

# Annual Report 2022

Good Country Financial  
Services Limited

Community Bank  
Keith & Districts  
ABN 86 164 061 143



# ANNUAL REPORT | 2022

**Good Country Financial  
Services Limited**

ABN 86 164 061 143

Financial report for the year ended 30 June 2022

**Community Bank** Keith & Districts Branch



# » Contents

---

Chairman's Report	3
Manager's Report	5
Bendigo and Adelaide Bank Report	7
CBNC Report	8
Directors' Report	9
Auditor's Independence Declaration	12
Statement of Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Equity	15
Statement of Cash Flows	16
Notes to the Financial Statements	17
Directors' Declaration	37
Independent Auditor's Report	38

# » Chairman's Report

---

## **For the financial year ended 30 June 2022**

This may be my first report as Chair, but I have been a member of the Good Country Financial Services Board since its inception in 2013 and part of what we have been able to achieve in the eight and a half years since the branch opened in March 2014.

In the early days it was not easy. As we were getting our name out there and growing our customer base, we had to lean on our parent company Bendigo and Adelaide Bank Ltd to provide us with a \$300,000 overdraft. We worked hard both in branch and with our directors getting our story out into the wider Tatiara community that we hoped we would be able to support financially in the future. The message was: "We could not do it on our own, we needed community support. Bank with us and we can put our profits into the things that communities need to grow strong and resilient".

The response was a steady growth in customer numbers and in turn we have been able to get out and help the community. We paid back our overdraft and for the last three years have been able to pay a one cent dividend per share to every shareholder and as well as a bonus one cent dividend per share. We find ourselves in a strong cash position and were over budget in net profit before our grants and sponsorships.

We are lucky to still have our founding Branch Manager Fiona Wilkinson and our two loyal Customer Service officers, Peta Kellock and Sherrie Creighton working at the branch, continually learning, and building on their knowledge and skills about the Bendigo product range and how they can best match the products to meet the needs of our customers and their financial dreams and aspirations. Peta very capably manages our marketing including our Facebook posting, flyers, radio, and print advertising. Brigette Clark continues to build her banking skills and negotiates consumer lending. Staff member Jodi has been on leave without pay for 12 months and does not look like returning for the next 12 months. We wish Jodi Kotz well as she recovers from a long-term illness. We were pleased to welcome Grant Shugg 12 months ago who, after a long break from banking has once again slipped into the lending and customer support completing all his training in record time! Our Trainee Jazz Gilbertson with us at the branch fulltime for 14 months, has moved onto university in Adelaide, but we were pleased to hear she has picked up part time work at the Community Bank · Goodwood branch and has been able to continue to build on the considerable banking skills developed in Keith. We wish her all the best for a bright future. We look forward to finding a new trainee to start in late November and supporting them to complete their Certificate III in Business.

All through COVID we managed to stay open and work out ways to assist our customers, continued growing and providing support as needed. We worked through back-room issues as Bendigo and Adelaide Bank came up with innovative ways to keep staff on the job: working from home keeping in contact via Zoom and Teams meetings.

This flowed through to our directors, even the least technology savvy of our Board members, and I find myself on this list, have been guided through by our more tech savvy members to get online and keep on top of governance, marketing and /HR issues.

We are lucky to have a dedicated and long serving Board with two members having been on the Board since before the branch opened in March 2014. Like the branch staff the board has been stable with no changes for the last 18 months. We were however very sad to lose our minute secretary Jan Story who passed away in February this year. Jan was a fantastic community volunteer and had recorded our minutes for us since 2018. Kate Spowart has been helping us record our minutes very capably in recent months and we hope that she continues to assist us in the future. At the AGM we thank and farewell two directors that have been invaluable, for not only spreading the word about the good that our community bank can do but also managed the Governance of the Board and assisted us to move forward with renewed policies and solid risk management plans and profiles. Bill Hender leaves us after six years on the board being ratified at the 2018 AGM although he had been a director since Feb 2018. Asha Crozier has been on the Board for three years and in that time has given invaluable governance and

## » Chairman's Report continued

---

HR advise and will be missed on the board. We still have a strong group with Tom Neville as our Board Secretary, who along with Board Assistant Tori have welcomed a new baby Harry to their family. Tori will take parenting leave until January 2023. In the meantime, finance reporting is being overseen by Sarah Stevens at Galpins accounting. Tintinara is represented on the board by Kelly Nankivell, Matilda Berry works in Bordertown with myself, Geoff Watts, Mel Mitton, Paul Smith, and James Ryan represent the local farming and business community.

In the past 12 months we have past \$115 million in footings, have been able to give away over \$100,000 in Grants and Community Sponsorships and pleasingly after a concerted campaign by the Directors have managed to get the vast majority of Shareholders bank details so that they could benefit from those dividends. We have a healthy stream of business on the books to work towards and our cashflow forecast into 2023 is looking strong along with our balance sheet.

We look forward to the future and what we can do from the community. but can only continue to share our profits with the community through your banking support. Please come and see the staff at the branch for any of your banking needs.

Regards



Louise Johnson  
**Chairman**

# » Manager's Report

---

## **For the financial year ended 30 June 2022**

It is once again a pleasure to submit my Branch Manager's Report to our Shareholders.

This being our eighth full year of trading, we have settled well into the community showing strong growth, good profits and significant community contributions.

As our business matures, we are seeing fluctuations in lending portfolios due to payment of debt through amortisation (monthly repayments), sale of assets and surplus cash. Behind this we are seeing an increase of new to Bank customers and a mixture of residential and/or investment home purchases and refinances from other Banks. Deposit growth has also been strong and with the ongoing interest rate rises, this will have a positive impact on our margin income moving forward.

We achieved growth in our Rural Bank portfolio, though this financial year due to market conditions did not meet growth budget. However, the shortfall was made up with housing loans - 297% of target, and deposit growth - 223% of target. Rural Bank lending still makes up 70% of our lending portfolio and provides us with a steady income. The appointment of Rural Bank Relationship Manager Candice Nolan – now Candice Townsend since her marriage – has been a positive support for our rural based clients and we see Candice as an integral part of our team.

Customer numbers are up 10% from previous year, with an increase in the Products Per Customer (PPC) ratio, which means our customers are taking up more Bendigo and Adelaide Bank products and services, strengthening their banking relationship. Our foot-traffic for transactional banking remains low, though with continued growth of the business our branch opening hours have remained steady and I believe, this is one of our greatest strengths. As the COVID pandemic continues to affect us all in some way, we are pleased to report that we have not reduced the branch opening hours with ad hoc closes due to staff shortages. This is a credit to our branch staff who remain committed to our branch, Board and customers in providing the best possible customer service experience.

The customer experience has seen some changes with the introduction of DocuSign which enables us to process customer requests and some lending applications without customers attending the branch. Though at the start we were somewhat unsure of how this would impact on customer service, many customers have embraced this and see it as building on a positive experience, saving time and travel.

We have three inaugural staff still employed at the branch – Peta, Sherri and myself, along with Brigette who has been with us for six years and Jodi who commenced in 2017. During the year we said goodbye to our Trainee Jazz who headed off to Uni early 2022 and secured employment with the Community Bank · Goodwood and we welcomed Grant in November who brings a strong banking background in lending – both consumer and business. We will once again advertise for a school leaver for 2023, offering a Cert III in Business, which is a way we can continue to support youth in our community.

During the year we collaborated with the Community Bank branches in the Southeast with local marketing and sponsorships, using funds pooled throughout the year into a combined account. One initiative was arranging local high schools and area schools to take part in the Save a Life workshop – a driver education program for students. This program has been run over several years now and is something we are passionate about continuing. We also collaboratively ran local advertising through television, highlighting the community branches and local community groups who have received funding from us and continued with our major sponsorship of the KNT Football League.

## » Manager's Report continued

---

Some recipients of our Branch grants and sponsorships this year included:

5TCB	Outside broadcast equipment	\$15,488
Carinya	Reroofing retirement units	\$12,650
Keith Football Club	Kitchen renovations	\$12,179
Tintinara Lions	Power generator	\$5,000
Bordertown Speedway	Track redevelopment	\$5,000
Christmas in Keith	Christmas Tree & movie night	\$3,073
Bordertown Ag Museum	Defibrillator	\$2,650
Keith Hockey Club	Uniforms	\$2,000
Purple Paddock	Security monitoring system	\$1,579
Keith Toy Library	Shelving	\$1,000
Tatiara Hockey Club	Uniforms	\$1,000
Keith Swimming Club	Lane flags	\$625
Tintinara Tennis Club	Esky	\$524
Keith Cricket Club	Scoreboard	\$450

Of course, our community contributions are not possible without the continued support of our customers. With steady growth of our business, we have been able to increase our contributions, this year contributing over \$100k through grants and sponsorships. A massive achievement!

I would like to take this opportunity to thank our Directors, shareholders, staff and customers for your continued support. Our Directors are all volunteers and put an amazing effort in to ensure the smooth running of the business and to make sure we meet our strategic goals. Also thank you to Candice Townsend, Neil Medhurst - Senior Manager Business Banking, and Alison Burr - Regional Manager, for their support throughout the year.

With a strong customer base and good support from our community, we look forward to the coming year.



Fiona Wilkinson  
**Branch Manager**



# » Bendigo and Adelaide Bank Report

---

## **BEN message | July 2022**

Community continues to be core to who we are at Bendigo and Adelaide Bank.

With your support, we are enabling community infrastructure to be built, strengthening the arts and culturally diverse communities, improving educational outcomes, and growing healthy places for Australians to live and work. On behalf of the Bank, thank you for continuing to play a vital role in supporting your community.

As we emerge from the pandemic and navigate a shifting economic landscape, the investments our Community Banks make in the future of the communities in which they operate has never been more important.

We are proud that more Australians are choosing to do their banking with Bendigo and Adelaide Bank – and importantly trust us with their financial needs. We are Australia's most trusted bank (Roy Morgan, May 2022), an outcome that you have all contributed to and should feel proud of.

Our purpose has never been more important; we remain committed to continuing to feed into the prosperity of our customers and communities, and not off them.

Your ongoing support as a shareholder is essential to the success of your local community. Together, we will continue to grow sustainably and make a positive impact for generations to come..



Justine Minne  
**Bendigo and Adelaide Bank**

# » CBNC Report

---

As a shareholder in your local Community Bank, you are part of this incredible social network that is playing an increasingly important role in the Australian economy.

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. It's not uncommon to visit a country town and see the Community Bank logo affixed to public amenities; at the front of schools, and on the perimeter of sporting clubs – such is the breadth and depth of our investments over the years.

The Community Bank network invests via grants, donations and sponsorships that connect with and care for generations of Australians. Funding programs range from sport, scholarships and school programs, through to community groups, cultural organisations and local councils. The Community Bank influence further extends to facilitating and attracting other partners to help subsidise much needed community projects.

The relationship with the Bank, which has been fashioned out of shared effort, risk and reward, is clearly a philosophy that works. Also supporting the network, is the Community Bank National Council (CBNC), which advocates and influences on behalf of the 240 community enterprises with its partners.

The three strategic pillars of the 22-23 CBNC strategy are to:

- Develop a community network strategy to ensure the ongoing sustainability of our community enterprises
- Advocate for and champion the uniqueness and value of our social enterprises
- Unite the network to leverage our community presence and amplify our community impact

All directors and shareholders should feel proud of the network which has collectively delivered enormous impact in our local communities.

We are community builders and investors with a national presence, whilst still retaining grass roots community connections. It's through this unique point of difference, and the commitment of our directors and shareholders, that we are well positioned to embrace the change that is upon us.

Next year our Community Bank network celebrates 25 years, but in many respects, it's only the beginning for our collective of social enterprises.

Warm Regards



Sarah Franklyn  
**CBNC Chair**

# » Directors' Report

Your Directors present their report, together with the financial statements of the company, for the year ended 30 June 2022.

## Directors

The names and details of the company's Directors who held office during or since the end of the financial year are:

Name and position held	Qualifications	Experience and Other Directorships
Louise Johnson Chairperson Director since 11th June 2013	Diploma of Teaching (ECE) Certificate of Rural Office Practice	Director and bookkeeper for family farming business. 30 Years' experience in Education. Actively involved in the Keith and Willalooka community for over 25 years. Member of the Keith Art Group and a trainer at the Keith Football Club.
Thomas Neville Secretary Director since 31st August 2018	Bachelor of Business	Member of Keith Football Club
James Ryan Director since 31st May 2013	Bachelor of Applied Science In Agriculture	Owner and Director of family farming business. Involved with the Keith Football Club. Past Chairman of the Willalooka Farm Group and a past member of the Keith Hospital Board. Director & Owner of Henry & Rose Café.
Melody Mitton Director since 5th of July 2016	Hospitality & Management	Actively involved in the local community over 10 years. Currently President of PEAK, vice President of the Desert Dragons. Past President to Willalooka Progress Assn. Past Secretary to the Keith Art Group. Past Treasurer to the Keith Theatre Group.
Bill Hender Director since 5th December 2017		Local farmer currently the District Ranger at NPWS. Previously CEO of Robe District Council and the Keith and Districts Hospital. Involved with the local community for many years, including President of Keith Football Club and previous Tatiara Australia Day Citizen of the Year.
Geoff Watts Director since 3rd April 2018	Certificate in Real Estate Sales	Owner of Watts Rural PTY LTD, Qualified and licenced Land agent, Licenced Auctioneer (including Charity Auctioneer), Past Secretary of Field and Game Association, Member of the Real Estate Institute. Past member of Apex Club for 10 yrs.
Paul Smith Director since 13th November 2019	Roseworthy Diploma Agriculture Roseworthy Diploma Agricultural Technology	Former partner and director NAS Agribusiness Past member and secretary Tintinara Action Club Past secretary Naracoorte Football Club Past treasurer Keith Football Club
Asha Crozier Director since 11th November 2020	Bachelor of Early Childhood Education Masters of Education Leadership and Management	
Matilda Berry Director since 11th November 2020	Bachelor of Commerce (Corporate Finance) Bachelor of Health Sciences	Member of the Mundulla Netball Club
Kelly Nankivell Director since 30th March 2021	Bachelor of Business (Administration Management)	Vice Chairperson - Tintinara Area School Governing Council Secretary - Tintinara Tennis Club Member Australian Lot Feeders' Assocation Industry Capacity Committee Member

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

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

# » Directors' Report continued

---

## Principal activities

The principal activity and focus of the company's operations during the financial year was the operation of a Branch of Bendigo and Adelaide Bank Limited, pursuant to a franchise agreement.

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

## Operating results

The loss of the company after providing for income tax amounted to \$3,984.

Dividends	Year Ended 30 June 2022	
	Cents Per Share	\$
Final dividends recommended:	2	17,399
Dividends paid in the year:		
- Final for the year	2	17,399

## Financial position

The net assets decreased by \$21,391 to \$413,787 at 30 June 2022.

## Significant changes in the state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the company that occurred during the financial year under review, not otherwise disclosed in these financial statements.

## Matters subsequent to the end of the financial year

The impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is continuing to develop and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions, vaccinations and any economic stimulus that may be provided.

## Future developments

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

## Environmental issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth, State or Territory.

## Options

No options over issued shares or interests in the company were granted to Directors or Executives during or since the end of the financial year and there were no options outstanding at the date of this report.

The Directors do not own any options over issued shares or interests in the company at the date of this report.

## Proceedings on behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

# Directors' Report continued

## Indemnifying officers or auditor

Indemnities have been given, during and since the end of the financial year, for any persons who are or have been a Director or an Officer, but not an auditor, of the company. The insurance contract prohibits disclosure of any details of the cover.

## Corporate governance

The company has implemented various corporate governance practices, which include:

- (a) The establishment of a finance and governance committee;
- (b) Director approval of operating budgets and monitoring of progress against these budgets;
- (c) Ongoing Director training; and
- (d) Monthly Director meetings to discuss performance and strategic plans.

## Directors meetings

The number of Directors meetings attended during the year were:

Director	Directors' Meetings		Finance Meetings		Governance Meetings	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
Louise Johnson	11	11	4	4	4	4
Thomas Neville	11	8	12	8	-	-
James Ryan	11	10	12	9	1	1
Bill Hender	11	6	-	-	5	4
Melody Mitton	11	8	-	-	4	2
Geoff Watts	11	7	-	-	-	-
Paul Smith	11	8	12	12	-	-
Asha Crozier	11	8	-	-	5	5
Matilda Berry	11	9	12	8	-	-
Kelly Nankivell	11	8	-	-	-	-

n/a - not a member of that Committee

## Company secretary

Thomas Neville was appointed the Company Secretary of the Company on 5th November 2018.

## Non audit services

The Directors are satisfied that the provision of non audit services during the period is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed in Note 6 did not compromise the external auditor's:

- all non audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect integrity and objectivity of the auditor, and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110 "Code of Ethics for Professional Accountants" set by the Accounting Professional and Ethical Standards Board.

## Auditor independence declaration

The lead auditor's independence declaration under s307C of the Corporations Act 2001 for the financial year ended 30 June 2022 is included within the financial statements.

This Report of the Directors is signed in accordance with a resolution of the Board of Directors at Keith on the 20th Day of September 2022.



Louise Johnson  
Director

Dated this 20th day of September 2022

# » Auditor's Independence Declaration

**Bordertown T 08 8752 8888**  
PO Box 270, Bordertown SA 5268  
E bordertown@murraynankivell.com.au

**Naracoorte T 08 8765 7777**  
PO Box 403, Naracoorte SA 5271  
E naracoorte@murraynankivell.com.au

**Murray Bridge T 08 8535 5999**  
PO Box 3007, Murray Bridge SA 5253  
E mb@murraynankivell.com.au

**www.murraynankivell.com.au**  
ABN 68 191 400 792



## **AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

### **TO THE DIRECTORS OF GOOD COUNTRY FINANCIAL SERVICES PTY LTD**

I declare that, to the best of my knowledge and beliefs, during the year ended 30 June 2022 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.

**Mark Stephen Edwards**  
Chartered Accountant

172 Smith Street  
Naracoorte, SA, 5271



Registered Auditor: Mark Edwards  
Registered Auditor No. 289565

23 September 2022

# » Financial Statements

**Good Country Financial Services Limited**  
**ABN 86 164 061 143**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**for the year ended 30 June 2022**

	Note	2022 \$	2021 \$
Revenue	2	689,923	717,072
Employee benefits expense	3	(389,429)	(355,208)
Depreciation and amortisation expense	3	(56,701)	(53,798)
Finance Costs	3	(5,012)	(5,515)
Professional fees		(17,770)	(15,690)
Marketing and promotional expense		(13,241)	(4,029)
Other expenses		<u>(101,747)</u>	<u>(95,177)</u>
<b>Profit (Loss) before charitable donations &amp; sponsorships</b>		106,023	187,655
Charitable donations and sponsorship		<u>(104,043)</u>	<u>(53,020)</u>
<b>Profit (Loss) before income tax</b>		1,980	134,635
Income tax (expense)/benefit	4	<u>(5,964)</u>	<u>(37,709)</u>
<b>Profit (Loss) for the year</b>		(3,984)	96,926
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive Profit (loss) for the year attributable to members</b>		<u><u>(3,984)</u></u>	<u><u>96,926</u></u>

The accompanying notes form part of these financial statements

# » Financial Statements

**Good Country Financial Services Limited**  
**ABN 86 164 061 143**  
**Statement of Financial Position**  
**As at 30 June 2022**

	Note	2022 \$	2021 \$
<b>Current Assets</b>			
Cash and cash equivalents	7	219,874	226,328
Trade and other receivables	8	63,625	53,942
Other current assets	9	8,536	6,520
<b>Total Current Assets</b>		<u>292,035</u>	<u>286,790</u>
<b>Non-Current Assets</b>			
Plant and equipment	10	67,063	75,749
Right of use asset	12	107,278	123,370
Intangible assets	11	27,247	42,118
Deferred tax assets	5	136,236	142,208
<b>Total Non-Current Assets</b>		<u>337,824</u>	<u>383,445</u>
<b>Total Assets</b>		<u><b>629,859</b></u>	<u><b>670,235</b></u>
<b>Current Liabilities</b>			
Trade and other payables	13	41,300	39,815
Short term provisions	14	45,293	40,446
Lease liability	15	18,939	18,387
<b>Total Current Liabilities</b>		<u>105,532</u>	<u>98,648</u>
<b>Non-Current Liabilities</b>			
Trade and other payables	13	-	14,865
Long term provisions	14	9,258	6,334
Lease liability	15	101,282	115,210
<b>Total Non-Current Liabilities</b>		<u>110,540</u>	<u>136,409</u>
<b>Total Liabilities</b>		<u><b>216,072</b></u>	<u><b>235,057</b></u>
<b>Net Assets</b>		<u><b>413,787</b></u>	<u><b>435,178</b></u>
<b>Equity</b>			
Issued capital	16	869,959	869,959
Accumulated losses		(456,172)	(434,781)
<b>Total Equity</b>		<u><b>413,787</b></u>	<u><b>435,178</b></u>

The accompanying notes form part of these financial statements



# » Financial Statements

**Good Country Financial Services Limited**  
**ABN 86 164 061 143**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2022**

	Share capital	Accumulated losses	Total
	\$	\$	\$
Balance at 30 June 2020	869,959	(519,394)	350,565
Issue of share capital	-	-	-
Adjustment to Retained Earnings for previously unrecognised temporary differences	-	5,086	5,086
Total comprehensive loss for the year	-	96,926	96,926
<b>Subtotal</b>	869,959	(417,382)	452,577
Dividends paid or provided for	-	(17,399)	(17,399)
<b>Balance at 30 June 2021</b>	<b>869,959</b>	<b>(434,781)</b>	<b>435,178</b>
Issue of share capital	-	-	-
Adjustment to Retained Earnings for previously unrecognised temporary differences	-	(8)	(8)
Total comprehensive profit for the year	-	(3,984)	(3,984)
<b>Subtotal</b>	869,959	(438,773)	431,186
Dividends paid or provided for	-	(17,399)	(17,399)
<b>Balance at 30 June 2022</b>	<b>869,959</b>	<b>(456,172)</b>	<b>413,787</b>

The accompanying notes form part of these financial statements

# » Financial Statements

**Good Country Financial Services Limited**  
**ABN 86 164 061 143**  
**Statement of Cash Flows**  
**for the year ended 30 June 2022**

	Note	2022 \$	2021 \$
<b>Cash Flows From Operating Activities</b>			
Receipts from customers		675,444	680,027
Payments to suppliers and employees		(614,226)	(487,813)
Interest received		32	-
Interest paid		-	-
<b>Net cash used in operating activities</b>	17	<u>61,250</u>	<u>192,214</u>
<b>Cash Flows From Investing Activities</b>			
Payment for intangible assets		(14,865)	(14,865)
Purchase of property, plant and equipment		(17,053)	(19,041)
<b>Net cash used in investing activities</b>		<u>(31,918)</u>	<u>(33,906)</u>
<b>Cash Flows From Financing Activities</b>			
Lease payments		(13,375)	(12,336)
Interest paid		(5,012)	(5,515)
Dividends paid		(17,399)	(17,399)
<b>Net cash flows from/(used in) financing activities</b>		<u>(35,786)</u>	<u>(35,250)</u>
<b>Net increase / (decrease) in cash held</b>		(6,454)	123,058
Cash and cash equivalents at beginning of financial year		<u>226,328</u>	<u>103,270</u>
<b>Cash and cash equivalents at end of financial year</b>	7	<u><u>219,874</u></u>	<u><u>226,328</u></u>

The accompanying notes form part of these financial statements

# » Notes to the Financial Statements

---

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

## **1. Statement of significant accounting policies**

### **(a) Basis of preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial report covers the company as an individual entity. The company is an unlisted public company, incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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

The financial statements were authorised for issue on the 20th of September 2022 by the Directors of the company.

### **(b) Income tax**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

# » Notes to the Financial Statements continued

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

## 1. Summary of significant accounting policies (continued)

### (c) Plant and equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

#### *Plant and Equipment*

Plant and equipment are measured on the cost basis.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial year in which they are incurred.

#### *Depreciation*

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

<i>Class of Asset</i>	<i>Depreciation Rate</i>
Fit out costs	10%
Plant & equipment (over \$5,000)	20 - 40%
Plant & equipment (under \$5,000)	100%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# » Notes to the Financial Statements continued

---

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

## **1. Summary of significant accounting policies (continued)**

### **(d) Leases (as lessee)**

At inception of a contract, the company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the company where the company is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

### **(e) Impairment of assets**

At each reporting date, the company assesses whether there is any indication that an asset is impaired. Where an indicator of impairment exists, the company makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

# » Notes to the Financial Statements continued

---

## **1. Summary of significant accounting policies (continued)**

### **(f) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### **(g) Employee benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

### **(h) Intangibles**

#### *Franchise Fee*

The franchise fee paid by the company pursuant to a Franchise Agreement with Bendigo Bank is being paid in annual instalments over the five (5) years period of the agreement, being the period of expected economic benefits of the franchise fee.

### **(i) Cash and cash equivalents**

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

### **(j) Revenue and other income**

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

### **(k) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

### **(l) Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

### **(m) Comparative figures**

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

# » Notes to the Financial Statements continued

---

## 1. Summary of significant accounting policies (continued)

### (n) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

#### *Key estimates - Estimation of useful lives of assets*

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

#### *Key estimates - Impairment*

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised in respect of intangibles for the year ended 30 June 2022. Should the projected turnover figures be materially outside of budgeted figures incorporated in value-in-use calculations, an impairment loss would be recognised up to the maximum carrying value of intangibles at 30 June 2022 amounting to \$27,247.

#### *Employee benefits provision*

Assumptions are required for wage growth and CPI movements. The likelihood of employees reaching unconditional service is estimated. The timing of when employee benefit obligations are to be settled is also estimated.

#### *Income tax*

The company is subject to income tax. Significant judgement is required in determining the deferred tax asset. 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. The assumptions made regarding future profits is based on the company's assessment of future cash flows.

#### *Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, staffing and geographical location in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

#### *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 or purchase the underlying asset 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.

# » Notes to the Financial Statements continued

---

## 1. Summary of significant accounting policies (continued)

### (o) Financial instruments

#### *Recognition and Initial Measurement*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the company becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

#### *Derecognition*

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### *Classification and Subsequent Measurement*

##### (i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

##### (ii) *Financial Liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

#### *Derivative instruments*

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the statement of comprehensive income unless they are designated as hedges.

The company does not hold any derivative instruments.

#### *Fair value*

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

#### *Impairment*

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

#### *Financial Guarantees*

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 15: Revenue. Where the company gives guarantees in exchange for a fee, revenue is recognised under AASB 15. The company has not issued any financial guarantees.



# » Notes to the Financial Statements continued

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

## 1. Summary of significant accounting policies (continued)

### (p) New and revised standards that are effective for these financial statements

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>2. Revenue</b>		
Operating activities		
- Franchise margin income	678,348	688,979
- Other revenue	11,543	28,093
Total revenue from operating activities	<u>689,891</u>	<u>717,072</u>
Non-operating activities		
- interest received	32	-
- other revenue	-	-
Total revenue from non-operating activities	<u>32</u>	<u>-</u>
Total revenue from ordinary activities	<u><u>689,923</u></u>	<u><u>717,072</u></u>
<b>3. Expenses</b>		
Employee benefits expense		
- wages and salaries	332,723	303,995
- superannuation costs	32,941	28,170
- other costs	23,765	23,043
	<u>389,429</u>	<u>355,208</u>
Depreciation of non-current assets:		
- plant and equipment	948	220
- right-of-use asset	16,092	16,091
- buildings	24,790	22,622
Amortisation of non-current assets:		
- intangible assets	14,871	14,865
	<u>56,701</u>	<u>53,798</u>
Finance Costs:		
- Interest paid	5,012	5,515
	<u>5,012</u>	<u>5,515</u>
Bad debts	15	(6)

# » Notes to the Financial Statements continued

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

#### 4. Income tax

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

Prima facie tax on profit/(loss) before income tax at 25% (2021 - 26%)	495	35,005
Add/less tax effect of		
- Non-assessable income	-	(7,110)
Reduction in opening deferred taxes resulting from reduction in tax rate	5,469	9,814
Income tax expense/(benefit)	<u>5,964</u>	<u>37,709</u>
Income Tax Expense - Current Year	495	27,895
Add/less tax effect of:		
- Non-deductible expenses	2,118	3,201
- Prior year tax losses not previously brought to account	-	-
- Future income tax benefit not brought to account	-	-
- Tax losses utilised	(2,613)	(31,096)
- Adjustment of prior year tax losses	-	-
<i>Current income tax expense</i>	<u>-</u>	<u>-</u>

# » Notes to the Financial Statements continued

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

<b>5. Deferred Tax Asset</b>	<b>2022</b>	<b>2021</b>
	\$	\$
Opening balance of deferred tax asset	142,208	174,831
Adjustment for previously unrecognised temporary differences	(8)	5,086
Credited to profit or loss	<u>(5,964)</u>	<u>(37,709)</u>
Closing balance of deferred tax asset	<u>136,236</u>	<u>142,208</u>

## 6. Auditors' remuneration

Remuneration of the auditors of the company		
- Audit services	6,250	5,450
	<u>6,250</u>	<u>5,450</u>

## 7. Cash and cash equivalents

Cash at bank and in hand	<u>219,874</u>	<u>226,328</u>
--------------------------	----------------	----------------

### *Reconciliation of cash*

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

As per the statement of financial position	219,874	226,328
As per the statement of cash flows	<u>219,874</u>	<u>226,328</u>

## 8. Trade and other receivables

### **Current**

Trade receivables:		
Trade debtors	58,865	53,942
Other debtor	4,760	-
Total current receivables	<u>63,625</u>	<u>53,942</u>

#### a. Allowance for expected credit losses

Current trade and term receivables are non-interest bearing loans and generally on 30-day terms.

Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract.

A provision for impairment is recognised when there is an objective evidence that an individual trade or term receivable is impaired. These amounts will be included in the other expenses item of the statement of comprehensive income.

There is no provision for impairment of receivables.

# » Notes to the Financial Statements continued

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

<b>9. Other assets</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Prepayments	8,536	6,520
	<u>8,536</u>	<u>6,520</u>
<b>10. Plant and equipment</b>		
<i>Fit out costs</i>		
At cost	252,727	237,667
Less accumulated depreciation	(189,863)	(165,072)
	<u>62,864</u>	<u>72,595</u>
<i>Plant and equipment</i>		
At cost	7,126	5,133
Less accumulated depreciation	(2,927)	(1,979)
	<u>4,199</u>	<u>3,154</u>
Total written down amount	<u>67,063</u>	<u>75,749</u>
<b>Movements in carrying amounts</b>		
<i>Fit out costs</i>		
Carrying amount at beginning of period	72,595	79,550
Additions	15,059	15,667
Disposals	-	-
Depreciation expense	(24,790)	(22,622)
Carrying amount at end of period	<u>62,864</u>	<u>72,595</u>
<i>Plant and equipment</i>		
Carrying amount at beginning of period	3,154	-
Additions	1,993	3,374
Disposals	-	-
Depreciation expense	(948)	(220)
Carrying amount at end of period	<u>4,199</u>	<u>3,154</u>
<b>11. Intangible assets</b>		
<i>Franchise Fee</i>		
Cost	84,326	84,326
Accumulated amortisation	(57,079)	(42,208)
	<u>27,247</u>	<u>42,118</u>

Pursuant to a five year franchise agreement with Bendigo and Adelaide Bank Limited, the company operates a branch of Bendigo and Adelaide Bank Limited, providing a core range of banking products and services.

# » Notes to the Financial Statements continued

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

<b>12. Right of Use Assets</b>	<b>2022</b>	<b>2021</b>
<b>(i) AASB 16 related amounts recognised in the balance sheet</b>	<b>\$</b>	<b>\$</b>
Leased Building	160,917	160,917
Accumulated Depreciation	- 53,639	- 37,547
Total Right of Use Asset	<u>107,278</u>	<u>123,370</u>
 Movement in carrying amounts		
Lease Building		
Carrying amount at beginning of year	123,370	139,461
Depreciation expense	- 16,092	- 16,091
Net carrying amount	<u>107,278</u>	<u>123,370</u>
 <b>(ii) AASB 16 related amounts recognised in the statement of profit or loss</b>		
Depreciation charge related to right-of-use assets	16,092	16,091
Interest expense on lease liabilities	5,012	5,515
Short-term leases expense	-	-
Low value asset leases expense	1,650	1,789
 <b>13. Trade and other payables</b>		
<b>Current</b>		
Trade creditors	7,460	7,522
Other creditors and accruals	19,643	19,906
GST payable	14,197	12,387
	<u>41,300</u>	<u>39,815</u>
 <b>Non-Current</b>		
Other creditors and accruals	-	14,865
	<u>-</u>	<u>14,865</u>

# » Notes to the Financial Statements continued

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

	2022	2021
	\$	\$
<b>14. Employee Benefits</b>		
<b>Current</b>		
Employee entitlements	<u>45,293</u>	<u>40,446</u>
<b>Non-Current</b>		
Employee entitlements	<u>9,258</u>	<u>6,334</u>
Number of employees at year end	8	8
<b>15. Lease Liabilities</b>		
<b>Current</b>		
Leased Building	<u>18,939</u>	<u>18,387</u>
	<u>18,939</u>	<u>18,387</u>
<b>Non-Current</b>		
Leased Building	<u>101,282</u>	<u>115,210</u>
	<u>101,282</u>	<u>115,210</u>
<b>16. Equity</b>		
869,959 fully paid ordinary shares	<u>869,959</u>	<u>869,959</u>

*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

# » Notes to the Financial Statements continued

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

## 17. Statement of Cash Flows

	2022	2021
(a) Reconciliation of cash flow from operations with loss after tax	\$	\$
Profit (Loss) after income tax	(3,984)	96,926
Add back interest from financing activities	5,012	5,515
Non cash items included in profit		
- Depreciation	41,830	38,933
- Amortisation of franchise fee	14,871	14,865
Movement in assets and liabilities		
- (Increase) decrease in receivables / other assets	(9,683)	(7,131)
- (Increase) decrease in prepayments	(2,016)	(1,061)
- (Increase) decrease in deferred tax asset	5,972	32,623
- Increase (decrease) in payables	1,485	(3,159)
- Increase (decrease) in provisions	7,771	9,617
- Increase (decrease) in retained earnings - prior year adjustments	(8)	5,086
Net cash used in operating activities	61,250	192,214

## 18. Related party transactions

The company's main related parties are as follows:

### (a) Key management personnel

Any person(s) having authority or responsibility for planning, directing or controlling the activities of the company, directly or indirectly including any Director (whether executive or otherwise) of that company is considered key management personnel.

<i>Name</i>		<i>Position</i>
Louise Johnson	Appointed 11/6/2013	Chairperson
Thomas Neville	Appointed 31/08/2018	Non-Executive Director / Secretary
James Ryan	Appointed 31/5/2013	Non-Executive Director
Bill Hender	Appointed 05/12/2017	Non-Executive Director
Melody Mitton	Appointed 5/7/2016	Non-Executive Director
Geoff Watts	Appointed 03/04/2018	Non-Executive Director
Paul Smith	Appointed 13/11/2019	Non-Executive Director
Matilda Berry	Appointed 11/11/2020	Non-Executive Director
Asha Crozier	Appointed 11/11/2020	Non-Executive Director
Kelly Nankivell	Appointed 30/03/2021	Non-Executive Director

# » Notes to the Financial Statements continued

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

## 18. Related parties (continued)

### (b) Other related parties

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

### (c) Transactions with key management personnel and related parties

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

### (d) Key Management Personnel Shareholdings

Number of ordinary shares held by key management personnel.

<i>Directors</i>		<i>Balance at beginning of year</i>	<i>Purchased during the year</i>	<i>Other changes</i>	<i>Balance at end of year</i>
Louise Johnson	Appointed 11/6/2013	10,001	-	-	10,001
Thomas Neville	Appointed 31/08/2018	-	-	-	-
James Ryan	Appointed 31/5/2013	1,051	-	-	1,051
Bill Hender	Appointed 05/12/2017	500	-	-	500
Melody Mitton	Appointed 5/7/2016	550	-	-	550
Geoff Watts	Appointed 03/04/2018	550	-	-	550
Paul Smith	Appointed 13/11/2019	5,000	-	-	5,000
Matilda Berry	Appointed 11/11/2020	-	-	-	-
Asha Crozier	Appointed 11/11/2020	-	-	-	-
Kelly Nankivell	Appointed 30/03/2021	-	-	-	-
		<b>17,652</b>	-	-	<b>17,652</b>

## 19. Matters subsequent to the end of the financial year

The impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is continuing to develop and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions, vaccinations and any economic stimulus that may be provided.

## 20. Contingent liabilities and assets

There were no contingent liabilities or contingent assets at the reporting date apart from the potential effects that may become payable as detailed below:

## 21. Operating segments

### Types of products and services by segment

The company operates in the financial services sector as a branch of Bendigo and Adelaide Bank Limited in Keith and surrounding districts, South Australia.

### Major Customers

The company operates under the terms of a franchise agreement with Bendigo and Adelaide Bank Limited, which accounts for all of the franchise margin income.



# » Notes to the Financial Statements continued

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

<b>22. Dividends paid or provided for on ordinary shares</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Dividends proposed and recognised as a liability</b>		
Franked dividends - nil cents per share (2021: nil cents)	-	-
<b>(b) Dividends paid during the year</b>		
(i) Current year interim		
Franked dividends - nil cents per share (2021: nil cents per share)	-	-
(ii) Previous year final		
Franked dividends - nil cents per share (2021: nil cents per share)	-	-
Unfranked dividends - 2 cents per share (2021: 2 cents per share)	17,399	17,399
<b>(c) Dividends proposed and not recognised as a liability</b>		
Unfranked dividends - 2 cents per share (2021: 2 cents per share)	17,399	17,399
Franked dividends - nil cents per share (2021: nil cents per share)	-	-
<b>(d) Franking credit balance</b>		
The amount of franking credits available for the subsequent financial year are:		
- Franking account balance as at the end of the financial year	-	-
- Franking credits that will arise from the payment of income tax payable as at the end of the financial year	-	-
- Franking debits that will arise from the payment of dividends as at the end of the financial year	-	-
- Franking credits that will arise from the payment of dividends recognised as receivables at the reporting date	-	-
- Franking credits that the entity may be prevented from distributing in the subsequent year	-	-
	<u>          -</u>	<u>          -</u>
	<u>          -</u>	<u>          -</u>

**Good Country Financial Services Ltd**  
**ABN 86 164 061 143**  
**Notes to Financial Statements**  
**for the year ended 30 June 2022**

### **23. Economic Dependency - Bendigo and Adelaide Bank Limited**

The company has entered into a franchise agreement with Bendigo and Adelaide Bank Limited that governs the management of the Community Bank branch at Keith, South Australia.

The branch 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 branch on behalf of Bendigo and Adelaide Bank Ltd, however all transactions with customers conducted through the Community Bank branch are effectively conducted between the customers and Bendigo and Adelaide Bank Ltd.

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

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

- Advice and assistance in relation to the design, layout and fit out of the Community Bank branch;
- 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; and
- Sales techniques and proper customer relations.

### **24. Company details**

The registered office and principal place of business is:                      28 Hender Street  
Keith SA 5267

# » Notes to the Financial Statements continued

**Good Country Financial Services Limited**  
**ABN 86 164 061 143**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2022**

## 24. Financial risk management

The company's financial instruments consist mainly of deposits with banks, account receivables and account payables. The totals for each category of financial instruments measured in accordance with AASB 139 as detailed in the accounting policies are as follows:

	Note	2022 \$	2021 \$
<b>Financial Assets</b>			
Cash & cash equivalents	7	219,874	226,328
Trade and other receivables	8	63,625	53,942
<b>Total Financial Assets</b>		<u>283,499</u>	<u>280,270</u>
<b>Financial Liabilities</b>			
Trade and other payables	13	41,300	39,815
<b>Total Financial Liabilities</b>		<u>41,300</u>	<u>39,815</u>

### Financial Risk Management Policies

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has established a Finance and Audit Committee which reports regularly to the Board.

### Specific Financial Risk Exposure and Management

The company has exposure to credit risk, liquidity risk and market risk from their use of financial instruments.

#### (a) 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. For the company it arises from receivables and cash assets.

Credit risk is managed through maintaining procedures that ensure, to the extent possible, that clients and counterparties to transactions are of sound credit worthiness and their financial stability is monitored and assessed on a regular basis. Such monitoring is used in assessing receivables for impairment. Credit terms for normal fee income are generally 30 days from the date of invoice. For fees with longer settlements, terms are specified in the individual client contracts. In the case of loans advanced, the terms are specific to each loan.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets as presented in the statement of financial position.

The company's exposure to credit risk is limited to Australia by geographic area. The majority of receivables are due from Bendigo and Adelaide Bank Limited.

None of the assets of the company are past due and based on historic default rates, the company believes that no impairment allowance is necessary in respect of assets not past due.

The company limits its exposure to credit risk by only investing in liquid securities with Bendigo and Adelaide Bank Limited and therefore credit risk is considered minimal.

	2022 \$	2021 \$
<b>Cash and cash equivalents:</b>		
A rated	<u>219,874</u>	<u>226,328</u>

# » Notes to the Financial Statements continued

## 24. Financial risk management (continued)

### (b) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company ensures it will have enough liquidity to meet its liabilities when due under both normal and stressed conditions. Liquidity management is carried out within the guidelines set by the Board.

Typically, the company maintains sufficient cash on hand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Financial liability and financial asset maturity analysis:

		Total	Within 1 year	1 to 5 years	Over 5 years
	Note	\$	\$	\$	\$
<b>30 June 2022</b>					
<b>Financial Liabilities due</b>					
Trade and other payables	13	(41,300)	(41,300)	-	-
<b>Total expected outflows</b>		<u>(41,300)</u>	<u>(41,300)</u>	<u>-</u>	<u>-</u>
<b>Financial Assets - realisable</b>					
Cash & cash equivalents	7	219,874	219,874	-	-
Trade and other receivables	8	63,625	63,625	-	-
<b>Total anticipated inflows</b>		<u>283,499</u>	<u>283,499</u>	<u>-</u>	<u>-</u>
<b>Net (Outflow)/Inflow on financial instruments</b>		<u>242,199</u>	<u>242,199</u>	<u>-</u>	<u>-</u>
<b>30 June 2021</b>					
<b>Financial Liabilities due</b>					
Trade and other payables	13	(39,815)	(39,815)	-	-
<b>Total expected outflows</b>		<u>(39,815)</u>	<u>(39,815)</u>	<u>-</u>	<u>-</u>
<b>Financial Assets - realisable</b>					
Cash & cash equivalents	7	226,328	226,328	-	-
Trade and other receivables	8	53,942	53,942	-	-
<b>Total anticipated inflows</b>		<u>280,270</u>	<u>280,270</u>	<u>-</u>	<u>-</u>
<b>Net (Outflow)/Inflow on financial instruments</b>		<u>240,455</u>	<u>240,455</u>	<u>-</u>	<u>-</u>

### (c) Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The weighted average interest rates of the company's interest-bearing financial assets are as follows:

# » Notes to the Financial Statements continued

## 24. Financial risk management (continued)

### (c) Market risk (continued)

#### Financial assets

	2022		2021	
	\$		\$	
Cash and cash equivalents (net of bank overdrafts)		-%		-%
Short-term investments:				
- held-to-maturity investments		-%		-%
Loans receivable		-%		-%

#### Sensitivity analysis

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

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

	Profit		Equity	
	\$		\$	
<b>Year ended 30 June 2022</b>				
+/- 1% in interest rates (interest income)	-	_____	-	_____
	-		-	
<b>Year ended 30 June 2021</b>				
+/- 1% in interest rates (interest income)	-	_____	-	_____
	-		-	

The company has no exposure to fluctuations in foreign currency.

### (d) Price risk

The company is not exposed to any material price risk.

#### Fair values

The fair values of financial assets and liabilities approximate the carrying values as disclosed in the Statement of Financial Position. Fair value is the amount at which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction. The company does not have any unrecognised financial instruments at year end.

#### Capital management

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

## **24. Financial risk management (continued)**

### **(d) Price risk (continued)**

#### **Capital management (continued)**

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

- (i) the Distribution Limit is the greater of:
  - (a) 20% of the profit or funds of the Franchisee otherwise available for distribution to shareholders in that 12 month period; and
  - (b) subject to the availability of distributable profits, the Relevant Rate of Return multiplied by the average level of share capital of the Franchisee over that 12 month period; and
- (ii) 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 year ended 30 June 2022 can be seen in the statement of comprehensive income.

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

## » Directors' Declaration

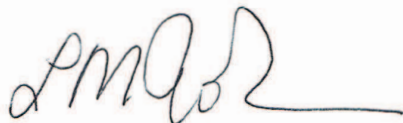
---

### Directors' Declaration

The Directors of the company declare that:

- 1 the accompanying financial statements and notes are in accordance with the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards, and
  - (b) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year then ended of the company;
- 2 the financial statements and notes thereto comply with International Financial Reporting Standards, as disclosed in Note 1; and
- 3 in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Louise Johnson  
Director

Dated this 20th day of September 2022

# » Independent Auditor's Report

**Bordertown T 08 8752 8888**  
PO Box 270, Bordertown SA 5268  
E bordertown@murraynankivell.com.au

**Naracoorte T 08 8765 7777**  
PO Box 403, Naracoorte SA 5271  
E naracoorte@murraynankivell.com.au

**Murray Bridge T 08 8535 5999**  
PO Box 3007, Murray Bridge SA 5253  
E mb@murraynankivell.com.au

**www.murraynankivell.com.au**  
**ABN 68 191 400 792**



## INDEPENDENT AUDITOR'S REPORT

### To the Members of Good Country Financial Services Pty Ltd Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Good Country Financial Services Pty Ltd ('the Company') which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Good Country Financial Services Pty Ltd, is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) 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 (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

#### Information Other than the Financial Report and Auditor's Report Thereon

Those charged with governance are responsible for the other information. The other information comprises the information included in the Annual Report for the respective year, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the 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 to cease operations, or have no realistic alternative but to do so.

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

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

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.

## » Independent Auditors Report continued

---

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.

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

**Mark Stephen Edwards**  
Chartered Accountant  
172 Smith Street  
Naracoorte, SA, 5271



---

Registered Auditor No. 289565

23 September 2022



Community Bank - Keith & Districts  
28 Hender Street,  
Keith SA 5267  
Phone: 8755 1143 Fax: 8755 1163  
Email: keithmailbox@bendigoadelaide.com.au  
Web: bendigobank.com.au/keith

Franchisee: Good Country Financial Services Limited  
ABN: 86 164 061 143  
PO Box 523  
Keith SA 5267  
Email: office@kdcb.com.au

Share Registry:  
AFS & Associates Pty Ltd  
PO Box 454, Bendigo VIC 3552  
Phone: 03 5443 0344  
Fax: 03 5443 5304  
Email: shareregistry@afsbendigo.com.au

 [www.facebook.com/communitybankkeithdistricts](https://www.facebook.com/communitybankkeithdistricts)

 **Bendigo Bank**