernadette decided to expand her family and has been on maternity leave since December, and is due to return in December 2023.

There has been a lot of change in the Agribusiness area, with our previous Agri Manager Alex Fraser taking another role, and our replacement manager Nikki Vrankovic now on maternity leave. We continue to provide Agri business support via our Mildura representative Damien Goodrem who regularly visits the area to provide support to our customers and our branch.

Our Small Business Manager is now Anna Watson (previously Dunkeld Branch manager) who very ably supports our business customers, along with the Business Bankers who help us with our bigger Business and Commercial lending requirements.

Belinda Palmer also continues to support us in her role as our Farm/Small Business Insurance Specialist.

## **Board of Directors & Shareholders**

As always, it's been a busy year for our directors who volunteer their time to help grow Community Bank Coleraine & District, and to assist the communities of Coleraine, Casterton, Merino, Balmoral and Harrow with the allocation of sponsorship and grant monies. Their time and efforts are greatly appreciated by our staff, as it allows us to concentrate on looking after our customers, and we thank them for this.

Sponsorships included support to Coleraine Racing Club, Coleraine P&A Society, Casterton Football Netball Club, Coleraine Football Netball Club, the Balmoral Bush Nursing Centre and the Harrow Balmoral Football Netball club. Our regular sponsorships of these and many more community groups have continued, and we are pleased to see them all getting back onto a normal footing for their sports and fundraising activities.

This support is only able to be made because of you, our customers, supporting Community Bank Coleraine & District and trusting Bendigo Bankus with your bank accounts, your insurance policies, and your lending. Every new account, loan or insurance policy with Community Bank Coleraine & District adds to the money available to support our communities.

## **In Closing**

Now in our 4th year of being the Southwest Vic Region, we're no longer 'New' but are a well established group of branches that support each other and work well as a team, alongside the Regional Office support team.

We'd like to thank our Regional Manager Jason Chuck for his support and commitment over the last 12 months and look forward to the next 12 months growing our Regions' prosperity alongside them, and with their continued support.

The Community Bank model says that every time people bank with their local Community Bank branch, the bottom line increases, which in turn increases the amount of community contributions and dividends available to be disbursed to the community.

This remains true with Community Bank Coleraine & District.

We have now contributed funds of over \$1,155,000 directly back into the communities of Coleraine, Casterton, Merino, Harrow and Balmoral, and this has happened because people like you have chosen to bank with Community Bank Coleraine & District.

We look forward to our next milestone of \$1.25m back to the community, and to celebrating our 21st birthday!

If you know someone who'd like to bank with Community Bank Coleraine & District but is unsure of how to take the first step, please tell them to give us a call! We're happy to talk to anyone who wants to support their local community this way and are available at any time to answer questions.

We believe that banking is more than just about profits, it's about giving back to our communities, and seeing them grow and thrive. And that's a benefit for everyone!

## **Mary-Ann Summers**

Branch Manager

# Community Bank National Council Chair Report

## For year ending 30 June 2023

As a shareholder in your local Community Bank, you belong to an incredible social enterprise network that to date has reinvested more than \$300 million in our local communities.



COMMUNITY BANK  
NATIONAL COUNCIL

And now, as we celebrate our 25th anniversary milestone, we are evolving even further by sharpening our focus on our community enterprises – separate to the banking side of the business. We are uniting our Community Bank companies through a shared vision of being the most influential network of social enterprises in Australia. This means we'll have a bigger and better story to tell about how we collectively deliver impact.

Our future is together because of our extraordinary strength and aligned partnership with each other, and with our partner, Bendigo and Adelaide Bank. Our partnership with the Bank has been fashioned out of shared effort, risk and reward and it continues to serve us well.

And now even with the digital evolution upon us, the foundation of our future still relies on the guiding principles of the Community Bank model. We are community enterprises and the custodians of this incredible model that collaborates with local communities for social good. The objective of our Community Bank network remains the same. Our evolution will be evidenced by the channels that we use to connect with our customers and communities, digital by design and human where it matters. The Community Bank network was a first mover in Australia with its unique social enterprise model. The first Community Bank opened its doors in 1998, and since then, the network has grown to 307 Community Bank branches. The network represents a diverse cross-section of Australia with 240 social enterprises, 70,000+ shareholders, 1600+ volunteer directors, 1600+ staff and 905,000 customers located in metro, regional, rural and remote locations across the country. The Community Bank network creates impact through grants, donations and sponsorships that connect with and care for generations of Australians. Network investment ranges from sport, scholarships and school programs, through to community groups, cultural organisations and local councils. We also facilitate and attract partnerships to help support much needed community projects. The Community Bank National Council (CBNC) is the voice of the Community Bank network. The role of the CBNC is to advocate and influence on behalf of the 240 community enterprises with its partner. It has also been the role of the CBNC to oversee the development of the Community Network Strategy which exists to ensure the ongoing sustainability of this unique collective of social enterprises.

In September this year our Community Bank network celebrates 25 years. It's a tremendous milestone and one which we're hugely proud of achieving. We have never been stronger and we look forward to continuing to serve our shareholders, customers and communities as we embrace our exciting future.

Warm regards  
**Sarah Franklyn**

CBNC Chair

**COLERAINE AND DISTRICT FINANCIAL SERVICES LIMITED**  
**Community Grants, Donations & Sponsorships**  
Approved For Year ended 30th June 2022

**Tertiary/Schools:**

• St Joseph’s Primary School – Swimming Program	\$ 500	
• Coleraine Primary School – Swimming Program & Disco	\$ 1,400	
• Bendigo Bank Tertiary Scholarship Program x 2 recipients	\$ 4,000	
• Glenelg & Southern Grampians LLEN Youth Leadership Program	\$ 1,000	<b>\$ 6,900</b>

**Sporting:**

• Harrow/Balmoral Football & Netball Club (1st year of 3 year deal)	\$ 5,000	
• Coleraine Football & Netball Club (1st year of 3 year deal)	\$ 5,000	
• Coleraine Bowling Club – Season Sponsorship Sign, Tournament & Greens Cleaner	\$ 2,650	
• Coleraine Golf Club – Advertising Board, Rolling Hills Tournament & Solar Panels	\$ 3,000	
• Coleraine Cricket Club	\$ 1,000	
• Coleraine Racing Club Sponsorship	\$ 2,000	
• Coleraine Basketball Association Skills Training Program	\$ 500	
• Casterton Polocrosse Club	\$ 500	
• Casterton-Sandford Football Netball Club (1st year of 3 year deal)	\$ 5,000	
• Casterton Motorcycle Club – Hill Climb	\$ 3,000	
• Casterton Bowls Club	\$ 300	
• Merino Golf Club	\$ 500	
• Wannon River Youth Camp	\$ 500	
• Wal Smith Cycling Club Event	\$ 500	
• Wando Vale Hall Dog Trial	\$ 250	<b>\$ 29,700</b>

**Community:**

• Coleraine Community Car – Fuel (Western District Health Service)	\$ 1,000	
• Coleraine P & A Society – Fireworks display (1st year of 3 year deal)	\$ 5,000	
• Coleraine Pedal Car Grand Prix	\$ 500	
• Coleraine Karingal Senior Citizens	\$ 1,700	
• Coleraine Art & Photography Show	\$ 450	
• Casterton P&A Society (1st year of 3 year deal)	\$ 3,000	
• Gorman’s Art Gallery – Clarice Beckett Art Award	\$ 350	<b>\$ 12,000</b>

**Charitable:**

• Parkville Youth Detention Centre	\$ 400	
• Coleraine CFA	\$ 400	<b>\$ 800</b>

**Community Grants:**

• Pigeon Ponds Cricket Club Redevelopment	\$10,000	
• St Joseph’s Primary School – Covered Outdoor Learning Area	\$ 6,000	<b>\$ 16,000</b>

**GRAND TOTAL:** **\$65,400**

\*\* The above projects were approved by the Board during 2022/2023 and some will be expended in 2023/2024 \*\*



## Coleraine & District Financial Services Limited

ABN 77 102 030 017

Directors' Report

For the year ended 30 June 2023

The Directors present their report, together with the financial statements, on Coleraine & District Financial Services Limited for the financial year ended 30 June 2023.

### Board of Directors

The following persons were Directors of Coleraine & District Financial Services Limited during the whole of the financial year up to the date of this report, unless otherwise stated:

#### SIMON RODERICK FERRIER

Title:	Chair
Qualifications:	Advanced Diploma in Applied Science Farm Management
Experience & Expertise:	Training co-ordinator at RIST, lecturer/Project Officer at Murrumbidgee College of Agriculture, Consultant World Food Program (Cambodia & Thailand), Teacher in Papua New Guinea, Mechanic with Dept. Crown Lands & Survey.

#### ANDREW POVEY

Title:	Deputy Chair
Qualifications:	Qualified Plumber and Gasfitter. Certificate IV In Business (Front line Management).
Experience & Expertise:	Employed at Wannon Water as Team Leader Civil Maintenance. Life Member Hamilton and District Cricket Association. Past President of three years with Coleraine Football Netball Club. Seven years as Manager of Junior Football within Coleraine Football Netball Club. Current Football Manager South West District Football Netball League.

#### RHIANNA PATON

Title:	Treasurer
Qualifications:	Certificate III in Financial Services (Accounts/Clerical), Certificate IV Procurement and Contracting
Experience & Expertise:	Worked at WDHS since 2003 with experience in many roles within finance. Currently employed under aged care sector. Heavily involved on the St Josephs Primary School advisory council and parent committee. Previously held positions on Coleraine Kindergarten COM for 6 years.

#### GRANT JAMES LITTLE

Title:	Director
Qualifications:	Masters of Business Management
Experience & Expertise:	25 years managing Nareen Station Pty Ltd, Chairman of the Coleraine Hospital Advisory Committee, local CFA captain.

#### JANELLE TOOLEY

Title:	Director
Qualifications:	Certificate III Financial Services
Experience & Expertise:	Employed as 'SWL Coordinator' supporting senior secondary students connect with work placements to support VET studies and supporting careers pathways within the regional secondary schools. Currently school council member for Baimbridge College for past 5 years. Past employee of the Coleraine & District Financial Services from branch opening until 2016.

#### REBECCA WISHART

Title:	Director - Company Secretary
Qualifications:	Bachelor of commerce (Accounting), CPA completed 2009, UNSW SMSF Specialisation
Experience & Expertise:	Been working in the accounting industry since graduating in 2004. From 2007 to now have solely worked in the self managed superfund sector. Been a director of Grampians Accounting services since 2009 - which is my current employer. Was also treasurer of the Coleraine Football Netball Club for 7 years.

**Coleraine & District Financial Services Limited****ABN 77 102 030 017**

Directors' Report

For the year ended 30 June 2023

**GEOFF MITCHELL**

Title:	Director
Qualifications:	
Experience & Expertise:	Past president of the Young Farmers, past president and life member of the Casterton Apex Club, past president and life member of the Casterton - Sandford Football Netball Club, past captain of the Sandford Rural Fire brigade and still active in this organisation, current owner / manager of Moredun Hill Pastoral Co.

**STEVE ZIPPEL**

Title:	Director
Qualifications:	Qualified Carpenter / Joiner
Experience & Expertise:	30 years building experience. Presently employed at Casterton Memorial Hospital as maintenance supervisor.

**FRAN MALONE**

Title:	Director - Minutes Secretary
Qualifications:	
Experience & Expertise:	Administration/reception at F.T Burnett's in Dandenong. Moved into the banking sector as an administration manager with Westpac Commercial Bank in Geelong and then career was furthered by working in the Financial Planning sector for over 20 years. Became head trainer of advisers and administration staff under the Lonsdale banner from 1979 to 2004. Relocated to QLD in 2004 and worked as Commercial Administration Manager in Peabody Mine at Coppabella. Retired to Coleraine in 2017.

**TIMOTHY LEEMING**

Title:	Director
Qualifications:	Diploma of Agriculture. Cert 4 in Workplace Training and Assessment
Experience & Expertise:	Co owner and Manager of Paradoo Prime 1997 - Current. Program Leader RIST 99-2003. Life Member of the Harrow Balmoral FNC. Regional Chair Southern Australian Livestock Research Council 2015-2019. Bestwool Bestlamb Advisory 2014-2019. Facilitated Glenelg Bestwool Bestlamb Group 2006-2019. Former President of Harrow Balmoral FNC, Balmoral P & A Society, Tussock Jumpers Fundraising. Current Pres Mullagh Championships. Capt Pigeon Ponds CFA. Deliverer of various extension programs in Ag.

Directors were in office for this entire year unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the Company.

**Directors' Meetings**

Attendances by each Director during the year were as follows:

Director	Board Meetings	
	A	B
SIMON RODERICK FERRIER	11	11
ANDREW POVEY	11	6
RHIANNA PATON	11	8
GRANT JAMES LITTLE	11	8
JANELLE TOOLEY	11	9
REBECCA WISHART	11	10
GEOFF MITCHELL	11	11
STEVE ZIPPEL	11	7
FRAN MALONE	11	7
TIMOTHY LEEMING	11	8

## Coleraine & District Financial Services Limited

ABN 77 102 030 017

Directors' Report

For the year ended 30 June 2023

A - The number of meetings eligible to attend.

B - The number of meetings attended.

-- Not a member of that committee.

### Company Secretary

The following person held the position of Company Secretary at the end of the financial year.

#### REBECCA WISHART

**Experience & Expertise:** Rebecca Wishart has been the Company Secretary of Coleraine & District Financial Services Limited since 2017. Rebecca's qualifications and experience include a Bachelor of Commerce and CPA registration.

### Principal Activities

The principal activities of the Company during the course of the financial year were in providing Community Bank branch services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

There has been no significant changes in the nature of these activities during the year.

### Operating Results

The profit of the Company for the financial year after provision for income tax was:

	30 June 2023	30 June 2022	Movement
<b>Profit After Tax</b>	121,036	-122	99310%

### 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.

### Dividends

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

	Cents per Share	Total Amount
Final fully franked dividend	0.00	\$NIL
<b>Total Amount</b>	<b>0.00</b>	<b>\$NIL</b>

### Options

No options over issued shares were granted during or since the end of the financial year and there were no options outstanding as at the date of this report.

### **Significant Changes in the State of Affairs**

In the opinion of the directors there were no other significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or the financial statements.

### **Events Since the end of the Financial Year**

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

### **Likely Developments**

The Company will continue its policy of providing banking services to the community.

### **Environmental Regulations**

The Company is not subject to any significant environmental regulation.

### **Indemnification & Insurance of Directors & Officers**

The Company has indemnified all directors and the managers in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or managers 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. The Company has not provided any insurance for an auditor of the company or a related body corporate.

### **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*.

### **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 in this financial report.

Signed in accordance with a resolution of the Board of Directors at Coleraine, Victoria.

  
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**Grant Little**

Chair/Director

Dated this 12th day of September, 2023

**Auditor's Independence Declaration**

As lead auditor for the audit of Coleraine & District Financial Services Ltd for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Coleraine & District Financial Services Limited.

*McLaren Hunt*

**MCLAREN HUNT**  
**AUDIT AND ASSURANCE**

*N.L. McClean*

**N.L. MCLEAN**  
**PARTNER**

Dated at Warrnambool, 14 September 2023

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**Coleraine & District Financial Services Limited**  
**ABN 77 102 030 017**

**Statement of Profit or Loss**  
**For the year ended 30 June 2023**

	Note	2023 \$	2022 \$
<b>Revenue</b>			
Revenue from contracts with customers	5	912,654	524,507
Other revenue	6	62,432	23,182
Finance income	7	6,572	882
		<b>981,658</b>	<b>548,571</b>
<b>Expenses</b>			
Employee benefits expense	8	(320,794)	(261,325)
Depreciation and amortisation	8	(46,699)	(39,676)
Other expenses		(138,478)	(151,276)
		<b>(505,971)</b>	<b>(452,277)</b>
<b>Operating profit before charitable donations and sponsorship</b>		<b>475,687</b>	<b>96,294</b>
Charitable donations and sponsorship	8	(293,795)	(102,595)
<b>Profit/(loss) before income tax</b>		<b>181,893</b>	<b>(6,301)</b>
Income tax (expense)/benefit	9	(60,857)	6,179
<b>Profit/(loss) for the year after income tax</b>		<b>121,036</b>	<b>(122)</b>
<b>Total comprehensive income attributable to ordinary shareholders of the company</b>		<b>121,036</b>	<b>(122)</b>
<b>Earnings per share</b>		<b>¢</b>	<b>¢</b>
- basic and diluted earnings per share	28	25.78	(0.03)

The accompanying notes form part of these financial statements

**Coleraine & District Financial Services Limited**  
**ABN 77 102 030 017**

Statement of Financial Position  
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	57,560	108,794
Trade and other receivables	11	94,610	60,917
Financial assets	12	421,667	317,067
Current tax asset	17	-	2,898
Other assets	13	7,267	5,650
<b>Total current assets</b>		<b>581,104</b>	<b>495,326</b>
<b>Non-current assets</b>			
Property, plant and equipment	14	89,745	81,020
Right-of-use assets	15	87,790	92,759
Intangible assets	16	64,248	10,289
Deferred tax assets	17	-	-
<b>Total non-current assets</b>		<b>241,783</b>	<b>184,068</b>
<b>Total assets</b>		<b>822,887</b>	<b>679,394</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	18	20,571	25,516
Current tax liability	17	43,362	-
Provisions	27	9,188	32,863
Lease liabilities	19	9,944	10,188
Employee benefits	20	8,858	14,520
<b>Total current liabilities</b>		<b>91,923</b>	<b>83,087</b>
<b>Non-current liabilities</b>			
Lease liabilities	19	86,711	90,766
Employee benefits	20	6,252	2,120
Deferred tax liability	17	27,302	13,758
<b>Total non-current liabilities</b>		<b>120,265</b>	<b>106,644</b>
<b>Total liabilities</b>		<b>212,188</b>	<b>189,731</b>
<b>Net assets</b>		<b>610,699</b>	<b>489,663</b>
<b>Equity</b>			
Issued capital	21	469,472	469,472
Retained earnings	22	141,227	20,191
<b>Total equity</b>		<b>610,699</b>	<b>489,663</b>

**Coleraine & District Financial Services Limited**  
**ABN 77 102 030 017**

Statement of Changes in Equity  
For the year ended 30 June 2023

	Note	Issued Capital \$	Retained Earnings \$	Total Equity \$
<b>Balance at 1 July 2021</b>		<b>496,472</b>	<b>53,176</b>	<b>549,648</b>
<b>Comprehensive income for the year</b>				
Profit for the year		-	(122)	(122)
Other comprehensive income for the year		-	-	-
<b>Transactions with owners in their capacity as owners</b>				
Dividends paid or provided	27	-	32,863	32,863
<b>Balance at 30 June 2022</b>		<b>496,472</b>	<b>85,917</b>	<b>582,389</b>
<b>Balance at 1 July 2022</b>		<b>496,472</b>	<b>85,917</b>	<b>582,389</b>
<b>Comprehensive income for the year</b>				
Profit for the year		-	121,036	121,036
Other comprehensive income for the year		-	-	-
<b>Transactions with owners in their capacity as owners</b>				
Dividends paid or provided	27	-	-	-
<b>Balance at 30 June 2023</b>		<b>496,472</b>	<b>206,953</b>	<b>703,425</b>



**Coleraine & District Financial Services Limited**  
**ABN 77 102 030 017**

Statement of Cash Flows  
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		1,025,926	535,200
Payments to suppliers and employees		(847,971)	(505,693)
Interest paid		(1,018)	-
Interest received		6,572	753
Income tax paid		(1,053)	657
<b>Net cash flows provided by operating activities</b>	23b	<b>182,456</b>	<b>30,917</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		6,272	1,000
Purchase of property, plant and equipment		(36,233)	(2,136)
Purchase of investments		(108,560)	(782)
Purchase of intangible assets		(67,193)	-
<b>Net cash flows used in investing activities</b>		<b>(205,714)</b>	<b>(1,918)</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(4,301)	(6,292)
Dividends paid		(23,675)	-
<b>Net cash flows used in financing activities</b>		<b>(27,976)</b>	<b>(6,292)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(51,234)</b>	<b>22,707</b>
Cash and cash equivalents at beginning of financial year		108,794	86,087
<b>Cash and cash equivalents at end of financial year</b>	23a	<b>57,560</b>	<b>108,794</b>

**Notes to the Financial Statements**  
**For the year ended 30 June 2023**

**Note 1. Corporate Information**

These financial statements and notes represent those of Coleraine & District Financial Services Limited (the Company) as an individual entity. Coleraine & District Financial Services Limited is a company limited by shares, incorporated and domiciled in Australia. The financial statements were authorised for issue by the Directors on 12th September 2023.

Further information on the nature of the operations and principal activity of the Company is provided in the directors' report.

**Note 2. Basis of Preparation**

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, 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.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar, unless otherwise stated.

**Note 3. Summary of Significant Accounting Policies**

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

**(a) Economic Dependency**

The Company has entered into a franchise agreement with Bendigo and Adelaide Bank Limited that governs the management of the Community Banks branch in Coleraine.

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.

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.

**Note 3. Summary of Significant Accounting Policies (continued)**

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
- 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.

**(b) Revenue From Contracts With Customers**

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:

Revenue	Includes	Performance Obligation	Timing of Recognition
Franchise agreement profit share	Margin, commission and fee income	When the Company satisfies its obligation to arrange the services to be provided to the customer by the supplier (Bendigo & Adelaide	On completion of the provision of the relevant service. Revenue is accrued monthly and paid within 10 business days of month end

All revenue is stated net of the amount of Goods and Services Tax (GST).

### **Note 3. Summary of Significant Accounting Policies (continued)**

#### Revenue Calculation

The franchise agreement provides that three forms of revenue may be earned by the Company – 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
<i>plus</i>
Deposit returns (i.e. interest return applied by BABL on deposits)
<i>minus</i>
Any costs of funds (i.e. interest applied by BABL to fund a loan)

The Company is entitled to a share of the margin earned by Bendigo and Adelaide 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 and Adelaide Bank 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 and Adelaide Bank may change the form and amount of financial return that the Company receives. The reasons it may make a change include changes in industry or economic conditions or changes in the way Bendigo and Adelaide 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. The effect of the change on the revenue earned by the company is entirely dependent on the change.

Bendigo and Adelaide 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 and Adelaide Bank's margin at that time. For other products and services, there is no restriction on the change Bendigo and Adelaide Bank may make.

**Note 3. Summary of Significant Accounting Policies (continued)**

**(c) Other Revenue**

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	Revenue Recognition Policy
Discretionary financial contributions (also "Market Development Fund" or "MDF" income)	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.
Other income	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 Goods and Services Tax (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.

**(d) Employee Benefits**

**Short-term Employee Benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for salary and wages (including non-monetary benefits), annual leave, and sick leave which are expected to be wholly settled within 12 months of the reporting date. They are measured at amounts expected to be paid when the liabilities are settled, plus related on-costs. Expenses for non-accumulating sick leave are recognised 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.

**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 estimate future cash outflows.

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

**Note 3. Summary of Significant Accounting Policies (continued)**

**(e) Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

**Current Income 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.

**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.

**Goods & Services Tax**

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.
- when receivables and payables are stated with the amount of GST included.

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.

**(f) Cash & Cash Equivalents**

For the purposes of the statement of financial position and statement of cash flows, cash and cash equivalents comprise: cash on hand, deposits held with banks, and short-term, highly liquid investments (mainly money market funds) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**Note 3. Summary of Significant Accounting Policies (continued)**

**(g) Property, Plant & Equipment**

Recognition & Measurement

Items of property, plant and equipment are measured at cost or fair value as applicable, which includes capitalised borrowings costs, less accumulated depreciation and any accumulated impairment losses.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is calculated to write-off the cost of items of property, plant and equipment less their estimated residual values using diminishing value method over their estimated useful lives, and is recognised in profit or loss.

The depreciation rates applicable to the estimated useful lives of property, plant and equipment for the current and comparative periods are as follows:

Asset Class	Method	Rate
Leasehold improvements	Straight line	2.5 - 5%
Plant & equipment	Diminishing value / Straight line	10 - 20%
Motor vehicles	Diminishing value	25%

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

**(h) Intangible Assets**

Intangible assets of the Company include the franchise fees paid to Bendigo Bank conveying the right to operate the Community Bank franchise.

Recognition & Measurement

Intangible assets acquired separately are measured on initial recognition at cost.

Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill, is recognised in profit or loss as incurred.

Amortisation

Intangible assets 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
Franchise fee	Straight line	Franchise term (5 years)

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

**Note 3. Summary of Significant Accounting Policies (continued)**

**(k) Issued Capital**

Ordinary Shares

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

**(l) Leases**

As Lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for leases of property the company has elected not to separate lease and non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the costs of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from funding sources and where necessary makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual guarantee; and
- the exercise price under a purchase option the Company is reasonable certain to exercise, lease payments in an option renewal period if the company is reasonably certain to exercise that option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

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 zero.



**Note 3. Summary of Significant Accounting Policies (continued)**

Short-term Leases & Leases of Low-value Assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of short-term leases and low-value assets, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

A short-term lease is a lease that, at commencement date, has a lease term of 12 months or less.

As Lessor

The Company has not been a party in an arrangement where it is a lessor.

**(m) Standards Issued But Not Yet Effective**

There are no new standards effective for annual reporting periods beginning after 1 July 2022 that are expected to have a significant impact on the Company's financial statements.

**(n) Comparative Figures**

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**Note 4. Significant Accounting Judgements, Estimates & Assumptions**

During preparation of the financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual outcomes and balances may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to these estimates are recognised prospectively.

**(a) Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note	Judgement
Note 7 - Revenue	Whether revenue is recognised over time or at a point in time
Note 19 - Leases:	
(a) Control	Whether a contract is or contains a lease at inception by assessing whether the Company has the right to direct the use of the identified asset and obtain substantially all the economic benefits from the use of that asset
(b) Lease term	Whether the Company is reasonably certain to exercise extension options, termination periods, and purchase options
(c) Discount rates	Judgement is required to determine the discount rate, where the discount rate is the Company's incremental borrowing rate if the rate implicit in the lease cannot be readily determined. The incremental borrowing rate is determined with reference to factors specific to the Company and underlying asset including: <ul style="list-style-type: none"> <li>• the amount</li> <li>• the lease term</li> <li>• economic environment</li> <li>• any other relevant factors</li> </ul>

**Note 4. Significant Accounting Judgements, Estimates & Assumptions (continued)**

**(b) Assumptions & Estimation Uncertainty**

Information about assumptions and estimation uncertainties at 30 June 2023 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

<b>Note</b>	<b>Assumption</b>
Note 17 - Recognition of deferred tax assets	Availability of future taxable profit against which deductible temporary differences and carried-forward tax losses can be utilised
Note 14 - Estimation of asset useful lives	Key assumptions on historical experience and the condition of the asset
Note 20 - Long service leave provision	Key assumptions on attrition rate of staff and expected pay increases through promotion and inflation

**Note 5. Revenue From Contracts With Customers**

Revenue arises from the rendering of services through its franchise agreement with the Bendigo and Adelaide Bank Limited. The revenue recognised is measured by reference to the fair value of consideration received or receivable, excluding sales taxes, rebates, and trade discounts.

	2023	2022
	\$	\$
<b>Revenue</b>		
- Revenue from contracts with customers	912,654	524,507
Disaggregation of Revenue From Contracts With Customers		
- Margin income	762,499	351,046
- Fee income	37,091	42,836
- Commission income	113,064	130,625
	<b>912,654</b>	<b>524,507</b>

All revenue from contracts customers shown above was recognised at a point in time. There was no revenue from contracts with customers recognised over time during the financial year.

**Note 6. Other Revenue**

The Company generates other sources of revenue as outlined below.

	2023	2022
	\$	\$
<b>Other Revenue</b>		
- Market development fund income	13,118	21,667
- Other income	46,014	2,035
- Profit/(loss) on asset sale	3,300	(520)
	-	-
	<b>62,432</b>	<b>23,182</b>

**Note 7. Finance Income**

The Company holds financial instruments measured at amortised cost. Interest income is recognised at the effective interest rate.

	2023	2022
	\$	\$
<b>Finance Income</b>		
At amortised cost:		
- Interest from term deposits	6,572	882
	<b>6,572</b>	<b>882</b>

**Note 8. Expenses**

Profit before income tax from continuing operations includes the following specific expenses:

**(a) Employee Benefits Expense**

	2023	2022
	\$	\$
Employee Benefits Expense		
- Wages & salaries	276,686	223,391
- Superannuation costs	30,937	24,063
- Movement in provisions	(1,529)	3,425
- Other expenses related to employees	14,700	10,446
	<b>320,794</b>	<b>261,325</b>

**(b) Depreciation & Amortisation Expense**

	2023	2022
	\$	\$
Depreciation of Non-current Assets		
- leasehold improvements	15,381	16,235
- plant and equipment	511	489
- motor vehicles	8,645	1,126
	<b>24,537</b>	<b>17,850</b>
Depreciation of Right-of-use Assets		
- leased buildings	8,928	8,604
	<b>8,928</b>	<b>8,604</b>
Amortisation of Intangible Assets		
- franchise fees	13,234	13,222
	<b>13,234</b>	<b>13,222</b>
<b>Total depreciation &amp; amortisation expense</b>	<b>46,699</b>	<b>39,676</b>

The non-current tangible and intangible assets listed above are depreciated and amortised in accordance with the Company's accounting policy (see Note 3(g) and 3(h) for details).

**Note 8. Expenses (continued)**

**(d) Community Investments & Sponsorship**

The overarching philosophy of the Community Bank model, is to support the local community in which the Company operates. This is achieved by circulating the flow of financial capital into the local economy through community contributions (such as donations and grants).

	Note	2023 \$	2022 \$
Community Investments & Sponsorship			
- Direct sponsorship and grant payments		66,522	32,595
- Contribution to the Community Enterprise Foundation™	10(e)	227,273	70,000
		<b>293,795</b>	<b>102,595</b>

The funds contributed are held by the Community Enterprise Foundation (CEF) and are available for distribution as grants to eligible applicants for a specific purpose in consultation with the directors.

When the Company pays a contribution in to the CEF, the Company loses control over the funds at that point. While the directors are involved in the payment of grants, the funds are not refundable to the company.

**(e) Community Enterprise Foundation™ (CEF) Contributions**

During the financial year the Company contributed funds to the CEF, the philanthropic arm of the Bendigo Bank. These contributions paid in form part of community investments and sponsorship expenditure included in profit or loss.

	Note	2023 \$	2022 \$
Disaggregation of CEF Funds			
Opening balance		82,148	58,191
Contributions paid	10(d)	250,000	72,500
Grants paid out		(33,900)	(39,340)
Interest received		1,857	302
GST		(20,228)	(6,324)
Management fees incurred		(11,363)	(3,181)
Balance available for distribution		<b>268,515</b>	<b>82,148</b>

**Note 9. Income Tax Expense**

Income tax expense comprises current and deferred tax. Attributable current and deferred tax expense is recognised in the other comprehensive income or directly in equity as appropriate.

**(a) The Components of Tax Expense**

	2023	2022
	\$	\$
Current tax expense	43,362	(8,779)
Deferred tax expense	13,001	13,758
Under / (over) provision of prior years	4,494	1,200
	<b>60,857</b>	<b>6,179</b>

**(b) Prima Facie Tax Payable**

The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2023	2022
	\$	\$
Prima facie tax on profit / (loss) before income tax at 25% (2022: 25%)	45,473	(1,575)
Add Tax Effect Of:		
- Utilisation of previously unrecognised carried forward tax losses	-	-
- Under / (over) provision of prior years	4,494	1,200
- Non-deductible expenses	10,890	6,554
<b>Income tax attributable to the entity</b>	<b>60,857</b>	<b>6,179</b>
The applicable weighted average effective tax rate is:	-33.46%	-98.06%

Notes to the Financial Statements  
For the year ended 30 June 2023

**Note 10. Cash & Cash Equivalents**

	2023	2022
	\$	\$
Cash at bank and on hand	57,560	108,794
	<b>57,560</b>	<b>108,794</b>

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less. Any bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

**Note 11. Trade & Other Receivables**

	2023	2022
	\$	\$
<b>Current</b>		
Trade receivables	94,610	60,917
	<b>94,610</b>	<b>60,917</b>

Trade and other receivables are initially measured at the transaction price. Trade and other receivables are due for settlement usually no more than 30 days from the date of recognition.

The Company's main debtor relates to the Bendigo & Adelaide Bank monthly profit share distribution, which is deposited within a reasonable timeframe each month. There are no items that require the application of the lifetime expected credit loss model.

**Note 12. Financial Assets**

	2023	2022
	\$	\$
At Amortised Cost		
Term deposits	421,667	317,067
	<b>421,667</b>	<b>317,067</b>

Term deposits classified as financial assets include only those with a maturity period greater than three months. Where maturity periods are less than three months, these investments are recorded as cash and cash equivalents.

**Note 13. Other Assets**

	2023	2022
	\$	\$
Prepayments	5,039	5,407
Accrued income	2,228	243
	<b>7,267</b>	<b>5,650</b>

Other assets represent items that will provide the entity with future economic benefits controlled by the entity as a result of past transactions or other past events.

**Coleraine & District Financial Services Limited**  
**ABN 77 102 030 017**

Notes to the Financial Statements  
For the year ended 30 June 2023

**Note 14. Property, Plant & Equipment**

**(a) Carrying Amounts**

	2023			2022		
	At Cost / Valuation	Accumulated Depreciation	Written Down Value	At Cost / Valuation	Accumulated Depreciation	Written Down Value
Leasehold improvements	161,357	100,810	60,547	161,357	85,429	75,928
Plant & equipment	14,668	11,999	2,669	13,204	11,489	1,715
Motor vehicles	34,769	8,240	26,529	9,588	6,211	3,377
<b>Total</b>	<b>210,794</b>	<b>121,049</b>	<b>89,745</b>	<b>184,149</b>	<b>103,129</b>	<b>81,020</b>

**(b) Movements in Carrying Amounts**

2023	Leasehold Imp.	Plant & Equipment	Motor Vehicles
	\$	\$	\$
Opening carrying value	75,928	1,716	3,377
Additions	-	1,464	34,769
Disposals	-	-	(2,972)
Depreciation expense	(15,381)	(511)	(8,645)
<b>Closing carrying value</b>	<b>60,547</b>	<b>2,669</b>	<b>26,529</b>

2022	Leasehold Imp.	Plant & Equipment	Motor Vehicles
	\$	\$	\$
Opening carrying value	90,027	3,724	4,503
Additions	2,136	-	-
Disposals	-	(1,519)	-
Depreciation expense	(16,235)	(489)	(1,126)
<b>Closing carrying value</b>	<b>75,928</b>	<b>1,716</b>	<b>3,377</b>

**(c) Capital Expenditure Commitments**

The entity does not have any capital expenditure commitments as at 30 June 2023 (2022: None).

**(d) 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.



**Note 15. Right-of-use Assets**

Right-of-use assets are measured at amounts equal to the present value of enforceable future payments on the adoption date, adjusted for lease incentives, make-good provisions, and initial direct costs.

The Company derecognises right-of-use assets at the termination of the lease period or when no future economic benefits are expected to be derived from the use of the underlying asset.

The Company's lease portfolio includes buildings.

Options to Extend or Terminate

The option to extend or terminate is contained in the property lease of the Company. All extension or termination options are only exercisable by the Company. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use asset.

AASB 16 Amounts Recognised in the Statement of Financial Position

	Leased Buildings \$	Total ROU Asset \$
Leased asset	123,502	123,502
Depreciation	(35,712)	(35,712)
	<b>87,790</b>	<b>87,790</b>

AASB 16 Amounts Recognised in the Statement of Profit or Loss and Other Comprehensive Income

	2023 \$	2022 \$
Depreciation expense related to right-of-use assets	8,928	9,604
Interest expense on lease liabilities	1,018	6,292

**Note 16. Intangible Assets**

**(a) Carrying Amounts**

	2023			2022		
	At Cost / Valuation	Accumulated Amortisation	Written Down Value	At Cost / Valuation	Accumulated Amortisation	Written Down Value
Franchise fee	67,193	2,945	64,248	66,111	55,822	10,289
	<b>67,193</b>	<b>2,945</b>	<b>64,248</b>	<b>66,111</b>	<b>55,822</b>	<b>10,289</b>

**(b) Movements in Carrying Amounts**

2023	Franchise Fee \$
Opening carrying value	10,289
Additions	67,193
Disposals	-
Amortisation expense	(13,234)
<b>Closing carrying value</b>	<b>64,248</b>

2022	Franchise Fee \$
Opening carrying value	23,511
Additions	-
Disposals	-
Amortisation expense	(13,222)
<b>Closing carrying value</b>	<b>10,289</b>

**Coleraine & District Financial Services Limited**  
**ABN 77 102 030 017**

Notes to the Financial Statements  
For the year ended 30 June 2023

**Note 17. Tax Assets & Liabilities**

**(a) Current Tax**

	2023 \$	2022 \$
Income tax payable/(refundable)	43,362	(2,898)

**(b) Deferred Tax**

Movement in the Company's deferred tax balances for the year ended 30 June 2023:

	30 June 2022 \$	30 June 2023 \$
<b>Deferred Tax Assets</b>		
- Expense accruals	1,158	2,162
- Property, plant & equipment	4,160	-
- Employee provisions	-	3,778
<b>Total deferred tax assets</b>	<b>5,318</b>	<b>5,940</b>
<b>Deferred Tax Liabilities</b>		
- Right-of-use assets	2,049	78
- Prepayments	(1,352)	(1,260)
- Accrued income	(61)	(557)
- Property, plant & equipment	(19,712)	(31,503)
<b>Total deferred tax liabilities</b>	<b>(19,076)</b>	<b>(33,242)</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>(13,758)</b>	<b>(27,302)</b>

Movement in the Company's deferred tax balances for the year ended 30 June 2022:

	30 June 2021 \$	30 June 2022 \$
<b>Deferred Tax Assets</b>		
- Expense accruals	1,200	1,158
- Unused tax losses	-	-
- Prepayments	-	(1,352)
- Employee provisions	3,304	4,160
<b>Total deferred tax assets</b>	<b>4,504</b>	<b>3,966</b>
<b>Deferred Tax Liabilities</b>		
- Right-of-use assets	1,471	2,049
- Accrued income	(29)	(61)
- Property, plant & equipment	(24,565)	(19,712)
<b>Total deferred tax liabilities</b>	<b>(23,123)</b>	<b>(17,724)</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>(18,619)</b>	<b>(13,758)</b>

Notes to the Financial Statements  
For the year ended 30 June 2023

**Note 18. Trade & Other Payables**

	2023	2022
	\$	\$
<b>Current</b>		
Trade creditors	5,292	5,815
GST	1,270	8,030
PAYGW	3,030	2,380
Other creditors and accruals	10,979	9,291
	<b>20,571</b>	<b>25,516</b>

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

**Note 19. 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 on the adoption date.

The discount rate used in calculating the present value of enforceable future payments takes into account the particular circumstances applicable to the underlying leased assets (including the amount, lease term, economic environment, and other relevant factors).

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

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.

**(a) Lease Liabilities**

Lease liabilities are presented in the consolidated statement of financial position as follows:

	2023	2022
	\$	\$
Current	9,944	10,188
Non-current	86,711	90,766

Notes to the Financial Statements  
For the year ended 30 June 2023

**Note 19. Lease Liabilities (continued)**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 30 June 2023 were as follows:

	Minimum lease payments due				
	< 1 Year	1 - 2 Years	3 - 5 Years	> 5 years	Total
<b>30 June 2023</b>					
Lease payments	9,944	18,996	26,397	30,381	85,718
<b>Net present values</b>	<b>9,944</b>	<b>18,996</b>	<b>26,397</b>	<b>30,381</b>	<b>85,718</b>
<b>30 June 2022</b>					
Lease payments	9,988	10,188	10,391	76,679	107,246
<b>Net present values</b>	<b>9,988</b>	<b>10,188</b>	<b>10,391</b>	<b>76,679</b>	<b>107,246</b>

**(b) Lease Payments Not Recognised as a Liability**

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

**Note 20. Employee Benefits**

	2023	2022
	\$	\$
<b>Current</b>		
Provision for annual leave	8,858	13,632
Provision for long service leave	-	888
	<b>8,858</b>	<b>14,520</b>
<b>Non-Current</b>		
Provision for long service leave	6,252	2,120
	<b>6,252</b>	<b>2,120</b>

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

Employee Attrition Rates

The Company uses historical employee attrition rates in determining the probability of an employee, at a given date, achieving continuous employment eligible for entitlement in accordance with long service leave legislation.

**Note 21. Issued Capital**

**(a) Issued Capital**

	2023		2022	
	Number	\$	Number	\$
Ordinary shares - fully paid	469,472	469,472	469,472	469,472
	469,472	469,472	469,472	469,472

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

**(b) Movements in share capital**

	2023	2022
	\$	\$
<i>Fully paid ordinary shares:</i>		
At the beginning of the reporting period	469,472	469,472
Shares issued during the year	-	-
<b>At the end of the reporting period</b>	<b>469,472</b>	<b>469,472</b>

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At the shareholders' meetings each shareholder is entitled to one vote when a poll is called, or on a show of hands. The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. All shares rank equally with regard to the company's residual assets.

**Note 22. Retained Earnings**

	Note	2023	2022
		\$	\$
Balance at the beginning of the reporting period		20,191	53,176
Profit/(loss) for the year after income tax		121,036	(122)
Dividends paid	27	-	(32,863)
<b>Balance at the end of the reporting period</b>		<b>141,227</b>	<b>20,191</b>

**Note 23. Cash Flow Information**

(a) Cash and cash equivalents balances as shown in the Statement of Financial Position can be reconciled to the Statement of Cash Flows as follows:

	Note	2023 \$	2022 \$
Cash and cash equivalents	12	57,560	108,794
As per the Statement of Cash Flows		<b>57,560</b>	<b>108,794</b>

(b) Reconciliation of cash flow from operations with profit/loss after income tax

	2023 \$	2022 \$
Profit/(loss) for the year after income tax	121,036	(122)
Non-cash flows in profit		
- Depreciation	33,466	31,072
- Amortisation	13,234	8,604
- Net (profit) / loss on disposal of property, plant & equipment	(3,300)	520
Changes in assets and liabilities		
- (Increase) / decrease in trade and other receivables	(35,310)	(13,138)
- (Increase) / decrease in prepayments and other assets	-	1
- (Increase) / decrease in deferred tax asset	13,544	(4,861)
- Increase / (decrease) in trade and other payables	(7,032)	6,076
- Increase / (decrease) in current tax liability	46,259	(661)
- Increase / (decrease) in provisions	560	3,426
<b>Net cash flows from operating activities</b>	<b>182,457</b>	<b>30,917</b>

**Note 24. Financial Instruments**

The following shows the carrying amounts for all financial instruments at amortised cost. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	2023 \$	2022 \$
<b>Financial Assets</b>			
Trade and other receivables	11	94,610	60,917
Cash and cash equivalents	10	57,560	108,794
Term deposits	12	421,667	317,067
		<b>573,837</b>	<b>486,778</b>
<b>Financial Liabilities</b>			
Trade and other payables	18	20,571	25,516
Lease liabilities	19	96,655	100,954
		<b>117,226</b>	<b>126,470</b>

**Note 25. Related Parties**

**(a) 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. The only key management personnel identified for the Company are the Board of Directors, the members of which are listed in the Directors' report.

**(b) Key Management Personnel Compensation**

Other than detailed below, no key management personnel or related party has entered into any contracts with the company. There has been a remuneration policy developed as executive directors receive a nominal amount for their services. All other positions are held on a voluntary basis and those directors do not receive remuneration.

	2023	2022
	\$	\$
Grant Little	-	1,500
Rebecca Wishart	1,625	1,625
Lisa Gartlan-Betinsky	-	375
Rhianna Paton	2,000	2,000
Simon Ferrier	2,000	500
Fran Malone	375	-
<b>Total key management personnel compensation</b>	<b>6,000</b>	<b>6,000</b>

**Short-term Employee Benefits**

These amounts include fees and benefits paid to the non-executive Chair and non-executive Directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to Executive Directors and other key management personnel.

**Post-employment Benefits**

These amounts are the current year's estimated cost of providing the Company's defined benefits scheme post-retirement, superannuation contributions made during the year and post-employment life insurance benefits.

**Other Long-term Benefits**

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

**Share-based payments**

These amounts represent the expense related to the participation of key management personnel in equity-settled benefits schemes as measured by the fair value of the options, rights and shares granted on grant date.

**(c) Other Related Parties**

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.



**Coleraine & District Financial Services Limited**  
**ABN 77 102 030 017**

Notes to the Financial Statements  
For the year ended 30 June 2023

**Note 25. Related Parties (continued)**

**(d) Key Management Personnel Shareholdings**

The number of ordinary shares in the Company held by each key management personnel during the financial year has been disclosed in the Director's Report.

**(e) Other Key Management Transactions**

There has been no other transactions key management or related parties other than those described above.

**Note 26. Auditor's Remuneration**

Amounts paid or due and payable to the Auditor, McLaren Hunt Audit & Assurance, are outlined below:

	2023	2022
	\$	\$
Audit & Review Services		
- Audit and review of financial report	2,090	3,180
<b>Total auditor's remuneration</b>	<b>2,090</b>	<b>3,180</b>

**Note 27. Dividends**

The following dividends were provided for and paid to shareholders during the reporting period as presented in the statement of changes in equity and statement of cash flows.

	2023		2022	
	Number	\$	Number	\$
Fully franked dividend	-	-	469,472.00	32,863
Dividends provided for and paid during the year	-	-	<b>469,472.00</b>	<b>32,863</b>

The tax rate at which dividends have been franked is 25% (2022: 25%).

**Note 28. Earnings Per Share**

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	2023	2022
	\$	\$
Profit attributable to ordinary shareholders	121,036	(122)
	Number	Number
Weighted average number of ordinary shares	469,472	469,472
	¢	¢
Basic and diluted earnings per share	25.78	(0.03)

**Coleraine & District Financial Services Limited**  
**ABN 77 102 030 017**

Notes to the Financial Statements  
For the year ended 30 June 2023

**Note 29. Events After the Reporting Period**

There have been no significant events after the end of the financial year that would have a material impact on the financial statements or the Company's state of affairs.

**Note 31. Commitments & Contingencies**

Any commitments for future expenditure associated with leases are recorded in Note 22. Details about any capital commitments are detailed in Note 16(d).

The Company has no other commitments requiring disclosure.

There were no contingent liabilities or assets at the date of this report that would have an impact on the financial statements.

**Note 32. Company Details**

The registered office and principal place of business of the Company is 59 Whyte Street  
Coleraine VIC 3315

Director's Declaration  
For the year ended 30 June 2023

In accordance with a resolution of the directors of Coleraine & District Financial Services Limited, we state that:

In the opinion of the directors:

- (a) The financial statements and notes of the Company are 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 2023 and of its performance for the financial year ended on that date; and
  - (ii) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.

x   
\_\_\_\_\_  
**Grant Little**  
Chair Director

Dated this 12th day of September, 2023

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF COLERAINE & DISTRICT FINANCIAL SERVICES LIMITED**

**Opinion**

We have audited the financial report of Coleraine & District Financial Services Limited, which comprises the balance sheet as at 30 June 2023, and the comprehensive income statement, the cash flow statement, statement of changes in equity for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

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

- (a) giving a true and fair view of the company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

**Basis of 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 Coleraine & District Financial Services Limited in accordance with 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, and we have fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist Coleraine & District Financial Services Limited. in complying with the to meet the requirements of the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Responsibilities of the Directors for the Financial Report**

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Coleraine & District Financial Services Limited's financial reporting process.

**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 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.

As part of an audit in accordance with 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 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 Coleraine & District Financial Services Limited's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of director's 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 Coleraine & District Financial Services Limited'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 Coleraine & District Financial Services Limited 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.

### **Independence**

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

*McLaren Hunt*

**MCLAREN HUNT**  
**AUDIT AND ASSURANCE**

*N.L. McClean*

**N.L. MCLEAN**  
**PARTNER**

Dated at Warrnambool, 14 September 2023.

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