Annual Report 2023

Gingin Districts Community Financial Services Limited

Community Bank
Gingin and Lancelin

ABN 98 095 382 193

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Chairman's report

For year ending 30 June 2023

Gingin Districts Community Financial Services Limited, your Community Bank company is pleased to report our best result since our inception in 22 years ago. As many of us with mortgages and business loans well know, the cash interest rate increases, as directed by the Reserve Bank have been constant and quick, as they fought to curb inflation. These rises from a low base have had a strong effect on all banks interest margins, including Bendigo and Adelaide Bank and Gingin Districts Community Financial Services Limited. This has seen our revenue increase 52% on last year to $2.573 million. The continued strong support from our community and shareholders has seen the total lending and deposits grow slightly in a difficult market to $278 million. The Board continues to be conscious of balancing community returns with shareholders returns in line with our Strategic Plan and the Bendigo and Adelaide Bank's Community Bank model.

The strong result by your Community Bank Gingin and Lancelin has allowed your Community Bank company to continue to support a wide range of causes through its Sponsorship and Major grant programs, to a total of $150,500 for the financial year. This included a major grant of $50,000 to the Lancelin Bowling Club for their synthetic green, $11,000 to the Gingin District High School P & C, $10,000 to the Gingin Bowling Club and $25,000 commitment to Project Gingin. In addition, we have contributed a massive $800,000 to the Bendigo Bank's Community Enterprise Foundation™, which will be available for future major local community projects.

We continue to support our youth to attend university and TAFE via our scholarship program. Currently Gingin Districts Community Financial Services Limited is assisting three young locals and is an initiative that the Board, customers and shareholders alike, should all be very proud of. We encourage current school leavers to apply.

The Board and business are supported by strong management provided by Senior Manager Stephen Fidge. The year saw a roll change for our Gingin Branch Manager, Christian Kelly, who had a short break and has now resumed a roll as Business Development Manager. This has created an opportunity for Kellie Radalj to assume the Assistant Branch Manager roll in Gingin, as Tanya Martinovich has done in Lancelin. The Board is excited about the opportunities the business is providing for local people. On behalf of the Board and shareholders I thank all our passionate staff for their commitment.

Dividend payment to date

Financial Year	Cents per share	Total distribution per share $
2003/04	7c	0.07
2004/05	8c	0.15
2005/06	9c	0.24
2006/07	12c	0.36
2007/08	12c	0.48
2008/09	15c	0.63
2009/10	16c	0.79
2010/11	18c	0.97
2011/12	19c	1.16
2012/13	20c	1.36
2013/14	21c	1.57
2014/15	21c	1.78
2015/16	21c	1.99
2016/17	24c	2.23
2017/18	24c	2.47
2018/19	24c	2.71
2019/20	24c	2.95
2020/21	24c	3.19
2021/22	24c	3.43
2022/23	27c	3.70

Gingin Districts Community Financial Services Limited maintains a strong Balance Sheet, and adequate retained earnings of $902,675 as of 30 June 2023 ($752,642 - 30 June 2022) and the Board is pleased to announce our strongest after-tax nett profit of $255,909 ($111,884 - 30 June 2022), after contributing $800,000 to the Community Enterprise Foundation™. The funds set aside in the Foundation will be available for community projects over the coming years and add to the $3.39 million already invested into many groups, organisations and major infrastructure across the shire.

Your Board is pleased to declare a 27c fully franked dividend for the year ended 30 June 2023 (24c ff year ended 30 June 2022). As you can see this takes the total dividend payout to $3.70 and provides a good balance between community benefit and shareholder reward for the shareholders who risked their capital to back our Community Bank dream twenty-two years ago.

Looking forward, as we enter the peak interest rate phase, our earnings are forecast to reduce from recent strong levels. We are confident our team can continue to write enough business to cover any run-off and still grow our total book, which will help the reduction in earnings, from reducing margins.

I sincerely thank my fellow current Directors for their volunteered time, effort and due diligence. Our Board has an exceptional balance of skills and broad thinkers. The workload is shared across the various portfolios which results in a very functional Board.

Finally, I sincerely thank Linda Balcombe, the Board's Executive Officer for her support. It is a pleasure working with such a strong team and I can assure you your company is in good hands. Remember "Bank with your Community Bank Branch and your community will benefit".

David Roe

David Roe
Chairman

Senior Manager's report

For year ending 30 June 2023

Gingin Districts Community Financial Services Limited (GDCFS Ltd) over the past year experienced net portfolio growth of 1.2% or over $5 million* growing our total footings to more than $278 million*.

The unprecedent rapid rise in the RBA cash rate over the last 12 months has presented challenges and opportunities for our customers and business alike. Market expectations are that rates will plateau over the upcoming period however as experienced it is difficult to forecast outcomes.

GDCFS Ltd continues to support its communities, over the life of our business we have contributed over $3.391 million back to the people that support our business.

Staff are our biggest asset and the teams at Gingin and Lancelin continue to provide high levels of customer service to our existing and new customers. During the year the group reviewed its Gingin structure appointing Kellie Radalj to the position of Assistant Branch Manager and provided Branch Manager Christian Kelly the opportunity to move to a Perth based role of Business Development Manager for the GDCFS Ltd. Early indications are that the restructure has had a positive outcome for the Company.

On behalf of all staff, we would like to take the opportunity to thank our supportive group of Directors without who's guidance, support and direction we could not continue to back the communities in which we operate.

Our people are the key to the past, present and ongoing success of the business and I would like to take the opportunity to thank all staff for their efforts over the year.

I personally would like to thank Tanya, Linda and Kellie who directly support me to ensure that GDCFS Ltd continues to prosper in these challenging times.

Stephen Fidge
Senior Manager
Community Bank Gingin and Lancelin

* Adjusted for one off items

Bendigo and Adelaide Bank report

For year ending 30 June 2023

Community and customer will always be at the heart of what we do at Bendigo and Adelaide Bank.

Together, we're setting up Community Banking for the future – growing our impact as a leading social impact movement to transform communities across Australia.

As we continue to evolve to meet the needs of our customers, we should feel proud that more Australians are choosing to do their banking with us and trust us with their financial goals. Our position as Australia's most trusted bank (Roy Morgan) reflects the esteem we are held in by our customers, and communities.

This year has been particularly significant for us. After five years apart, we had the opportunity to come together in person and connect through our State Connect program and in Bendigo at our National Conference in September. It has also been a record-breaking year for Community Bank with more than $32 million invested into local communities nationwide. This is our highest year on record and underscores our ongoing commitment to our customers and communities.

Reflecting on the 25 years since we opened our first Community Bank, I'm so grateful to the hard work of many passionate Directors (past and present). Everything we have done and continue to do is focused on our purpose to feed into the prosperity of our customers and communities, not off it.

On behalf of the Bank, thank you for continuing to play an essential role in supporting your community. I look forward to seeing us grow together and make a positive impact for generations to come.

Justine Minne
Bendigo and Adelaide Bank

Community Bank National Council report

For year ending 30 June 2023

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

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

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

And now even with the digital evolution upon us, the foundation of our future still relies on the guiding principles of the Community Bank model. We are community enterprises and the custodians of this incredible model that collaborates with local communities for social good. The objective of our Community Bank network remains the same. Our evolution will be evidenced by the channels that we use to connect with our customers and communities, digital by design and human where it matters.

The Community Bank network was a first mover in Australia with its unique social enterprise model. The first Community Bank opened its doors in 1998, and since then, the network has grown to 307 Community Bank branches. The network represents a diverse cross-section of Australia with 240 social enterprises, 70,000+ shareholders, 1600+ volunteer directors, 1600+ staff and 905,000 customers located in metro, regional, rural and remote locations across the country.

The Community Bank network creates impact though grants, donations and sponsorships that connect with and care for generations of Australians. Network investment ranges from sport, scholarships and school programs, through to community groups, cultural organisations and local councils. We also facilitate and attract partnerships to help support much needed community projects.

The Community Bank National Council (CBNC) is the voice of the Community Bank network. The role of the CBNC is to advocate and influence on behalf of the 240 community enterprises with its partner. It has also been the role of the CBNC to oversee the development of the Community Network Strategy which exists to ensure the ongoing sustainability of this unique collective of social enterprises.

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

Warm regards

Sarah Franklyn
CBNC Chair

Directors' report

For the financial year ended 30 June 2023

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2023.

Directors

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

David William Roe

Title:	Non-executive director
Experience and expertise:	37 years in family farming business. Past Chairman Gingin Recreation Group and the Angus Society of Western Australia (WA Committee). Past Treasurer Gingin Football Club, Gingin Cricket Club and Gingin Districts Financial Services Ltd. Gingin Shire Councillor 2005 - 2017. Gingin Shire President 2015 - 2017. Current Chairman Gingin District Financial Services Limited.
Special responsibilities:	Chair, Finance & Audit and Scholarship Committees.

Irene Betty Neville

Title:	Non-executive director
Experience and expertise:	25 years Cattle Farming with husband Steve. Past Ladies President of Gingin Golf Club. Member of local St John's ambulance. Organising Committee of Gingin Garden Group. Previously worked in the Health Industry for over 25 years both in hospital and community nursing.
Special responsibilities:	Human Resources and Chair of Scholarship Committees.

Thomas Cesare Cabassi

Title:	Non-executive director
Experience and expertise:	Certificate IV in Real Estate Management 50513. Chairman of Steering Committee in forming Gingin Community Bank. Past Chairman GDCFSL. Lifelong involvement with various sporting clubs and beef cattle industry.
Special responsibilities:	Finance & Audit and Business Development Committees.

Robert William Kestel

Title:	Non-executive director
Experience and expertise:	Past director Australian Chicken Grower Council, Past President WABGA, Gingin Football Club President, Director of Gingin Financial Services 20+ years. Associate diploma rural techniques, Gingin shire councilor, community advocate, past director and chair of free range egg and poultry Australia.
Special responsibilities:	Marketing and Sponsorship Committees.

Malcolm Robert Harrington

Title:	Non-executive director
Experience and expertise:	Primary producer until 1990. Private Pilots License. Past Chairman East Ballidu Soil Conservation Group. Heavy Earthmoving Contractor. Heavy Haulage North West 7 Years. Secretary, chairman of many committees. Councillor Wongan Ballidu. Past administrator Ledge Point Country Club. Owner & operator of Ledge Point Trading and Hardware closed 2022. Currently operating Ledge Point Reticulation and Refrigeration.
Special responsibilities:	Business Development and Sponsorship Committees.

Anthony Robert Colotti

Title:	Non-executive director
Experience and expertise:	Cert III in Horticultural Studies. Director of Brookrise Fresh Produce. Involved in Gingin Football Club, Gingin Bowling Club and Yachep Surf Lifesaving Club. Donations and sponsorship to many community events and organisations. Other current directorships include Brookrise Fresh Produce.
Special responsibilities:	Vice Chairperson, Chair of Sponsorship Committee.

Wendy Lynette Harris

Title:	Non-executive director
Experience and expertise:	Wendy Harris (MBA, GAICD) is the Chief Sustainability Officer at the Eastern Metropolitan Regional Council in Western Australia and was previously an Executive Manager at Keystart Home Loans. Her skills and expertise cover the areas of strategic, business and workforce planning, risk management and marketing. Wendy is also a partner in a family farming enterprise, operating in the Shire of Gingin involved in the production of prime lamb and beef and is passionate about the sustainability and health of rural communities.
Special responsibilities:	Company Secretary, Finance & Audit and Due Diligence Committee.

Hon. Martin Aldridge

Title:	Non-executive director
Experience and expertise:	Elected in 2013 as the Member for the Agricultural Region in the Legislative Council of Western Australia. Currently serving on the Standing Committee on Procedure and Privileges and previously on the Standing Committee on Estimates and Financial Operations. Previously employed as a Senior Firefighter with the Department of Fire and Emergency Services with a background in agriculture.
Special responsibilities:	Chair of the Marketing Committee. Member of Business Development and Scholarship Committees.

Stephen James Beckwith

Title:	Non-executive director
Experience and expertise:	Bachelor of Business (1st Class Honours). 25 years experience in a Senior Managerial role with two multinational Horticultural operations across WA and Tasmania. Current role of General Manager. Past Chairperson of Gingin Districts Community Services, current Board member of the Almond Board of Australia, involved in various local community organisations including executive committee roles.
Special responsibilities:	Treasurer, Chair of Human Resource Committee, Due Diligence, Audit and Finance Committees.

Company secretary

The company secretary is Wendy Lynette Harris. Wendy was appointed as the company secretary on 23 November 2021.

Principal activity

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

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

Review of operations

The profit for the company after providing for income tax amounted to $255,909 (30 June 2022: $111,884).

The company has seen a significant increase in its revenue during the financial year. This is a result of the Reserve Bank of Australia (RBA) increasing the cash rate by 3.25% during the financial year moving from 0.85% to 4.10% as at 30 June 2023. The increased cash rate has had a direct impact on the revenue received by the company, increasing the net interest margin income received under the revenue share arrangement the company has with Bendigo Bank.

Dividends

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

	2023 $
Fully franked dividend of 24 cents per share (2022: 24 cents)	105,876

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments

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

Environmental regulation

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

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Board		Sponsorship Committee		Marketing Committee	
	Eligible	Attended	Eligible	Attend	Eligible	Attend
David William Roe	10	7	11	11	3	2
Irene Betty Neville	10	10	-	-	-	-
Thomas Cesare Cabassi	10	8	-	-	-	-
Robert William Kestel	10	10	11	11	3	3
Malcolm Robert Harrington	10	8	11	11	-	-
Anthony Robert Colotti	10	8	11	11	-	-
Wendy Lynette Harris	10	9	-	-	-	-
Hon. Martin Aldridge	10	7	-	-	3	3
Stephen James Beckwith	10	9	-	-	-	-

	Finance & Audit Committee		Human Resources Committee		Scholarship Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
David William Roe	2	2	8	8	1	1
Irene Betty Neville	-	-	8	8	1	1
Thomas Cesare Cabassi	2	2	-	-	-	-
Robert William Kestel	-	-	-	-	1	1
Malcolm Robert Harrington	-	-	-	-	-	-
Anthony Robert Colotti	2	2	8	8	-	-
Wendy Lynette Harris	-	-	-	-	-	-
Hon. Martin Aldridge	-	-	-	-	1	1
Stephen James Beckwith	2	2	8	8	-	-

Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in note 24 and note 25 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

Directors' interests

The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
David William Roe	6,001	-	6,001
Irene Betty Neville	5,000	-	5,000
Thomas Cesare Cabassi	3,801	-	3,801
Robert William Kestel	1,001	-	1,001
Malcolm Robert Harrington	-	-	-
Anthony Robert Colotti	-	-	-
Wendy Lynette Harris	600	-	600
Hon. Martin Aldridge	-	-	-
Stephen James Beckwith	2,000	-	2,000

Indemnity and insurance of directors and officers

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

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

Proceedings on behalf of the company

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

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

Indemnity and insurance of auditor

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

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

Non-audit services

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 26 to the accounts.

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

- all non-audit services have been reviewed by the board to ensure they do not impact on the impartiality, integrity and objectivity of the auditor

Non-audit services (continued)

- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the company, acting as an advocate for the company or jointly sharing risks and rewards.

Auditor's independence declaration

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

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

On behalf of the directors

David Roe

David William Roe
Chair

29 August 2023

Auditor’s independence declaration

Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
afs@afsbendigo.com.au
(03) 5443 0344

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

As lead auditor for the audit of Gingin Districts Community Financial Services Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 29 August 2023

Joshua Griffin
Lead Auditor

Financial statements

Statement of profit or loss and other comprehensive income
for the year ended 30 June 2023

	Note	2023 $	2022 $
Revenue from contracts with customers	6	2,529,003	1,640,728
Other revenue	7	16,250	43,256
Finance revenue		28,319	2,811
Total revenue		2,573,572	1,686,795
Employee benefits expense	8	(1,002,352)	(1,032,631)
Advertising and marketing costs		(25,765)	(19,583)
Occupancy and associated costs		(33,026)	(38,682)
System costs		(32,823)	(36,019)
Depreciation and amortisation expense	8	(110,403)	(117,501)
Finance costs	8	(22,134)	(22,346)
General administration expenses		(161,428)	(170,821)
Total expenses before community contributions and income tax		(1,387,931)	(1,437,583)
Profit before community contributions and income tax expense		**1,185,641**	**249,212**
Charitable donations, sponsorships and grants expense	8	(844,281)	(99,620)
Profit before income tax expense		**341,360**	**149,592**
Income tax expense	9	(85,451)	(37,708)
Profit after income tax expense for the year	**20**	**255,909**	**111,884**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**255,909**	**111,884**
		Cents	**Cents**
Basic earnings per share	28	58.01	25.36
Diluted earnings per share	28	58.01	25.36

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

Statement of financial position
for the year ended 30 June 2023

	Note	2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents	10	1,151,174	1,048,687
Trade and other receivables	11	246,376	181,097
Total current assets		**1,397,550**	**1,229,784**
Non-current assets			
Property, plant and equipment	12	232,261	281,025
Right-of-use assets	13	291,069	305,131
Intangible assets	14	71,609	96,984
Deferred tax assets	9	9,197	-
Total non-current assets		**604,136**	**683,140**
Total assets		**2,001,686**	**1,912,924**
Liabilities			
Current liabilities			
Trade and other payables	15	75,103	152,535
Lease liabilities	16	38,965	34,915
Current tax liabilities	9	60,777	34,987
Employee benefits	17	98,205	90,481
Total current liabilities		**273,050**	**312,918**
Non-current liabilities			
Lease liabilities	16	331,515	350,309
Deferred tax liabilities	9	-	825
Employee benefits	17	11,590	15,557
Provisions	18	41,706	39,523
Total non-current liabilities		**384,811**	**406,214**
Total liabilities		**657,861**	**719,132**
Net assets		**1,343,825**	**1,193,792**
Equity			
Issued capital	19	441,150	441,150
Retained earnings	20	902,675	752,642
Total equity		**1,343,825**	**1,193,792**

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

Statement of changes in equity
for the year ended 30 June 2023

	Note	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2021		441,150	746,634	1,187,784
Profit after income tax expense		-	111,884	111,884
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	111,884	111,884
Transactions with owners in their capacity as owners:				
Dividends provided for	22	-	(105,876)	(105,876)
Balance at 30 June 2022		**441,150**	**752,642**	**1,193,792**
Balance at 1 July 2022		441,150	752,642	1,193,792
Profit after income tax expense		-	255,909	255,909
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	255,909	255,909
Transactions with owners in their capacity as owners:				
Dividends provided for	22	-	(105,876)	(105,876)
Balance at 30 June 2023		**441,150**	**902,675**	**1,343,825**

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

Statement of cash flows
for the year ended 30 June 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,750,327	1,809,158
Payments to suppliers and employees (inclusive of GST)		(2,428,906)	(1,572,247)
Interest received		13,522	1,605
Income taxes refunded/(paid)		(69,683)	13,109
Net cash provided by operating activities	**27**	**265,260**	**251,625**
Cash flows from investing activities			
Payments for property, plant and equipment		(1,603)	(17,168)
Proceeds from disposal of property, plant and equipment		-	22,728
Net cash provided by/(used in) investing activities		**(1,603)**	**5,560**
Cash flows from financing activities			
Dividends paid	22	(105,876)	(105,876)
Repayment of lease liabilities	16	(55,294)	(51,695)
Net cash used in financing activities		**(161,170)**	**(157,571)**
Net increase in cash and cash equivalents		102,487	99,614
Cash and cash equivalents at the beginning of the financial year		1,048,687	949,073
Cash and cash equivalents at the end of the financial year	**10**	**1,151,174**	**1,048,687**

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

Notes to the financial statements

For the year ended 30 June 2023

Note 1. Reporting entity

The financial statements cover Gingin Districts Community Financial Services Limited (the company) as an individual entity, which is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Registered office	Principal place of business
3 Constable Street, Gingin WA 6503	3 Constable Street, Gingin WA 6503
	442 Lancelin Plaza, Lancelin WA 6044

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

Note 2. Basis of preparation and statement of compliance

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 August 2023. The directors have the power to amend and reissue the financial statements.

Note 3. Significant accounting policies

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

Changes in accounting policies, standards and interpretations

There are a number of amendments to accounting standards issued by the AASB that became mandatorily effective for accounting periods beginning on or after 1 July 2022, and are therefore relevant for the current financial year. The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Current and non-current classification

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

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

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

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

Note 3. Significant accounting policies (continued)

Impairment

Non-derivative financial assets

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

The company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end. Due to the reliance on Bendigo Bank the company has reviewed credit ratings provided by Standard & Poors, Moody's and Fitch Ratings to determine the level of credit exposure to the company. The company also performed a historical assessment of receivables from Bendigo Bank and found no instances of default. As a result no ECL has been made in relation to trade receivables as at 30 June 2023.

Non-financial assets

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

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

Goods and Services Tax (GST)

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that it believes to be reasonable under the circumstances. Differences between the accounting judgements and estimates and actual results and outcomes are accounted for in future reporting periods. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

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

Impairment of non-financial assets

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

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

Recovery of deferred tax assets

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

Lease term

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

Incremental borrowing rate

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

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and inflation have been taken into account.

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

In the absence of sufficient historical employee attrition rates, the company applies a benchmark probability rate from across the Community Bank network to factor in estimating the probability of an employee, at a given date, achieving continuous employment eligible for entitlement in accordance with legislation.

Lease make good provision

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

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in May 2026.

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

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

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

Note 5. Economic dependency (continued)

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

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

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

Note 6. Revenue from contracts with customers

	2023 $	2022 $
Margin income	2,285,738	1,344,323
Fee income	102,256	111,710
Commission income	141,009	184,695
Revenue from contracts with customers	**2,529,003**	**1,640,728**

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

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

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

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

All revenue is stated net of the amount of GST. There was no revenue from contracts with customers recognised over time during the financial year.

Revenue calculation

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

Note 6. Revenue from contracts with customers (continued)

Margin

Margin on core banking products is arrived at through the following calculation:

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

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

Commission

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

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

Fee income

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

Core banking products

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

Ability to change financial return

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

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

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

Note 7. Other revenue

	2023 $	2022 $
Net gain on disposal of property, plant and equipment	-	4,944
Market development fund	16,250	28,750
Other income	-	9,562
	16,250	**43,256**

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

Note 7. Other revenue (continued)

Revenue stream	Revenue recognition policy
Net gain on disposal of property, plant and equipment	Revenue from the sale of property, plant and equipment is recognised when the buyer obtains control of the asset. Control is transferred when the buyer has the ability to direct the use of and substantially obtain the economic benefits from the asset.
Discretionary financial contributions (also "Market development fund" or "MDF" income)	MDF income is recognised when the right to receive the payment is established. MDF income is discretionary and provided and receivable at month-end and paid within 14 days after month-end.
Other income	All other revenues that did not contain contracts with customers are recognised as goods and services are provided.

All revenue is stated net of the amount of GST.

Discretionary financial contributions

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

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

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

Note 8. Expenses

Employee benefits expense

	2023 $	2022 $
Wages and salaries	832,537	849,010
Non-cash benefits	27,624	25,299
Superannuation contributions	86,330	85,167
Expenses related to long service leave	(4,894)	(2,676)
Other expenses	60,755	75,831
	1,002,352	**1,032,631**

Leases recognition exemption

	2023 $	2022 $
Expenses relating to low-value leases	**10,804**	**13,608**

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

Note 8. Expenses (continued)

Depreciation and amortisation expense

	2023 $	2022 $
Depreciation of non-current assets		
Leasehold improvements	16,875	18,053
Plant and equipment	14,511	13,927
Motor vehicles	18,981	28,523
	50,367	**60,503**
Depreciation of right-of-use assets		
Leased land and buildings	**34,661**	**31,623**
Amortisation of intangible assets		
Franchise fee	**25,375**	**25,375**
	110,403	**117,501**

Finance costs

	2023 $	2022 $
Lease interest expense	19,951	20,276
Unwinding of make-good provision	2,183	2,070
	22,134	**22,346**

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

Charitable donations, sponsorships and grants

	2023 $	2022 $
Direct donation, sponsorship and grant payments	44,281	74,620
Contribution to the Community Enterprise Foundation™ (CEF)	800,000	25,000
	844,281	**99,620**

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

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

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

Note 9. Income tax

	2023 $	2022 $
Income tax expense		
Current tax	95,473	45,354
Movement in deferred tax	(10,022)	(7,646)
Aggregate income tax expense	**85,451**	**37,708**
Prima facie income tax reconciliation		
Profit before income tax expense	**341,360**	**149,592**
Tax at the statutory tax rate of 25%	85,340	37,398
Tax effect of:		
Non-deductible expenses	111	310
Income tax expense	**85,451**	**37,708**

	2023 $	2022 $
Deferred tax attributable to:		
Accrued expenses	(1,175)	(925)
Provision for lease make good	(10,427)	(9,881)
Lease liabilities	(92,620)	(96,306)
Property, plant and equipment	45,706	57,862
Income accruals	4,001	302
Right-of-use assets	72,767	76,283
Employee benefits	(27,449)	(26,510)
Deferred tax asset/(liability)	**(9,197)**	**825**

	2023 $	2022 $
Provision for income tax	**60,777**	**34,987**

Accounting policy for income tax

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

Accounting policy for current tax

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

Accounting policy for deferred tax

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

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

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

Note 9. Income tax (continued)

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

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

Note 10. Cash and cash equivalents

	2023 $	2022 $
Cash at bank and on hand	49,174	240,306
Term deposits	1,102,000	808,381
	1,151,174	**1,048,687**

Accounting policy for cash and cash equivalents

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

Note 11. Trade and other receivables

	2023 $	2022 $
Trade receivables	**214,417**	**167,445**
Accrued income	16,003	1,206
Prepayments	15,956	12,446
	31,959	**13,652**
	246,376	**181,097**

Accounting policy for trade and other receivables

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

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

Note 12. Property, plant and equipment

	2023 $	2022 $
Leasehold improvements - at cost	467,240	467,240
Less: Accumulated depreciation	(342,813)	(325,938)
	124,427	**141,302**
Plant and equipment - at cost	120,242	118,639
Less: Accumulated depreciation	(96,147)	(81,636)
	24,095	**37,003**
Motor vehicles - at cost	158,722	158,722
Less: Accumulated depreciation	(74,983)	(56,002)
	83,739	**102,720**
	232,261	**281,025**

Note 12. Property, plant and equipment (continued)

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

	Leasehold improvements $	Plant and equipment $	Motor vehicles $	Total $
Balance at 1 July 2021	159,355	37,708	96,648	293,711
Additions	-	17,168	48,345	65,513
Disposals	-	(3,946)	(13,750)	(17,696)
Depreciation	(18,053)	(13,927)	(28,523)	(60,503)
Balance at 30 June 2022	**141,302**	**37,003**	**102,720**	**281,025**
Additions	-	1,603	-	1,603
Depreciation	(16,875)	(14,511)	(18,981)	(50,367)
Balance at 30 June 2023	**124,427**	**24,095**	**83,739**	**232,261**

Accounting policy for property, plant and equipment

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

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

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

Leasehold improvements	5 to 20 years
Plant and equipment	2 to 40 years
Motor Vehicles	5 years

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

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

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

Changes in estimates

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

Note 13. Right-of-use assets

	2023 $	2022 $
Land and buildings - right-of-use	672,791	652,192
Less: Accumulated depreciation	(381,722)	(347,061)
	291,069	**305,131**

Note 13. Right-of-use assets (continued)

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

	Land and buildings $
Balance at 1 July 2021	300,425
Remeasurement adjustments	36,329
Depreciation expense	(31,623)
Balance at 30 June 2022	**305,131**
Remeasurement adjustments	20,599
Depreciation expense	(34,661)
Balance at 30 June 2023	**291,069**

Accounting policy for right-of-use assets

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

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

Refer to note 16 for more information on lease arrangements.

Note 14. Intangible assets

	2023 $	2022 $
Franchise fee	375,561	375,561
Less: Accumulated amortisation	(303,952)	(278,577)
	71,609	**96,984**

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

	Franchise fee $
Balance at 1 July 2021	122,359
Amortisation expense	(25,375)
Balance at 30 June 2022	96,984
Amortisation expense	(25,375)
Balance at 30 June 2023	**71,609**

Accounting policy for intangible assets

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

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

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

Note 14. Intangible assets (continued)

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

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

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

Change in estimates

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

Note 15. Trade and other payables

	2023 $	2022 $
Current liabilities		
Trade payables	49,720	78,762
Other payables and accruals	25,383	73,773
	75,103	**152,535**

Accounting policy for trade and other payables

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

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

Note 16. Lease liabilities

	2023 $	2022 $
Current liabilities		
Land and buildings lease liabilities	57,981	54,824
Unexpired interest	(19,016)	(19,909)
	38,965	**34,915**
Non-current liabilities		
Land and buildings lease liabilities	397,257	430,451
Unexpired interest	(65,742)	(80,142)
	331,515	**350,309**

Reconciliation of lease liabilities

	2023 $	2022 $
Opening balance	385,224	380,314
Remeasurement adjustments	20,599	36,329
Lease interest expense	19,951	20,276
Lease payments - total cash outflow	(55,294)	(51,695)
	370,480	**385,224**

Note 16. Lease liabilities (continued)

Maturity analysis

	2023 $	2022 $
Not later than 12 months	57,981	54,824
Between 12 months and 5 years	231,924	219,296
Greater than 5 years	165,333	211,155
	455,238	**485,275**

Accounting policy for lease liabilities

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

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

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

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

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

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

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

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
Lancelin Branch	5.39%	5 years	5 years	Yes	February 2031
Gingin Branch	5.39%	5 Years	5 Years	Yes	June 2031

Remeasurement adjustments

During the financial year the monthly rent amount for the Lancelin and Gingin Branch increased. As such an adjustment was required for the remeasurement of the lease liability and right-of-use asset.

Note 17. Employee benefits

	2023 $	2022 $
Current liabilities		
Annual leave	53,359	44,708
Long service leave	44,846	45,773
	98,205	**90,481**
Non-current liabilities		
Long service leave	**11,590**	**15,557**

Note 17. Employee benefits (continued)

Accounting policy for employee benefits

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

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

Superannuation contributions

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

Short-term employee benefits

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

Other long-term employee benefits

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

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

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

Note 18. Provisions

	2023 $	2022 $
Lease make good provision	**41,706**	**39,523**

Lease make good provision

In accordance with the branch lease agreements, the company must restore the leased premises to their original condition before the expiry of the lease term. The company has estimated the provision based on experience and consideration of the expected future costs to remove all fittings and the ATM as well as the cost to remedy any damages caused during the removal process. The leases are due to expire per below at which time it is expected the face-value costs to restore the premises will fall due.

Lease	Lease term expiry date per AASB 16	Estimated provisions
Lancelin branch	February 2031	$28,513
Gingin branch	June 2031	$35,100

Accounting policy for provisions

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

Note 19. Issued capital

	2023 Shares	2022 Shares	2023 $	2022 $
Ordinary shares - fully paid	**441,150**	**441,150**	**441,150**	**441,150**

Accounting policy for issued capital

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

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

Dividends

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

Transfer

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

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

Prohibited shareholding interest

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

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

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

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

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

Note 19. Issued capital (continued)

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

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

Note 20. Retained earnings

	2023 $	2022 $
Retained earnings at the beginning of the financial year	752,642	746,634
Profit after income tax expense for the year	255,909	111,884
Dividends paid (note 22)	(105,876)	(105,876)
Retained earnings at the end of the financial year	**902,675**	**752,642**

Note 21. Capital management

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

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

The distribution limit is the greater of:

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

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

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

Note 22. Dividends

Dividends provided for and paid during the period

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

	2023 $	2022 $
Fully franked dividend of 24 cents per share (2022: 24 cents)	**105,876**	**105,876**

Note 22. Dividends (continued)

Franking credits

	2023 $	2022 $
Franking account balance at the beginning of the financial year	400,728	449,127
Franking credits (debits) arising from income taxes paid (refunded)	69,684	(13,107)
Franking debits from the payment of franked distributions	(35,292)	(35,292)
	435,120	**400,728**
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	435,120	400,728
Franking credits (debits) that will arise from payment (refund) of income tax	59,602	34,988
Franking credits available for future reporting periods	**494,722**	**435,716**

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

Accounting policy for dividends

Dividends are recognised in the financial year they are declared.

Note 23. Financial instruments

	2023 $	2022 $
Financial assets		
Trade and other receivables	230,420	168,651
Cash and cash equivalents	1,151,174	1,048,687
	1,381,594	**1,217,338**
Financial liabilities		
Trade and other payables	75,103	152,535
Lease liabilities	370,480	385,224
	445,583	**537,759**

Accounting policy for financial instruments

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

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

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

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

Note 23. Financial instruments (continued)

Financial risk management

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

Market risk

Market risk is the risk that changes in market prices - e.g. foreign exchange rates, interest rates, and equity prices - will affect the company's income or the value of its holdings in financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The company has no exposure to any transactions denominated in a currency other than Australian dollars.

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of $1,151,174 at 30 June 2023 (2022: $1,048,687).

Price risk

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

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo Bank. The company monitors credit worthiness through review of credit ratings, Bendigo Bank is rated BBB+ on Standard & Poor's credit ratings.

Liquidity risk

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

Exposure to liquidity risk

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

	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
2023				
Non-derivatives				
Trade and other payables	75,103	-	-	75,103
Lease liabilities	57,981	231,924	165,333	455,238
Total non-derivatives	**133,084**	**231,924**	**165,333**	**530,341**
2022				
Trade and other payables	152,535	-	-	152,535
Lease liabilities	54,824	219,296	211,155	485,275
Total non-derivatives	**207,359**	**219,296**	**211,155**	**637,810**

Note 24. Key management personnel disclosures

The following persons were directors of Gingin Districts Community Financial Services Limited during the financial year and/or up to the date of signing of these Financial Statements.

David William Roe
Irene Betty Neville
Thomas Cesare Cabassi
Robert William Kestel
Malcolm Robert Harrington
Anthony Robert Colotti
Wendy Lynette Harris
Hon. Martin Aldridge
Stephen James Beckwith

Compensation

Key management personnel compensation comprised the following.

	2023 $	2022 $
Short-term employee benefits	4,883	14,837
Post-employment benefits	303	-
	5,186	**14,837**

Compensation of the company's key management personnel includes salaries and superannuation. These payments are to reimburse the directors for costs incurred for meetings and technology use.

Note 25. Related party transactions

The following transactions occurred with related parties:

	2023 $	2022 $
During the period, the company sold a motor vehicle to a director. The sale price excluding GST was:	-	22,727
During the period, the company paid a sponsorship to the Gingin South Bush Fire Service in which a director is the secretary and treasurer. The sponsorship amount excluding GST was:	500	-

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Note 26. Remuneration of auditors

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

	2023 $	2022 $
Audit services		
Audit or review of the financial statements	**6,400**	**6,000**
Other services		
Taxation advice and tax compliance services	1,783	1,695
General advisory services	3,965	3,900
Share registry services	4,450	4,093
	10,198	**9,688**
	16,598	**15,688**

Note 27. Reconciliation of profit after income tax to net cash provided by operating activities

	2023 $	2022 $
Profit after income tax expense for the year	255,909	111,884
Adjustments for:		
Depreciation and amortisation	110,403	117,501
Net gain on disposal of non-current assets	-	(5,032)
Lease liabilities interest	19,951	20,276
Change in operating assets and liabilities:		
Increase in trade and other receivables	(65,279)	(79,460)
Decrease in income tax refund due	-	23,474
Increase in deferred tax assets	(9,197)	-
Increase/(decrease) in trade and other payables	(77,432)	67,486
Increase in provision for income tax	25,790	34,987
Decrease in deferred tax liabilities	(825)	(7,644)
Increase/(decrease) in employee benefits	3,757	(33,916)
Increase in other provisions	2,183	2,069
Net cash provided by operating activities	**265,260**	**251,625**

Note 28. Earnings per share

	2023 $	2022 $
Profit after income tax	**255,909**	**111,884**

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	441,150	441,150
Weighted average number of ordinary shares used in calculating diluted earnings per share	**441,150**	**441,150**

	Cents	Cents
Basic earnings per share	58.01	25.36
Diluted earnings per share	58.01	25.36

Accounting policy for earnings per share

Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of Gingin Districts Community Financial Services Limited, by the weighted average number of ordinary shares outstanding during the financial year.

Note 29. Commitments

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

Note 30. Contingencies

There were no contingent liabilities or contingent assets at the date of this report.

Note 31. Events after the reporting period

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Directors' declaration

For the financial year ended 30 June 2023

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

David Roe

David William Roe
Chair

29 August 2023

Independent audit report

Andrew Frewin Stewart
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Independent auditor's report to the Directors of Gingin Districts Community Financial Services Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Gingin Districts Community Financial Services Limited (the company), which comprises:

- Statement of financial position as at 30 June 2023
- Statement of profit or loss and other comprehensive income
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements, including a summary of significant accounting policies
- The directors' declaration of the company.

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

i. giving a true and fair view of the company's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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Other Information

The other information comprises the information included in the company’s annual report for the year ended 30 June 2023, but does not include the financial report and our auditor’s report thereon. The annual report may also include “other information” on the company’s operations and financial results and financial position as set out in the financial report, typically in a Chairman’s report and Manager’s report, and reports covering governance and shareholder matters.

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

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

Our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If we identify that a material inconsistency appears to exist when we read the annual report (or become aware that the other information appears to be materially misstated), we will discuss the matter with the directors and where we believe that a material misstatement of the other information exists, we will request management to correct the other information. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

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

The directors are responsible for overseeing the company’s financial reporting process.

Auditor’s responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists.

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Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 29 August 2023

Joshua Griffin
Lead Auditor

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