Annual Report 2021

Creswick & District Financial Services Limited

Community Bank
Creswick & District

ABN 14 119 315 258

Contents

Chairman's report

For the year ended 30 June 2020

I am honoured and privileged to deliver this report in a most difficult and challenging year the business has seen since its inception. The COVID-19 virus has placed a great strain on most people in our community and has impacted the operations of Community Bank Creswick and all the staff.

I am confident that Creswick and District Financial Services Limited Board and staff can meet the challenges to allow the business to move forward, increasing profitability, which ultimately translates into the ability to invest more profits into our community.

Our Branch team have coped remarkably well during the lockdown periods. Our staff are committed to their customers and the Creswick and District community and in doing so they have been able to establish stronger relationships. On behalf of the Board and shareholders, I thank all the staff for their efforts during this challenging year.

During the year we said goodbye to our Customer Service Officer Fern Wallis who served the Creswick community since the branch was established back in 2007. Our customers will miss Fern's welcoming smile and friendly personality within the branch. Thank you so much for all your contributions Fern during your tenure and we wish you all the best of luck for your future endeavours.

We welcomed Jon Grant who has been employed as a Customer Relationship Manager. Jon is well known within the Creswick community, and we look forward in enabling Jon to continue to assist our community in continuing to provide lending services to our valued customers.

There is a substantial amount of work that goes on behind the scenes and I would like to sincerely thank our volunteer Board and Company Secretariat/Bookkeeper Narelle Barrett. Your efforts and support are very much appreciated in which you always keep looking for the best outcomes in the interests of the branch and the community.

In November two of our long serving Directors, Bob Orr and Quentin Turner retired from the Board. Bob was on the steering committee and was our Treasurer from 2005 to 2017. Quentin joined the Board in 2008 and Chaired our Sponsorships & Grants Committee for a number of years. I thank them for their significant contribution to our community bank.

The Board have now appointed Ian Flynn as a Director. As many of you know, Ian was involved in establishing Community Banks in Creswick and our surrounding districts. Ian served as our Branch Manager before his retirement in 2019. Ian's banking knowledge and community connections will be a great asset to the Board moving forward.

Although a challenging year, the Community Bank was still able to make significant contributions to a number of community-based organisations. During the year a total amount of $123,942 was given to the Community. These funds were used across the whole community including sporting clubs and not for profit community support groups. These valuable contributions are only possible thanks to our loyal customers. It's so heart-warming to see the impact on how these contributions make a difference to the well-being of the whole community.

During the year the Board also made a significant investment in the community by purchasing 1 Victoria Street, Creswick, which is the currently location of the Timber Training Centre. The Board saw this investment as an opportunity to ensure a local business remained in the town and a chance for our current reserves to generate future funds for further community contributions.

As we continue to experience the unknown, please be assured that the Branch team and the Board will continue to be working to meet the needs of our customers, shareholders and community partners. We are committed to the Creswick community and the people living, working and volunteering in it. You, our shareholders are part of that, thanks to your contribution funding that started us on this journey and your continued support that provides us the platform to serve this community in the best way we know how; to grow a more vibrant and connected community.

Marcus Walsh
Chairman

For the year ended 30 June 2020

Given the current business climate and the Covid Pandemic, The Creswick & District Community Bank has achieved some very positive results for the 2020/2021 financial year. During the past Financial Year the Bank has built its holdings to exceed $200 million.

In the present challenging environment, we continue to offer quality customer service especially during times of increased isolation and inspite of sometimes experiencing an inability to maintain effective person to person contact. We still remain an attractive alternative to the major banks, and we are committed to making Creswick & District a great place to live.

Due to the Pandemic, the move to digital banking has been fast tracked and our team have been working hard to ensure that all our customers have access to their normal services and are able to use contactless banking where required. Ninety-nine percent of our customers who didn't have an ATM card now have access to the atm and/or online banking.

We continue to see a steady stream of customers who require staff assistance in our branch, and we are happy to serve them in accordance with the current health guidelines. Where appropriate, we are taking the opportunity to educate customers in a diverse range of alternative banking services that they may not have considered in the past. Our team have also been working closely with customers who have been affected by financial issues caused by the Pandemic, to ensure that they are able to continue using our bank as valued clients.

We're very pleased to have been able to provide support to many of our community organisations to assist them in the purchase of the required safety equipment for the management of the pandemic and we continue to seek opportunities for future efforts to assist many other community groups.

During the last Financial Year the bank employed a new Customer Relationship Manager, Jon Grant. Many people in our District will have met Jon previously and he will be assisting us to grow the business through our loans portfolio. We also lost a valued staff member, Fern Wallis. Fern was one of our Customer Service Officers with over 14 years service to the bank. Thanks to Fern for her lengthy service and we wish her all the best for the future.

If the opportunity arises, and in our quest to further increase and develop business, it would be appreciated if all shareholders could take some time to promote the bank and refer new clients. New accounts and customers create the opportunity for increased income which in turn allows us to fund more community projects and endeavours and to continue the payment of dividends.

Thank you for your continued support and I look forward to working with you all in the future.

C. Whitear

Chris Whitear
Branch Manager

Your Board of Directors

Marcus Walsh - Chairperson
Marcus joined the Board in 2005 as a member of the steering committee. He was appointed as Chairman of the Board in 2017. Marcus is a member of the Audit & Finance Committee.

Daryl Clifton – Company Secretary
Daryl joined the Board in April 2017 and was appointed as Company Secretary in October 2017. Daryl is a member of the Sponsorship & Grants and Audit & Finance Committees.

Janine Booth – Treasurer
Janine joined the Board in 2005 as a member of the steering committee. She was appointed Treasurer in 2017. Janine is a member of the Sponsorship & Grants and Audit & Finance Committees.

Graeme Mitchell – Director
Graeme was a driving force in establishing the Community Bank. He was a member of the steering committee and Chairman from 2005 – 2017. He is a member of the Sponsorship & Grants Committee.

Michael Beaumont – Director
Michael was appointed to the Board in 2010. He is Chairperson of the Business Development Committee.

Jeff Unmack – Director
Jeff was appointed to the Board in 2015 and is a member of the Business Development Committee.

Tim Hayes – Director
Tim was appointed to the Board in 2014. He is the Chairperson of the Audit & Finance Committee and a member of the Business Development Committee.

Melissa Phillips – Director
Melissa was appointed to the Board in 2019. She is Chairperson of the Sponsorship & Grants Committee.

Ian Smith – Director
Ian was appointed to the Board in 2020. He is a member of the Business Development Committee.

Ian Flynn – Director
Ian was appointed in July 2021. He is a member of the Sponsorship & Grants Committee.

Community Contributions

Community Contributions and Local Projects supported by the shareholders of Creswick & District Financial Services over the 2020/21 Financial Year.

Doug Lindsay Recreation Reserve Committee of Management

Creswick Kindergarten

Clunes Agricultural & Pastoral Society

Clunes Golf Club

Creswick Museum

Mt Prospect & District Tennis Association

Dean Recreation Reserve Committee of Management

Central Highlands Rural Health

Clunes Bowling Club

Creswick Football Netball Club

Creswick Theatre Company

Creswick District News

Shannon's Bridge

Creswick & District Historical Society

Pavilion Arts & Sustainability Ltd

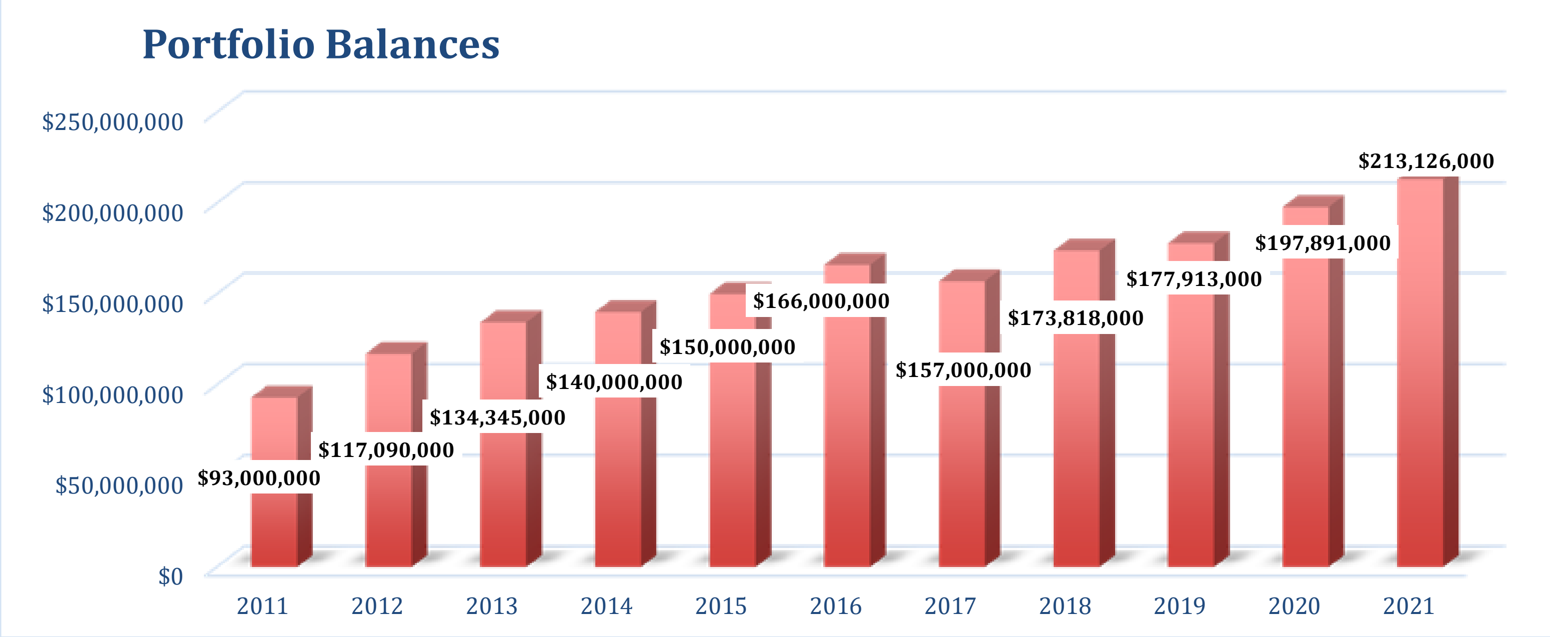
Creative Clunes

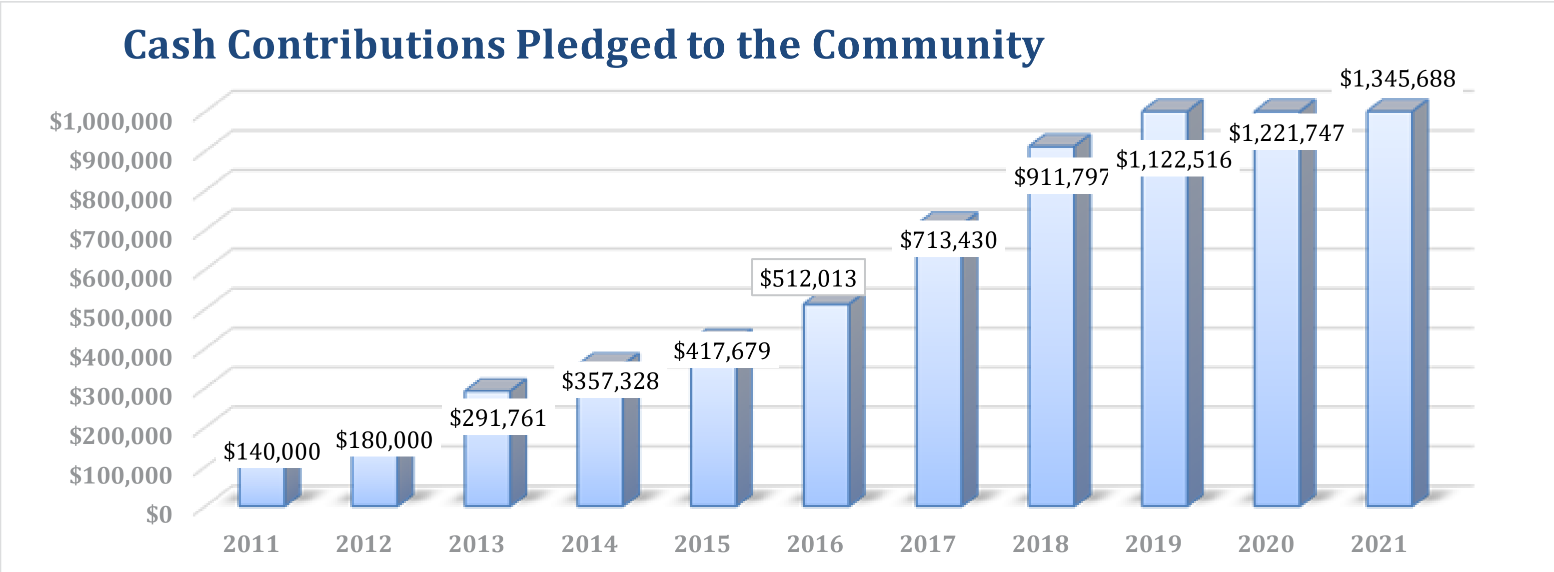
Creswick Neighbourhood Centre

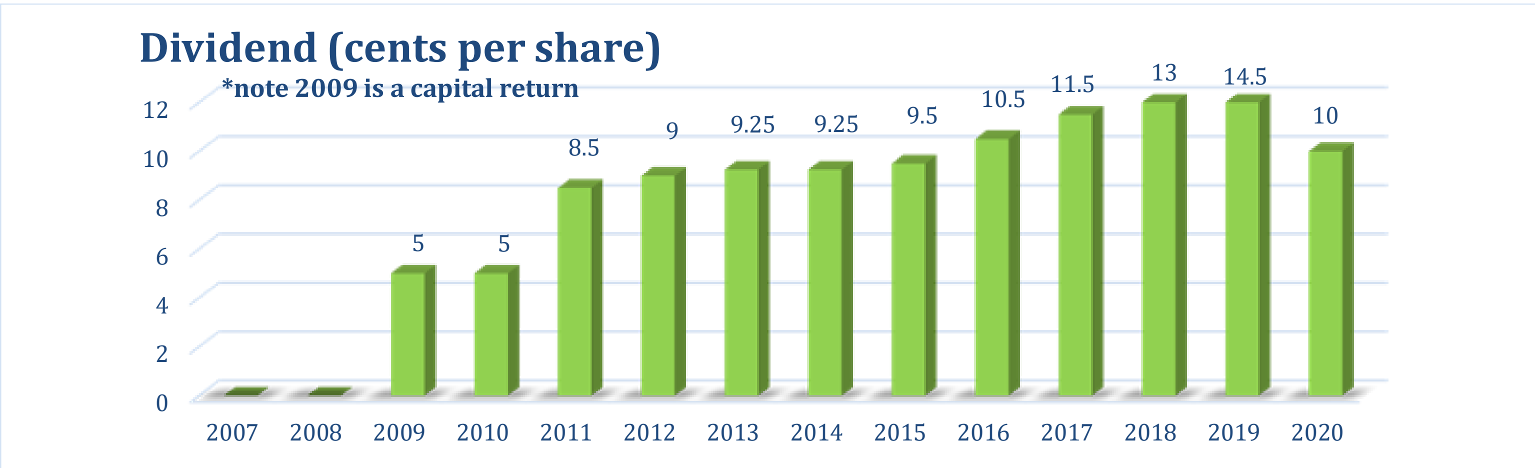
Creswick & District Senior Citizens Association

(photo of Shannon's Bridge's new truck purchased with our assistance)

Performance at a glance







Director's Report
For the year ending 30 June 2021

The directors present their report, together with the consolidated financial statements of the Group, being the Creswick & District Financial Services Limited and its controlled entity, Creswick Community Property Group Pty Ltd for the financial year ended 30 June 2021.

Information on directors

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

Marcus Walsh	**Special responsibilities:** Chairperson. Appointed 31 October 2017. **Experience and expertise:** Marcus has been in various roles within the building industry for the past 20 years and is currently a Contracts Manager for a local Project Management Company. **Board member since:** 2005. Founding director.
Daryl Clifton	**Special responsibilities:** Secretary. Appointed 31 October 2017. **Experience and expertise:** Masters Degree in Ed, Graduate Certificate in Public Administration and Certificate IV in Work Place Training and Development. Daryl is a retired senior manager with Victoria Police after serving for 42 years. He is currently the Chair of the Doug Lindsay Reserve Committee of Management. **Board member since:** April 2017.
Janine Booth	**Special responsibilities:** Treasurer. Appointed 31 January 2017. **Experience and expertise:** Councillor Creswick Shire Council 1992-1996 and Hepburn Shire Council 2005 - 2012 including Mayor 2010. With over 20 years Management experience within Australia Post, Janine currently owns and operates the Creswick Post Office. **Board member since:** 2005. Founding director.
Graeme Mitchell	**Experience and expertise:** 50 years business experience in the clothing trade. 40 years experience as a clothing agency. 20 years experience in retail clothing. Former chairman of Trice Holdings P/L. **Board member since:** 2005. Chairperson from 2005 - 2017. Founding Chairperson.
Michael Beaumont	**Sprecial Responsibilities:** Chairperson of the Business Development Committee. **Experience and expertise:** A current Director of the Ballarat Meat Company. Michael has been involved in the retail and wholesale meat business for over 45 years. He has also served with the Miners Rest CFA for over 35 years. Michael is a Justice of the Peace. **Board member since:** 2010
Timothy Hayes	**Special Responsibilities:** Chairperson of the Finance & Audit Committee **Experience and expertise:** Dip Business Studies, Bachelor of Arts. A former Senior Local Government Officer and proprietor of a Clunes business. Tim is a former Hepburn Shire Councillor and was Mayor in 2008. **Board member since:** 2014

Information on directors

Melissa Phillips	**Special Responsibilities:** Chairperson of the Sponsorship & Grants Committee. **Experience and expertise:** Melissa works in Local Government and is currently the Environmental Health Coordinator for the Hepburn Shire Council. Melissa competes in triathlons and enjoys mountain biking through our beautiful forests. **Board member since:** July 2019.
Ian Smith	**Experience and expertise:** Ian and his family are long-time residents of Rocklyn. Ian is involved in many local groups including the CFA, Ballarat & District Ploughing Association, Landcare and local farming groups. **Board member since:** May 2020.
Jeff Unmack	**Experience and expertise:** B.Pharm., M.P.S. Jeff has been working as a qualified Pharmacist for over 30 years. Jeff owns and operates the Creswick Pharmacy and the Clunes Pharmacy. He is a past President of the Ballaarat Club. **Board member since:** 2015
Ian Flynn	**Experience and expertise:** Ian worked as a Branch Manager for the Bendigo and Adelaide Bank Limited for over 35 years. He assisted in the establishment of the Creswick & District Community Bank and was Branch Manager until his retirement in 2019. Ian has lived locally for many years and enjoys a game of golf on our local courses. **Board member since:** Appointed 27 July 2021.
Bob Orr OAM	**Experience and expertise:** DipFor(Cres), BScFor, DipEd, DipFor(Oxon.) Former Victorian School of Forestry Principal and Regional Development Executive. Hepburn Shire Councillor 1997-2003 including Mayor 1997. Bob is a Board member of John Curtin Aged Care and is active in other local organisations. **Retired:** 30 November 2020. Founding Treasurer
Quentin Turner AFSM	**Experience and expertise:** Grad Dip Business Admin, Associate Fellow of the Australian Institute of Management. Current Chairman of CFA and Brigades Trust Fund. Former Commissioner in the Employment Relations Commission of Vic. **Retired:** 30 November 2020

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

Information on directors

Meetings of Directors

During the financial year, 11 meetings of directors (not including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Finance & Audit Committee	
	Number eligible to attend	**Number attended**	**Number eligible to attend**	**Number attended**
Marcus Walsh	11	11	4	4
Daryl Clifton	11	10	4	4
Janine Booth	11	10	4	4
Graeme Mitchell	11	9	-	-
Michael Beaumont	11	11	-	-
Timothy Hayes	11	10	2	2
Melissa Phillips	11	10	-	-
Ian Smith	11	10	-	-
Jeff Unmack	11	9	-	-
Ian Flynn	-	-	-	-
Bob Orr OAM	5	5	2	2
Quentin Turner AFSM	5	-	-	-

Company secretary

The secretary of the company at the end of financial year was Daryl Clifton who has been in the positions since 31 October 2017.

Principal activities

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

No significant change in the nature of the Group's activities occurred during the year.

Operating results

The consolidated profit of the Group amounted to $139,062 (2020: $242,064).

Dividends paid or recommended

Dividends paid or declared during or since the end of the financial year comprised a fully franked dividend of 10 cents per share totalling $67,646 which was declared and paid during the year ended 30 June 2021.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the Group during the financial year.

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 Group, the results of those operations or the state of affairs of the Group in future financial years.

Environmental issues

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

Contracts and options

The Group have received a loan from a director during the year. Further details in relation to the loan are shown at notes 14(b). and 29(d). No directors have material interests in any other contracts or proposed contracts with the Group.

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.

Indemnification and insurance of officers and auditors

The company has agreed to indemnify each officer (director, secretary or employee) out of assets of the company to the relevant extent for any liability incurred by that person arising out of the discharge of their duties, except where the liability arises out of conduct involving dishonesty, negligence, breach of duty or the lack of good faith. The company also has officers insurance for the benefit of officers of the company against any liability incurred by the officer, which includes the officer's liability for legal costs, in or arising out of the conduct of the business of the company or in or arising out of the discharge of the officer's duties.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract. The company has not provided any insurance for an auditor of the company.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or 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 any part of those proceedings. The company was not a party to any such proceedings during the year.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 has been received and can be found on page 5 of the consolidated financial report. No officer of the company is or has been a partner or director of the auditor of the company.

Signed in accordance with a resolution of the Board of Directors:

Director: .... Director: ....
Marcus Walsh Daryl Clifton

Dated: 1 September 2021

CountPro AUDIT

Creswick & District Financial Services Ltd

ABN 14 119 315 258

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Creswick & District Financial Services Ltd and Controlled Entities

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

CountPro Audit Pty Ltd ....

CountPro Audit Pty Ltd

....

Jason D. Hargreaves
Director

Signed at Ballarat, 31 August 2021

Statement of Profit or Loss and other Comprehensive Income
For the year ending 30 June 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Revenue			
Revenue and other income	4	**999,393**	1,164,234
		999,393	1,164,234
Expenses			
Administrative expenses		**(79,855)**	(85,474)
Agents commissions		**(30,980)**	(25,812)
Advertising and marketing		**(5,773)**	(5,788)
Bad debt expenses and expected credit losses	5(a)	**(132)**	(57)
Depreciation expense	5(b)	**(13,371)**	(13,547)
Employment costs	5(c)	**(451,646)**	(516,871)
Finance costs		**(185)**	-
Information technology costs		**(32,625)**	(33,955)
Occupancy costs		**(55,383)**	(48,952)
Other expenses		**(21,021)**	(12,457)
		(690,971)	(742,913)
Operating profit before charitable donations and sponsorships		**308,422**	421,321
Charitable donations and sponsorships		**(104,500)**	(108,831)
Profit before income taxes		**203,922**	312,490
Income tax expense	7(a)	**(64,860)**	(70,426)
Profit for the year		**139,062**	242,064
Other comprehensive income, net of tax			
Items that will not be reclassified subsequently through profit or loss			
Net gain on revaluation of land and buildings, net of tax	7(c)	**186,017**	-
Net gain/(loss) on revaluation of financial assets designated at FVOCI, net of tax	7(c)	**43,884**	(54,987)
		229,901	(54,987)
Total comprehensive income for the year		**368,963**	187,077
Profit for the year attributable to members of the parent entity		**139,062**	242,064
Total comprehensive income attributable to members of the parent entity		**368,963**	187,077
Earnings per share for profit from continuing operations attributable to the members of the parent entity			
Basic earnings per share (cents)	21	**20.56**	35.78

The accompanying notes form part of these financial statements.

Statement of Consolidated Financial Position
For the year ending 30 June 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Assets			
Current assets			
Cash and cash equivalents	8	**307,918**	596,460
Trade and other receivables	9	**85,811**	148,212
Financial assets	10	**207,192**	507,457
Current tax asset	7(d)	**3,014**	-
Total current assets		**603,935**	1,252,129
Non-current assets			
Intangible assets	11	**-**	14,391
Property, plant and equipment	12	**1,025,642**	772,347
Investment properties	13	**955,018**	-
Total non-current assets		**1,980,660**	786,738
Total assets		**2,584,595**	2,038,867
Liabilities			
Current liabilities			
Current tax liabilities	7(d)	**-**	(6,388)
Trade and other payables	14(a)	**(68,266)**	(91,279)
Loans	14(b)	**(150,185)**	-
Employee benefits	16	**(64,037)**	(51,667)
Total current liabilities		**(282,488)**	(149,334)
Non-current liabilties			
Employee benefits	16	**(4,364)**	(6,250)
Deferred tax liabilities	7(e)	**(128,160)**	(15,017)
Total non-current liabilities		**(132,524)**	(21,267)
Total liabilities		**(415,012)**	(170,601)
Net assets		**2,169,583**	1,868,266
Equity			
Issued capital	17	**618,364**	618,364
Retained earnings	18	**1,216,350**	1,144,934
Land and building revaluation reserve	20	**327,168**	141,151
Financial asset revaluation reserve	20	**7,701**	(36,183)
Total equity		**2,169,583**	1,868,266

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity
For the year ending 30 June 2021

2021		Consolidated				
		Issued capital	Retained earnings	Land and building revaluation reserve	Financial Asset Reserve	Total
	Note	$	$	$	$	$
Balance at 1 July 2020		**618,364**	**1,144,934**	**141,151**	**(36,183)**	**1,868,266**
Profit attributable to members of the parent entity		**-**	**139,062**	**-**	**-**	**139,062**
Total other comprehensive income for the year	7(c).	**-**	**-**	**186,017**	**43,884**	**229,901**
Dividends paid or provided for	19	**-**	**(67,646)**	**-**	**-**	**(67,646)**
Balance at 30 June 2021		**618,364**	**1,216,350**	**327,168**	**7,701**	**2,169,583**

2020		Consolidated				
		Issued capital	Retained earnings	Land and building revaluation reserve	Financial Asset Reserve	Total
	Note	$	$	$	$	$
Balance at 1 July 2019		618,364	1,000,956	141,151	18,804	1,779,275
Profit attributable to members of the parent entity		-	242,064	-	-	242,064
Total other comprehensive income for the year	7(c).	-	-	-	(54,987)	(54,987)
Dividends paid or provided for	19	-	(98,086)	-	-	(98,086)
Balance at 30 June 2020		618,364	1,144,934	141,151	(36,183)	1,868,266

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows
For the year ending 30 June 2021

	Note	Consolidated 2021 $	2020 $
Cash flows from operating activities:			
Receipts from customers		**1,061,240**	1,094,815
Payments to suppliers and employees		**(873,554)**	(810,744)
Dividends received		**715**	11,656
Interest received		**7,034**	14,620
Income taxes paid		**(58,770)**	(94,902)
Government grants received		**80,576**	-
Net cash provided by operating activities	30	**217,241**	215,445
Cash flows from investing activities:			
Proceeds from share sales		**25,000**	-
Purchase of property, plant and equipment		**(955,019)**	(6,049)
Purchase of shares in Bendigo Bank		**-**	(10,759)
Net cash used in investing activities		**(930,019)**	(16,808)
Cash flows from financing activities:			
Proceeds from loans from directors		**150,000**	-
Dividends paid		**(66,675)**	(98,086)
Net cash provided by/(used in) financing activities		**83,325**	(98,086)
Net (decrease)/increase in cash and cash equivalents held		**(629,453)**	100,551
Cash and cash equivalents at beginning of year		**957,065**	856,514
Cash and cash equivalents at end of financial year	8(a)	**327,612**	957,065

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the year endin 30th June 2021

The consolidated financial report covers Creswick & District Financial Services Ltd and its controlled entity, Creswick Community Property Group Pty Ltd ('the Group'). Creswick & District Financial Services Ltd is a for-profit proprietary Company, incorporated and domiciled in Australia.

The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 31 August 2021.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001.*These financial statements comply with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

Material accounting policies adopted in the preparation of these financial statements are presented below (and in the specific notes to the financial statements) and have been consistently applied unless otherwise stated.

The financial statements, except for cashflow 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.

(a). Economic dependency

The Group has entered into a franchise agreement with Bendigo and Adelaide Bank Limited that governs the management of the Community Bank® branch at Creswick.

The branch operates as a franchise of Bendigo and Adelaide Bank Limited, using the name "Bendigo Bank", the logo and systems of operation of Bendigo and Adelaide Bank Limited. The Group manages the Community Bank® branch on behalf of Bendigo and Adelaide Bank Limited, however, all transactions with customers conducted through the Community Bank® branch are effectively conducted between customers and Bendigo and Adelaide Bank Limited.

All deposits made with Bendigo and Adelaide Bank Limited and all personal investment products are products of Bendigo and Adelaide Bank Limited, with the Group 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 and Adelaide Bank Limited, must be approved by Bendigo and Adelaide Bank Limited. All credit transactions are made with Bendigo and Adelaide Bank Limited and all credit products are products of Bendigo and Adelaide Bank Limited.

1 Basis of preparation

(a). Economic dependency

Bendigo and Adelaide Bank Limited provides significant assistance in establishing and maintaining the Community® Bank branch 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 operations, including advice in relation to:

- The design, layout and fitout of the Community Bank® branch;
- Training for the branch managers and other employees in banking, management systems and interface protocol;
- Methods and procedures for the sale of products and provision of services;
- Security and cash logistic controls;
- Calculation of company revenue and payment of many operating and administrative expenses;
- The formulation and implementation of advertising and promotional programs; and
- Sales techniques and customer relations.

2 Summary of significant accounting policies

(a). Impairment of non-financial assets

At the end of each reporting period the Group assesses whether there is any evidence of an impairment indicator for non-financial assets. The assessment includes consideration of external and internal sources of information. Where an indicator exists and regardless for goodwill, 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, except for goodwill.

(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. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

(c). Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 30 June 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of the consolidated financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are reviewed on an ongoing basis and 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.

Key estimates - useful lives of depreciating assets

The Group estimates the useful lives and related depreciation and amortisation charges for its property, plant and equipment and intangible assets. The depreciation and amortisation charge will increase where useful lives are less than previously estimated.

Key estimates - fair value of non-current assets

The Group measures land and buildings at fair value based on periodical (every three years) valuations by appropriately qualified valuers. The Group measure investments in shares at the quoted price for the shares on the Australian Stock Exchange at the reporting date.

Where fair value has not been able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - employee benefits provision

The Group estimates components of the calculation of the provision for employee entitlements including wage growth, CPI movements and the likelihood of employees reaching unconditional service. The timing of when employee benefit obligations are to be settled is also estimated.

Key judgments - deferred taxes

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised 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.

Key judgments - impairment

The Group assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate various key assumptions.

4 Revenue and other income

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 rebates and trade discounts. All revenue is stated net of the amount of goods and services tax (GST). The revenue recognition policies for the principal revenue streams of the Group are:

Rendering of services
The entity generates service comissions on a range of products issued by the Bendigo and Adelaide Bank Limited. The revenue includes upfront and trailing commissions, sales fees and margin fees. Commission revenue is recognised when the right to receive the income has been established.

Interest, dividend and other income
Interest income is recognised on an accrual basis using the effective interest rate method. Dividend and other revenue is recognised when the right to the income has been established.

	Consolidated	
	2021	2020
	$	$
Revenue from contracts with customers		
Commission income	**955,742**	1,087,598
	955,742	1,087,598
Other income		
Dividends received	**5,581**	11,656
Government subsidies and grants	**30,216**	50,360
Interest received	**7,034**	14,620
Rental revenue	**820**	-
	43,651	76,636
	999,393	1,164,234

5 Operating expenses

Operating expenses
Operating expenses are recognised in profit or loss on an accruals basis, which is typically upon utilisation of the service or at the date upon which the entity becomes liable.

Borrowing costs
Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that it is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

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

5 Operating expenses

The depreciation rates used for each class of depreciable asset are:

Buildings	2.5% straight line basis
Plant and equipment	30 - 67% diminishing value basis
Motor vehicles	25% diminishing value basis

Gains or losses on disposal of non current assets
Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. The gains and losses are recognised in profit or loss in the period in which the asset is disposed of. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

	Consolidated	
	2021	**2020**
	$	**$**
(a). Bad debts expenses and expected credit losses		
Bad debt expenses	**(132)**	(57)
	(132)	(57)
(b). Depreciation		
Plant and equipment	**(2,810)**	(2,509)
Buildings and building improvements	**(10,561)**	(11,038)
	(13,371)	(13,547)
(c). Employment expenses		
Wages and salaries	**(360,385)**	(426,308)
Superannuation contributions	**(58,679)**	(44,119)
Other employment expenses	**(32,582)**	(46,444)
	(451,646)	(516,871)

6 Auditors' remuneration

Remuneration of the auditor CountPro Audit Pty Ltd (formerly PPT Audit Pty Ltd), for:		
Audit and review the financial statements	**(5,800)**	(6,405)
	(5,800)	(6,405)

7 Income tax expense

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

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) 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 liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit or taxable income.
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

	Consolidated	
	2021	**2020**
	$	**$**
(a). The major components of tax expense comprise:		
Current tax expense	**(51,757)**	(73,874)
Deferred tax (expense)/benefit	**(13,103)**	3,448
	(64,860)	(70,426)

7 Income tax expense

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

	Consolidated 2021 $	Consolidated 2020 $
Prima facie tax on profit before income tax at 26% (2020: 27.5%)*	**(53,240)**	(69,515)
Tax effect of:		
Non-assessable government stimulus payments	**7,856**	-
Asset revaluation	**-**	20,859
Over provision in prior years	**3,635**	-
Non-deductible expenses	**(20,904)**	(25,856)
Franking credits on dividend received	**1,770**	4,996
Difference in tax rates between parent and subsidiary*	**(1,304)**	(910)
Change in company tax rate in current year	**(2,673)**	-
Income tax attributable to parent entity	**(11,620)**	(911)
Income tax expense	**(64,860)**	(70,426)
Weighted average effective tax rate	**31.67 %**	22.54 %

* The parent entity and wholly owned subsidiary have different income tax rates. The income tax rate applicable to the wholly owned subsidiary is 30% (2020: 30%)

(c). Income tax relating to each component of other comprehensive income:

	2021 Before tax amount $	2021 Tax (expense) benefit $	2021 Net of tax amount $	2020 Before tax amount $	2020 Tax (expense) benefit $	2020 Net of tax amount $
Net gain on revaluation of land and buildings	**266,768**	**(80,751)**	**186,017**	-	-	-
Net gain/(loss) on revaluation of financial assets	**60,786**	**(16,902)**	**43,884**	(75,852)	20,865	(54,987)
	327,554	**(97,653)**	**229,901**	(75,852)	20,865	(54,987)

7 Income tax expense

		Consolidated	
		2021	2020
		$	$
(d).	**Current tax assets and (liabilities)**		
	Current tax relates to the following:		
	Opening balance	**(6,388)**	(27,416)
	Income tax paid	**58,770**	94,902
	Imputation credits	**2,389**	-
	Current tax expense	**(51,757)**	(73,874)
	Net current tax assets and (liabilities)	**3,014**	(6,388)
(e).	**Deferred tax assets and (liabilities)**		
	Deferrred tax assets comprise:		
	Accruals	**939**	913
	Employee provisions	**17,100**	15,927
	Asset revlauations - shares in listed companies	**-**	13,909
	Amortisation of franchise fee	**-**	21,814
		18,039	52,563
	Deferred tax liabilities comprise:		
	Property, plant & equipment	**(3,417)**	(7,377)
	Asset revaluations - shares in listed companies	**(2,567)**	(18)
	Asset revaluations - land and buildings	**(140,215)**	(60,185)
		(146,199)	(67,580)
	Net deferred tax liabilities	**(128,160)**	(15,017)

8 Cash and cash equivalents

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, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

	Consolidated	
	2021	**2020**
	$	**$**
Operating accounts	**297,171**	31,122
Savings accounts	**10,747**	565,338
	307,918	596,460

(a). Reconciliation of cash

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

		Consolidated	
		2021	**2020**
		$	**$**
Cash and cash equivalents		**307,918**	596,460
Term deposits	10	**19,694**	360,605
Balance as per consolidated statement of cash flows		**327,612**	957,065

9 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less any provision for expected credit losses. Trade and other receivables are due for settlement usually no more than 30 days from the date of recognition.

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a seperate provision for expected credit losses account with the loss being recognised in profit or loss. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

In some circumstances, the Group renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Group does not necessarily consider the balance to be impaired, however, assessment is made on a case-by-case basis.

9 Trade and other receivables

	Consolidated 2021 $	Consolidated 2020 $
Current		
Trade receivables	**85,805**	94,007
Government grants and subsidies receivable	**-**	50,360
Other receivables	**6**	3,845
	85,811	148,212

Credit Risk

The main source of credit risk relates to a concentration of trade receivables owing by Bendigo and Adelaide Bank Limited, which is the source of the marjority of the Group's income.

The following table details the Group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Group and the customer or counterparty to the transaction. Receivables which are past due are assessed for impairment by ascertaining the solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

The balances of receivables that remain within initial trade terms (as detailed in the table below) are considerd to be high credit quality.

Consolidated 30 June 2021	**Current**	**< 30 days overdue**	**< 90 days overdue**	**> 90 days overdue**	**Total**
Trade receivables	**85,805**	**-**	**-**	**-**	**85,805**
Other receivables	**6**	**-**	**-**	**-**	**6**
	85,811	**-**	**-**	**-**	**85,811**

Consolidated 30 June 2020	**Current**	**< 30 days overdue**	**< 90 days overdue**	**> 90 days overdue**	**Total**
Trade receivables	94,007	-	-	-	94,007
Government grants and subsidies receivable	50,360	-	-	-	50,360
Other receivables	3,845	-	-	-	3,845
	148,212	-	-	-	148,212

10 Financial Assets

Financial instruments are recognised initially on the date that the Group 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).

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 Group classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through other comprehensive income (FVOCI)

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

Amortised cost
Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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.

Fair value through other comprehensive income
The Group has an investment in a listed entity over which are they do not have significant influence or control. The Group has made an irrevocable election to classify the equity investments as fair value through other comprehensive income as they are not held for trading purposes.

This investment is carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income.

Impairment of financial assets
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.

10 Financial Assets

	Consolidated 2021 $	Consolidated 2020 $
Financial assets - at amortised cost		
Term deposits	**19,694**	360,605
	19,694	360,605
Financial assets - FVOCI		
Shares in listed companies at fair value	**187,498**	146,852
	187,498	146,852
	207,192	507,457

11 Intangible assets

Intangible 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.

	Consolidated 2021 $	Consolidated 2020 $
Formation expenses		
At cost	**-**	850
	-	850
Franchise fees		
At cost	**67,703**	67,703
Accumulated amortisation	**(67,703)**	(54,162)
	-	13,541
	-	14,391

12 Property, plant and equipment

Property

Land and buildings are carried at their fair value, based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are recognised against revaluation reserve directly in equity and all other decreases are recognised through profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

12 Property, plant and equipment

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is writtten down immediately to the estimated recoverable amount and impaiment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount of the assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows are discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the assets carrying amount or recognised as a seperate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An assets carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

	Consolidated	
	2021	**2020**
	$	**$**
Land and buildings		
At fair value *	**900,000**	650,000
Less accumulated depreciation	**-**	(12,576)
	900,000	637,424
Building improvements		
At cost	**190,715**	190,715
Less accumulated depreciation	**(69,587)**	(63,218)
	121,128	127,497
Furniture, fixtures and fittings		
At cost	**25,879**	26,756
Less accumulated depreciation	**(21,365)**	(19,330)
	4,514	7,426
Total property, plant and equipment	**1,025,642**	772,347

* The land and buildings comprise one property owned by the subsidiary which is held for use by the Group in the business operations. The land and buildings are measured at fair value based on an independent valuation carried out by WBP Group Pty Ltd dated 27 April 2021. The directors have assessed that the carrying value of the land and buildings at 30 June 2021 are not materially different to the fair value of the land and buildings.

12 Property, plant and equipment

(a). Movements in carrying amounts of property, plant and equipment

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

Consolidated	Land and buildings $	Building improvements $	Furniture, Fixtures and Fittings $	Total $
Year ended 30 June 2021				
Balance at the beginning of year	**637,424**	**127,497**	**7,426**	**772,347**
Disposals	**-**	**-**	**(102)**	**(102)**
Depreciation expense	**(4,192)**	**(6,369)**	**(2,810)**	**(13,371)**
Revaluation increment	**266,768**	**-**	**-**	**266,768**
Balance at the end of the year	**900,000**	**121,128**	**4,514**	**1,025,642**

Consolidated	Land and buildings $	Building improvements $	Furniture, Fixtures and Fittings $	Total $
Year ended 30 June 2020				
Balance at the beginning of year	641,616	134,343	3,895	779,854
Additions	-	-	6,040	6,040
Depreciation expense	(4,192)	(6,846)	(2,509)	(13,547)
Balance at the end of the year	637,424	127,497	7,426	772,347

13 Investment properties

Investment property comprises land and buildings which are held to generate long term capital gains and long term rental yields. All tenant leases are on an arms length basis. Investment properties are measured at fair value as determined by the Directors based on periodic, but ordinarily triennial, independent valuations by appropriately qualified property valuers. Changes to fair value are recorded in profit or loss.

	Consolidated	
	2021	2020
	$	$
Investment property		
At fair value *	955,018	-
	955,018	-

* The investment property comprises one property acquired by the subsidiary during the reporting period. The investment property is measured at fair value based on the amount paid by the subsidiary to acquire the investment property. The directors have assessed that the carrying value of the investment properties at 30 June 2021 is not materially different to the fair value of the investment property.

(a). Movements in carrying amounts of investment properties

	Consolidated	
	2021	2020
	$	$
Balance at the beginning of the year	-	-
Additions	955,018	-
Balance at the end of the year	955,018	-

14 Financial liabilities

Financial liabilities include trade payables, other payables, loans from third parties and loans from or other amounts due to related parties. Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Financial liabilities are initially measured at fair value plus transaction costs, except where the instrument is classified as 'fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately. Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

(a). Trade and other payables

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 majority of the amounts normally paid within 30 days of recognition of the liability.

	Consolidated	
	2021	**2020**
	$	**$**
CURRENT		
Trade payables	**(32,068)**	(41,140)
Accrued expenses	**(3,725)**	(3,630)
Credit cards	**(303)**	(326)
Dividend creditor	**(3,100)**	(2,129)
Franchise fee creditor	**-**	(14,895)
GST payable	**(22,385)**	(23,562)
PAYG withholding	**(6,660)**	(5,572)
Superannuation payable	**(25)**	(25)
	(68,266)	(91,279)

(b). Loans

During the reporting period the Group received a loan from a Director as finance for the purchase of the investment property. The loan is due for repayment on 15 December 2021 and interest is charged on the loan at an interest rate of 3% per annum.

	Consolidated	
	2021	**2020**
	$	**$**
Loans from related parties	**(150,185)**	-
	(150,185)	-

15 Fair value measurement

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis depending on the requirements of the applicable Accounting Standards.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair value of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is obtained from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The Group measures the following assets and liabilities at fair value on a recurring basis:

- Shares in listed companies
- Land and buildings
- Investment property

(a). Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 Unobservable inputs for the asset or liability.

15 Fair value measurement

(a). Fair value hierarchy

The table below shows the assigned level for each asset and liability held at fair value by the Group:

Consolidated 30 June 2021		Level 1 $	Level 2 $	Level 3 $	Total $
Recurring fair value measurements					
Shares in listed companies	10	**187,498**	**-**	**-**	**187,498**
Land and buildings	12	**-**	**900,000**	**-**	**900,000**
Investment property	13	**-**	**955,018**	**-**	**955,018**
		187,498	**1,855,018**	**-**	**2,042,516**

Consolidated 30 June 2020		Level 1 $	Level 2 $	Level 3 $	Total $
Recurring fair value measurements					
Shares in listed companies	10	146,852	-	-	146,852
Land and buildings	12	-	650,000	-	650,000
		146,852	650,000	-	796,852

Level 1 measurements

The revaluation of financial assets at FVOCI under Level 1 relate to investments in listed entities and are based on the quoted price for the investments on the Australian Stock Exchange at the reporting date.

Level 2 measurements

The revaluation of freehold land and buildings and investment property to their fair value is determined by the Directors each year based on independent valuations undertaken by an independent qualified valuer at least every three years and taking into consideration current market conditions and recent observable market data.

Transfers between levels of the hierarchy

There were no transfers between levels of the fair value hierarchy.

Highest and best use

The current use of each asset measured at fair value is considered to be its highest and best use.

15 Fair value measurement

(b). Valuation techniques and input measures used to measure Level 2 fair values

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the company are consistent with one or more of the following valuation approaches:

- *Market approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach*: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available are developed using the best information available about such assumptions and are considered unobservable.

		Consolidated	
Description	**Fair Value at 30 June 2021 $**	**Description and valuation techniques**	**Inputs used**
Land and buildings	900,000	Market approach	Independent valuation by qualified valuer
Investment property	955,018	Market approach	Arms length contract of purchase

There were no changes during the period in the valuation techniques used by the Group to determine Level 2 fair values.

16 Employee benefits

Short term employee benefits

Provision is made for the Group's liability for short term employee benefits. Short term employee benefits are arising (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short term employee benefits are measured at the amounts expected to be paid when the obligation is settled.

The liability for annual leave is recognised in the provision for employee benefits. All other short term employee benefits are presented as payables.

Other long term employee benefits

Provision is made for employees long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurement for changes in assumptions of obligations for other long term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

	Consolidated	
	2021	**2020**
	$	**$**
Current liabilities		
Provision for employee benefits	**(64,037)**	(51,667)
	(64,037)	(51,667)
Non-current liabilities		
Provision for employee benefits	**(4,364)**	(6,250)
	(4,364)	(6,250)
	(68,401)	(57,917)

17 Share capital

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.

Ordinary shares participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held. At a shareholders meeting each shareholder is entitled to one vote when a poll is called, or on a show of hands. The Group 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 Group's residual assets.

17 Share capital

	Consolidated 2021 $	Consolidated 2020 $
Ordinary fully paid shares	**676,459**	676,459
Less return of capital	**(33,823)**	(33,823)
Less equity raising costs	**(24,272)**	(24,272)
	618,364	618,364

	Consolidated 2021 No.	Consolidated 2020 No.
Movements in share capital		
Ordinary fully paid shares		
At the beginning of the reporting period	**676,459**	676,459
Shares issued during the year	**-**	-
At the end of the reporting period	**676,459**	676,459

Capital management

The Board's policy is to maintain a strong capital base so as to sustain future development of the company. The Board of Directors monitor the return on capital and the level of dividends to shareholders. Capital is represented by total equity as recorded in the Statement of Financial Position.

In accordance with the franchise agreement and subject to the amount permitted to be distributed under the *Corporations Act 2001*, in any 12 month period the funds distributed to shareholders shall not exceed the distribution limit. The distribution limit is the greater of:
(a) 20% of the sum of the profit before tax for the financial year plus any accumulated profit from previous financial years plus any community contributions made during the year, and
(b) the Relevant Rate of Return (being the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%) multiplied by the value of share capital at the end of the financial year.

The Board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the Group is such that amounts will be paid in the form of charitable donations and sponsorships. Charitable donations and sponsorship paid can be seen in the Statement of Profit or Loss and Other Comprehensive Income'

There has been no change to the Group's approach to capital management during the year.

18 Retained earnings

	Consolidated 2021 $	Consolidated 2020 $
Balance at the beginning of the reporting period	**1,144,934**	1,000,956
Profit after income tax	**139,062**	242,064
Dividends paid	**(67,646)**	(98,086)
	1,216,350	1,144,934

19 Dividends

	Consolidated 2021 $	Consolidated 2020 $
Dividends paid or provided for:		
Fully franked ordinary dividend of 10 cents per share (2020: 14.5 cents per share) paid during the year	**(67,646)**	(98,086)
	(67,646)	(98,086)

Franked dividends declared or paid during the year were franked at the tax rate of 26% (2020: 27.5%).

20 Reserves

The reserves include unrealised gains or losses on Land and buildings and Financial assets arising from their revaluation to fair value. Movements in the revaluation reserves are recorded in other comprehensive income.

	Consolidated 2021 $	Consolidated 2020 $
Land and building revaluation reserve		
Balance at the beginning of the reporting period	**141,151**	141,151
Fair value movements during the period	**186,017**	-
	327,168	141,151
Financial asset revaluation reserve		
Balance at the beginning of the reporting period	**(36,183)**	18,804
Fair value movements during the period	**43,884**	(54,987)
	7,701	(36,183)
	334,869	104,968

21 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issues during the year.

	2021	2020
	$	$
Basic earnings per share (cents)	**20.56**	35.78
Earnings used in calculating basic earnings per share	**139,062**	242,064
Weighted average number of ordinary shares used in calculating basic earnings per share	**676,459**	676,459

22 Financial risk management

The Group is exposed to a variety of financial risks through its use of financial instruments. The Group'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 Group is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk

Financial instruments

The principal categories of financial instrument used by the Group are:

- Cash at bank
- Trade receivables
- Investments in listed shares
- Trade and other payables
- Loans from related parties

	Consolidated	
	2021	2020
	$	$
Financial assets		
Cash and cash equivalents	**307,918**	596,460
Trade and other receivables	**85,811**	148,212
Financial Assets	**207,192**	507,457
Total financial assets	**600,921**	1,252,129
Financial liabilities		
Trade and other payables	**(68,266)**	(77,738)
Loans from related parties	**(150,185)**	-
Total financial liabilities	**(218,451)**	(77,738)

22 Financial risk management

Objectives, policies and processes

The Board of Directors has overall responsibility for the establishment and oversight of the Group's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk, liquidity risk and credit risk. The Board has established an Audit and finance committee which reports regularly to the Board. The Audit and finance committee is assisted in the area of risk by an internal audit function.

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

(a). Credit risk

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

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.

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

The Group has a concentration of credit risk as a result of the financial dependency on Bendigo and Adelaide Bank Limited with virtually all of the company's bank deposits trade receivables and financial assets being with the Bendigo and Adelaide Bank Limited. The group's exposure to credit risk is limited to Australia by geographic area.

The group does not have any financial assets that are past due (2020: nil past due) and, based on historic performance, the group believes that no impairment charge is necessary in respect of financial assets.

The credit risk for trade receivables, liquid funds and other short-term financial asset is considered negligible, since the principle counterparty, Bendigo and Adelaide Bank Limited, are a reputable bank with high quality external credit ratings.

(b). Liquidity risk

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

The Group'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 Group maintains cash and marketable securities to meet its liquidity requirements. Funding for long-term liquidity needs is additionally secured by an ability to sell long-term financial assets.

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

22 Financial risk management

(b). Liquidity risk

At the reporting date, the the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any 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 consolidated statement of financial position due to the effect of discounting.

	Within 1 year 2021 $	Within 1 year 2020 $	Total 2021 $	Total 2020 $
Financial Assets				
Cash and cash equivalents	**307,918**	596,460	**307,918**	596,460
Trade and other receivables	**85,811**	148,212	**85,811**	148,212
Financial assets	**207,192**	507,457	**207,192**	507,457
	600,921	1,252,129	**600,921**	1,252,129
Financial Liabilities				
Trade and other payables	**(68,266)**	(77,738)	**(68,266)**	(77,738)
Loans from related parties	**(150,185)**	-	**(150,185)**	-
	(218,451)	(77,738)	**(218,451)**	(77,738)
	382,470	**1,174,391**	**382,470**	**1,174,391**

(c). Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Exposure to intererst rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The financial instruments that primarily expose the Group to interest rate risk are borrowings, fixed interest securities and cash and cash equivalents.

22 Financial risk management

Sensitivity analysis

The following table illustrates the sensitivity to the Group's exposures to changes in interest rates and equity prices. The table indicates how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

The sensitivities assume that the movement in a particular variable is independent of other variables.

	Consolidated	
	2021	**2020**
	$	**$**
Change in profit after tax		
+1% in interest rates	**3,276**	9,571
-1% in interest rates	**(3,276)**	(9,571)
Change in equity		
+1% in interest rates	**3,276**	9,571
-1% in interest rates	**(3,276)**	(9,571)

(d). Fair value estimates

The directors estimates of the fair value of financial assets and liabilities are presented in the following table and compared to their carrying amounts as presented in the Statement of Financial Position. Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied to the market since their initial recognition by the company.

	Carrying amount	**Fair Value**	**Carrying amount**	**Fair value**
	2021	**2021**	**2020**	**2020**
	$	**$**	**$**	**$**
Financial Assets				
Cash and cash equivalents *	**307,918**	**307,918**	596,460	596,460
Trade and other receivables *	**85,811**	**85,811**	148,212	148,212
Financial assets	**207,192**	**207,192**	507,457	507,457
	600,921	**600,921**	1,252,129	1,252,129
Financial liabilities				
Trade and other payables *	**(68,266)**	**(68,266)**	(77,738)	(77,738)
Loans from related parties	(150,185)	(150,185)	-	-
	(218,451)	**(218,451)**	(77,738)	(77,738)

* Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments in nature whose carrying amounts are equivalent to their fair values.

23 Statutory information

The registered office and principal place of business of the company is:

Creswick & District Financial Services Ltd
1 Raglan Street
Creswick Victoria 3363

24 Parent entity

The following information has been extracted from the books and records of the parent, Creswick & District Financial Services Ltd and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Creswick & District Financial Services Ltd has been prepared on the same basis as the consolidated financial statements except as disclosed below.

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the consolidated financial statements of the parent entity. Dividends received from associates are recognised in the parent entity profit or loss, rather than being deducted from the carrying amount of these investments.

	2021	2020
	$	$
Statement of Financial Position		
Assets		
Current assets	**423,298**	1,173,129
Non-current assets	**1,434,118**	603,087
Total Assets	**1,857,416**	1,776,216
Liabilities		
Current liabilities	**(131,979)**	(141,508)
Non-current liabilities	**(4,364)**	(6,249)
Total Liabilities	**(136,343)**	(147,757)
	1,721,073	1,628,459
Equity		
Issued capital	**618,364**	618,364
Retained earnings	**1,095,008**	1,046,277
Financial asset revaluation reserve	**7,701**	(36,182)
Total Equity	**1,721,073**	1,628,459
Statement of Profit or Loss and Other Comprehensive Income		
Total profit or loss for the year, after tax	**116,375**	216,592
Other comprehensive income	**43,884**	(54,987)
Total comprehensive income	**160,259**	161,605

25 Controlled entities

	Country of incorporation	Percentage owned (%)* 2021	Percentage owned (%)* 2020
Parent entity:			
Creswick & District Financial Services Ltd	Australia		
Subsidiaries:			
Creswick Community Property Group Pty Ltd	Australia	**100**	100

*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

26 Operating segments

The Group operates in the financial services sector where it provides banking services to its clients. The Group operates in one geographic area being Creswick, Victoria and the surrounding district. The Group has a franchise agreement in place with Bendigo and Adeladie Bank Limited who account for the majority of the revenue earned by the Group.

27 Events occurring after the reporting date

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

28 Contingencies

In the opinion of the Directors, the Group did not have any contingencies at 30 June 2021 (30 June 2020: none).

29 Key management personnel and related party disclosures

(a). Key management personnel

Any person(s) 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 entity is considered key management personnel.

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.

29 Key management personnel and related party disclosures

Post employment benefits

These amounts are the current year's estimated cost of providing the Group'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 as measured by the fair value of the options, rights and shares granted on grant date.

(b). Other related parties

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

(c). Key management personnel shareholdings

The number of ordinary shares in Creswick & District Financial Services Ltd held by each key management person and their related parties in the Group during the financial year is as follows:

	2021	2020
Marcus Walsh	**501**	**501**
Daryl Clifton	**1,000**	**1,000**
Janine Booth	**5,001**	**5,001**
Graeme Mitchell	**13,501**	**13,501**
Michael Beaumont	**16,600**	**16,600**
Timothy Hayes	**1,500**	**1,500**
Melissa Phillips	**300**	**300**
Ian Smith	**100**	**100**
Jeff Unmack	**10,000**	**10,000**
Ian Flynn	**-**	**-**
Bob Orr OAM	**18,301**	**18,301**
Quentin Turner AFSM	**500**	**500**
	67,304	**67,304**

Each share held has a paid up value of $1 and is fully paid.

29 Key management personnel and related party disclosures

(d). Loans from related parties

During the reporting period the Group received a loan from a Director as finance for the purchase of the investment property. The loan is due for repayment on 15 December 2021 and interest is charged on the loan at an interest rate of 3% per annum.

	Opening balance	Closing balance	Interest not charged	Interest paid/payable	Impairment
	$	$	$	$	$
Loans from directors					
2021	**-**	**150,185**	**-**	**185**	**-**
2020	-	-	-	-	-

(e). Other key management transactions

There have been no other transactions involving related parties other than those described above.

30 Cash flow information

(a). Reconciliation of result for the year to cashflows from operating activities

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

	Consolidated	
	2021	**2020**
	$	**$**
Profit for the year	**139,062**	242,064
Non-cash flows in profit:		
- depreciation	**13,371**	13,547
- net loss on disposal of assets	**102**	-
- write off of capitalised formation costs	**850**	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**58,556**	(43,143)
- (increase)/decrease in investments	**(4,860)**	-
- increase/(decrease) in trade and other payables	**(6,598)**	34,628
- (increase)/decrease in contract liabilities	**185**	-
- increase/(decrease) in income taxes payable	**(10,565)**	(21,028)
- increase/(decrease) in deferred tax liability	**16,655**	(24,309)
- increase/(decrease) in provisions	**10,483**	13,686
Cashflows from operations	**217,241**	215,445

Directors Declaration

The directors of the Company declare that:

1. the consolidated financial statements and notes for the year ended 30 June 2021 are in accordance with the *Corporations Act 2001* and:

    a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the consolidated financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

    b. give a true and fair view of the financial position and performance of the consolidated group;

2. 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.

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

Director	Director ....
Marcus Walsh	Daryl Clifton

Dated: 1 September 2021

Creswick & District Financial Services Ltd

Independent Audit Report to the members of Creswick & District Financial Services Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Creswick & District Financial Services Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' statement.

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

(i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended; and

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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.

Responsibilities of 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 control 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Creswick & District Financial Services Ltd

Independent Audit Report to the members of Creswick & District Financial Services Ltd

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 the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group 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.

Creswick & District Financial Services Ltd

Independent Audit Report to the members of Creswick & District Financial Services Ltd

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

CountPro Audit Pty Ltd..............................
CountPro Audit Pty Ltd

....
Jason Hargreaves
Director

20 Lydiard Street South, Ballarat
Dated: 2 September 2021

Bendigo Adelaide Bank Message
26 August 2021

On behalf of Bendigo and Adelaide Bank, thank you! As a shareholder of your local Community Bank company, you are playing an important role in supporting your community.

It has been a tumultuous year for every community across Australia, and across the world. For our business, recognition that banking is an essential service has meant that we've kept the doors open, albeit with conditions that none of us could ever imagine having to work with.

Face masks, perspex screens, signed documents to cross state borders, checking in customers with QR codes and ensuring hand sanitiser stations are filled aren't what you would expect as a bank employee.

Then there's the fact that while communities have been, and continue to go in and out of lockdown, digital and online banking has become the norm.

So, what does that mean for Bendigo Bank and the Community Bank that you are invested in both as a shareholder, and a customer?

What we're seeing is that your Community Bank is still as important, if not more so, than when you first invested as a shareholder. If the pandemic has taught us anything, it has taught us the importance of place, of our local community, our local economy, our community-based organisations, the importance of social connection and the importance or your local Community Enterprise – your Community Bank in providing, leadership, support, and assistance in these difficult times.

As we continue to adapt to this rapidly changing world one thing that continues to be important to us all is supporting each other and our strong sense of community.

Your continued support as a shareholder is essential to the success of your local community. Thank you for continuing to back your Community Bank company and your community.

Collin Brady
Head of Community Development

Notes

Community Bank · Creswick & District
1 Raglan Street,,
Creswick Vic 3363
Phone: 03 5345 1233
Web: bendigobank.com.au/creswick

Clunes Agency
49 Fraser Street,,
Clunes Vic 3370
Phone: 03 5345 3223
Web: bendigobank.com.au/creswick

Franchisee: Creswick & District Financial Services Limited
ABN: 14 119 315 258
1 Raglan Street, Creswick Vic 3363
Phone: 03 5345 1233
Email: admin@cdfsl.com.au

Share Registry:
RSD Registry
PO Box 30, Bendigo Vic 3552
Phone: 5445 4222
Email: shares@rsdregistry.com.au

Bendigo Bank

Bendigo and Adelaide Bank Limited ABN 11 068 049 178, AFSL/Australian Credit Licence 237879 A1429506 OUT_2270365 03/08/2021