

Annual Report 2023

Good Country Financial
Services Limited

Community Bank
Keith & Districts
ABN 86 164 061 143



ANNUAL REPORT | 2023

**Good Country Financial
Services Limited**

ABN 86 164 061 143

Financial report for the year ended 30 June 2023

Community Bank Keith & Districts Branch



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» Chairperson's Report

For the financial year ended 30 June 2023

2022/23 has been about growing our business so that we can continue to assist in developing our local Community through our Grant Program and Sponsorships.

One of the ways we worked to build the business was through the Business Transformation Plan, which was formulated in conjunction with Bendigo and Adelaide Bank. The Plan included: a focus on younger customers with the sponsorship of all the District's Schools Show Teams, building our relationships with local businesses by attending Tatiara Business Association meetings and listening and getting to know business needs and requirements.

Fiona Wilkinson's leadership and guidance is instrumental in ensuring the Branch and staff's success and progress, whilst the flexibility and skill of our staff has allowed for growth. As they were upskilling, both Brigitte and Grant were able to assist with loans and trainee Emma has worked towards completing her Certificate III in Business while being the consistent face on the front counter. Peta's communication and media skills are such an asset for the Branch and the Board. I would also like to say farewell to one of the original staff members, Sherri, I am sure shareholders will miss her cheerful greeting. Additionally, Jodi has resigned, we wish her every success in the future.

We continued to buck the trend and keep our branch open 5 full days a week with little or no impact on our profit level. This is one of our selling points and our strengths. We are proud to have 1156 customers, up from 1101 last financial year, which includes 80 Rural Bank customers!

In March we celebrated our 9th year anniversary with a cupcake give away!

Early 2023 was dominated by the news that the last of the big 4 banks in the Coorong Council area had shut its doors, leaving the entire Council area without a bank. After being approached by Council, Manager Fiona Wilkinson, along with Directors Kelly Nankivell and I toured Meningie and later presented a proposal to Council that we use a Council room to open an office in the town each Wednesday offering a cashless service for banking products. We are grateful that the Council has allowed us to use the Council room for a year without charge as we build our Customer and Community base in the area.

The challenges for Rural Bank following Candice Townsend's resignation dominated Board Conversation. Staffing challenges in both Business and Rural Banking since April has continued to challenge the Board and we are pleased with the progress the branch has been able to achieve despite this.

Once again, we were able to distribute a one cent dividend with a one cent bonus to our Shareholders. We are still chasing bank details for all unrealised dividend payments. If you have not received your dividend payment, please let our Secretary Carlene Russell know via email office@kdcdb.com.au and we can assist you to update your bank details.

The first State Community Bank Conference since COVID was held at Head Office in Grenfell Street in April with several Directors attending. We returned invigorated and enthused about the potential our company has to make an even bigger impact in our Community. We wanted to act on the advice of our Community Bank National Council and become a certified Social Enterprise group.

Already in the 2022/23 financial year we have been able to contribute \$95,802 back into our wider Community using the Grant system managed by the Community Enterprise Foundation and Sponsorships to Community Groups, along with \$90,000 pledged to local projects in their infancy. Our impact has been in education, health, fitness, Community groups, Mental Health and Community development.

Thanks to all Board members for volunteering their time throughout the year. Everyone leads busy lives, but our Directors support each other to steer the business and believe in the Community Bank Model, where profit is directed back into the Community. Special thanks to Secretary Carlene Russell who has jumped capably into her role and been a great support to outgoing Board Assistant Tori Neville and the Board, assisting us to meet compliance deadlines. Thanks also to Committee chairs, Paul Smith in Finance, Kelly Nankivell in Community Engagement and Carlene Russell for HR and Governance.

» Chairperson's Report continued

All Directors play different roles to support the business, the Community Engagement committee is always busy planning ways to spread the word and initiate new projects. Thank you to Mel Mitton, Geoff Watts and James Ryan for your endless support and we welcome Kerrie Cleggett to the Board, we look forward to working with her in the future.

Tori has taken a back step to focus on family, but we thank her for keeping us organised over the last three years.

We are so lucky to have staff members who are committed, long serving, well trained and who support our vision and work together so well to keep the branch successful and increasing profitability. Fiona is such an asset to our Community, Branch and Board and we appreciate her immensely.

Final thanks and farewell to both Tom Neville and Matilda Parry who have chosen not to stand for re-election tonight. Thank you for the time, energy, skills and collaboration you have generously given to stewardship of the board. Keep sharing the Community Bank message and we look forward to you joining us and all our previous Directors as we move towards our 10-year celebration in March 2024.

Regards



Louise Johnson

Chairman

» Manager's Report

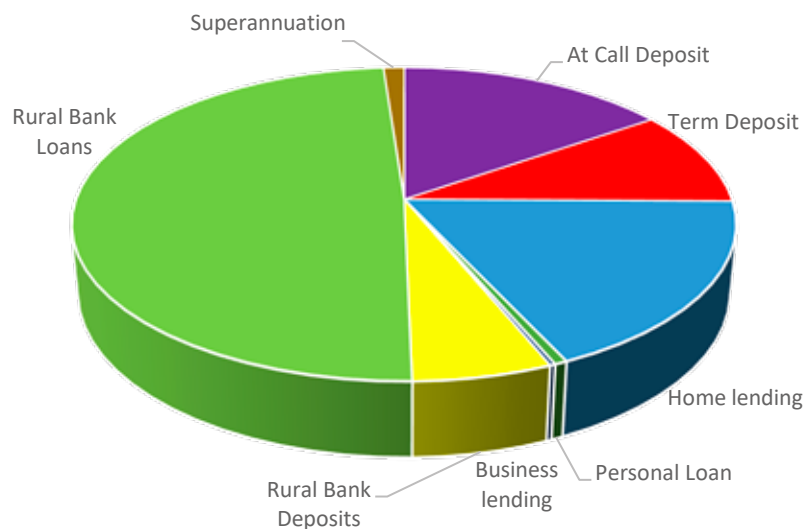
For the financial year ended 30 June 2023

It is my pleasure to submit to you my annual Manager's Report on the business activities for the financial year.

The financial year started strong with a significant amount of work in progress waiting on property settlements and loan drawdowns. The momentum continued throughout the financial year with an end result of over \$20m in net business growth. We had many clients paying down debt throughout the year, taking advantage of increased property values and restructuring, so to end the year on 229% of growth budget was exceptional, compared to 94.4% the previous year. The Keith branch was also recognised for Lending Excellence and Deposit Excellence – highest growth rate compared to targets amongst our peers in the SA WA NT region. A phenomenal result for us. Our customer growth rate was also well above expectations at 285%.

Interest rate movements saw a transfer of funds from term deposits to at-call, with clients taking advantage of having funds available at call, at higher rates than historically been on offer. We have also seen a continuation of new to Bank clients with many of our local competitors reducing hours and closing sporadically due to staff shortages. Our strength has been our opening hours and stable staffing levels, and this has paid off for us, positively impacting the success of the branch.

ALL BUSINESS HELD



For some years we have been looking at opportunities to expand our footprint and during the year the Board approved the establishment of an office in Meningie. The office is opened one day a week, manned on a rotation by our branch staff, and offers all services of banking with the exception of transactions. Offering transaction services would greatly increase the costs of the site and would take away from the service which is offered at the local post office, which has extended opening hours compared to our one day a week.

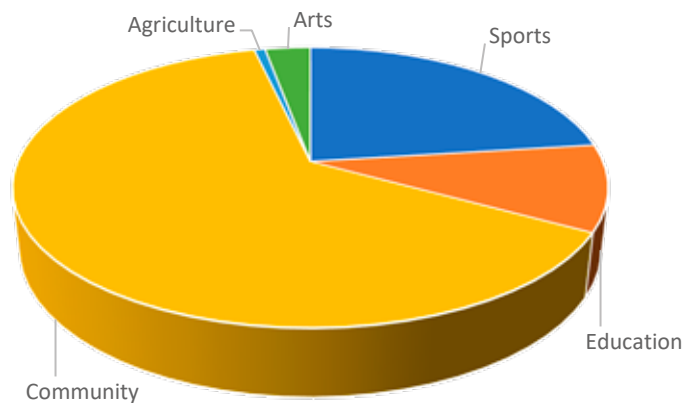
We are now also well established with working collaboratively with the three other community bank branches in the South East and have worked on joint initiatives throughout the year. One of the initiatives is the school driver education programme aimed at students in Years 10, with some of the smaller schools opening this up to students in Years 11 & 12. We have now supported this program for seven years and have seen many of our local students attend the sessions, along with the parent sessions.

» Manager's Report continued

The success of our business means that we can contribute funding back into our community. This year we contributed and pledged a record amount of sponsorship and grant funding, bringing our total over \$400k.

Sponsorship of the local schools' Ag Students Show Team was also established during the year with Bordertown High School, Keith Area School and Tintinara Area School benefiting. Students are now kitted out in new, smart uniforms and schools also received funding for purchases of equipment for their ag departments - animal feeders, sheep yards and loading bars.

Distribution of community contributions for 2022-2023



Our branch staff have remained stable throughout the year, and we appointed our sixth trainee - Customer Service Officer Emma Mewett in December. Emma is on contract and is completing her Cert III in Business, along with all the required banking training and development courses. Emma is our second full time trainee with previous trainees employed under the school-based apprenticeship scheme.

As our tenth year of trading approaches, I would like to sincerely thank the staff for their ongoing support and commitment to our branch. The banking industry continues to evolve, and the staff have a significant amount of ongoing training and development to be completed. Our staff have also been very flexible and committed to keeping our doors open to be available to our customers.

Thank you also to our Directors for their ongoing support. We are lucky to have such a broad, diverse Board, located throughout the district, who are committed to the success of the branch.

Finally, a big thank you to our shareholders and customers - who make it possible for us to provide funding throughout the community, supporting local sports, school, arts, community groups and many others.

We are looking forward to our 10th year and continuing to provide banking services and supporting community initiatives for the benefit of us all.

Fiona Wilkinson
Branch Manager

» Community Bank Report

BEN message | August 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.

Warmest regards,



Justine Minne
Bendigo and Adelaide Bank

» CBNC Report



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

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

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

Warm Regards

A handwritten signature in blue ink, appearing to read "Sarah Franklyn".

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 2023.

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 to 6th December 2022 Director since 31st August 2018	Bachelor of Business	Member of Keith Football Club
Carlene Russell Secretary since 6th December 2022 Director since 6th December 2022	Bachelor of Business (Property) Certificate of Conveyancing	Member of Keith Golf Club and Purple Paddock Bookkeeper for family farming business
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 Resigned 23rd November 2022		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 Resigned 23rd November 2022	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)	Secretary - Tintinara Tennis Club Member Australian Lot Feeders' Association Industry Capacity Committee Member Past Vice Chairperson - Tintinara Area School Governing Council
Kerrie Cleggett Director since 8th June 2023	Business SA SAYES Graduate Limestone Coast Leadership Program Graduate Health Coach Keto Practitioner Diploma in Myotherapy Diploma in Remedial Massage Diploma in Musculoskeletal Therapy Master Trainer in Personal Training Nutrition Consultant (studying)	Founder / CEO of In 2 Health Shop Local Save Local Campaign Founder Tatiara Business Association Secretary & Treasurer 2020-2023

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 profit of the company after providing for income tax amounted to \$114,952

Dividends	Year Ended 30 June 2023	
	Cents Per Share	\$
Final dividends recommended:	-	-
Dividends paid in the year:		
- Final for the year	2	17,399

Financial position

The net assets increased by \$97,553 to \$511,340 at 30 June 2023.

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

There have been no matters or circumstances arisen since the end of the financial year that significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial periods.

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 committee 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	11	8	4	4
Thomas Neville	11	6	11	4	n/a	n/a
James Ryan	11	8	11	11	n/a	n/a
Bill Hender	5	1	n/a	n/a	3	2
Melody Mitton	11	11	n/a	n/a	4	3
Geoff Watts	11	6	n/a	n/a	n/a	n/a
Paul Smith	11	9	11	9	n/a	n/a
Asha Crozier	5	1	n/a	n/a	3	2
Matilda Berry	11	6	11	10	n/a	n/a
Kelly Nankivell	11	7	n/a	n/a	n/a	n/a
Carlene Russell	6	5	n/a	n/a	1	1
Kerrie Cleggett	-	-	n/a	n/a	n/a	n/a

n/a - not a member of that Committee

Company secretary

Thomas Neville was appointed the Company Secretary of the Company on 5th November 2018, he resigned on 6th December 2022
 Carlene Russell was appointed the Company Secretary of the Company on 6th December 2022.

Non audit services

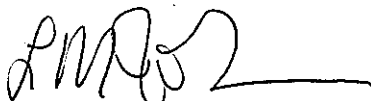
The Directors are satisfied that the provision of non audit services during the period is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed in Note 6 did not compromise the external auditor's:

- 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 2023 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 5th Day of September 2023.



Louise Johnson
 Director

Dated this 5th day of September 2023

» Auditor's Independence Declaration

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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 2023 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. 289555

15 September 2023

» 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 2023

	Note	2023 \$	2022 \$
Revenue	2	870,881	689,923
Employee benefits expense	3	(425,879)	(389,429)
Depreciation and amortisation expense	3	(56,454)	(56,701)
Finance Costs	3	(7,528)	(5,012)
Professional fees		(23,480)	(17,770)
Marketing and promotional expense		(6,693)	(13,241)
Other expenses		<u>(101,601)</u>	<u>(101,747)</u>
Profit (Loss) before charitable donations & sponsorships		249,246	106,023
Charitable donations and sponsorship		<u>(96,245)</u>	<u>(104,043)</u>
Profit (Loss) before income tax		153,001	1,980
Income tax (expense)/benefit	4	<u>(38,049)</u>	<u>(5,964)</u>
Profit (Loss) for the year		114,952	(3,984)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive Profit (loss) for the year attributable to members		<u><u>114,952</u></u>	<u><u>(3,984)</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 2023

	Note	2023 \$	2022 \$
Current Assets			
Cash and cash equivalents	7	329,710	219,874
Trade and other receivables	8	85,140	63,625
Other current assets	9	7,157	8,536
Total Current Assets		<u>422,007</u>	<u>292,035</u>
Non-Current Assets			
Plant and equipment	10	74,420	67,063
Right of use asset	12	78,822	107,278
Intangible assets	11	12,382	27,247
Deferred tax assets	5	98,187	136,236
Total Non-Current Assets		<u>263,811</u>	<u>337,824</u>
Total Assets		<u>685,818</u>	<u>629,859</u>
Current Liabilities			
Trade and other payables	13	17,837	41,300
Short term provisions	14	49,861	45,293
Lease liability	15	19,507	18,939
Total Current Liabilities		<u>87,205</u>	<u>105,532</u>
Non-Current Liabilities			
Trade and other payables	13	-	-
Long term provisions	14	12,230	9,258
Lease liability	15	75,043	101,282
Total Non-Current Liabilities		<u>87,273</u>	<u>110,540</u>
Total Liabilities		<u>174,478</u>	<u>216,072</u>
Net Assets		<u>511,340</u>	<u>413,787</u>
Equity			
Issued capital	16	869,959	869,959
Accumulated losses		(358,619)	(456,172)
Total Equity		<u>511,340</u>	<u>413,787</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 2023

	Share capital	Accumulated losses	Total
	\$	\$	\$
Balance at 30 June 2021	869,959	(434,781)	435,178
Issue of share capital	-	-	-
Adjustment to Retained Earnings for previously unrecognised temporary differences	-	(8)	(8)
Total comprehensive loss for the year	-	(3,984)	(3,984)
Subtotal	869,959	(438,773)	431,186
Dividends paid or provided for	-	(17,399)	(17,399)
Balance at 30 June 2022	869,959	(456,172)	413,787
Issue of share capital	-	-	-
Adjustment to Retained Earnings for previously unrecognised temporary differences	-	-	-
Total comprehensive profit for the year	-	114,952	114,952
Subtotal	869,959	(341,220)	528,739
Dividends paid or provided for	-	(17,399)	(17,399)
Balance at 30 June 2023	869,959	(358,619)	511,340

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 2023

	Note	2023 \$	2022 \$
Cash Flows From Operating Activities			
Receipts from customers		847,277	675,444
Payments to suppliers and employees		(653,198)	(614,226)
Interest received		1,710	32.00
Interest paid		-	-
Net cash used in operating activities	17	<u>195,789</u>	<u>61,250</u>
Cash Flows From Investing Activities			
Payment for intangible assets		(14,865)	(14,865)
Purchase of property, plant and equipment		(34,750)	(17,053)
Net cash used in investing activities		<u>(49,615)</u>	<u>(31,918)</u>
Cash Flows From Financing Activities			
Lease payments		(11,411)	(13,375)
Interest paid		(7,528)	(5,012)
Dividends paid		(17,399)	(17,399)
Net cash flows from/(used in) financing activities		<u>(36,338)</u>	<u>(35,786)</u>
Net increase / (decrease) in cash held		109,836	(6,454)
Cash and cash equivalents at beginning of financial year		<u>219,874</u>	<u>226,328</u>
Cash and cash equivalents at end of financial year	7	<u><u>329,710</u></u>	<u><u>219,874</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 2023**

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 5th September 2023 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 2023

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)	20 - 100%
Motor Vehicles	25%

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
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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.

(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.

» Notes to the Financial Statements continued

Good Country Financial Services Ltd
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Notes to Financial Statements
for the year ended 30 June 2023

1. Summary of significant accounting policies (continued)

(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

Good Country Financial Services Ltd

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Notes to Financial Statements for the year ended 30 June 2023

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 2023. 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 2023 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

Good Country Financial Services Ltd
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for the year ended 30 June 2023

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
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Notes to Financial Statements
for the year ended 30 June 2023

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.

	2023	2022
	\$	\$
2. Revenue		
Operating activities		
- Franchise margin income	851,297	678,348
- Other revenue	17,874	11,543
Total revenue from operating activities	869,171	689,891
Non-operating activities		
- interest received	1,710	32
- other revenue	-	-
Total revenue from non-operating activities	1,710	32
Total revenue from ordinary activities	870,881	689,923
3. Expenses		
Employee benefits expense		
- wages and salaries	364,386	332,723
- superannuation costs	36,695	32,941
- other costs	24,798	23,765
	425,879	389,429
Depreciation of non-current assets:		
- plant and equipment	1,134	948
- motor vehicles	986	-
- right-of-use asset	14,196	16,092
- buildings	25,273	24,790
Amortisation of non-current assets:		
- intangible assets	14,865	14,871
	56,454	56,701
Finance Costs:		
- Interest paid	7,528	5,012
	7,528	5,012
Bad debts	-	15

» Notes to the Financial Statements continued

Good Country Financial Services Ltd
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4. Income tax	2023	2022
	\$	\$
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% (2022 - 25%)	38,250	495
Add/less tax effect of		
- Non-Temporary differences	(201)	-
Reduction in opening deferred taxes resulting from reduction in tax rate	-	5,469
Income tax expense/(benefit)	<u>38,049</u>	<u>5,964</u>
Income Tax Expense - Current Year	38,049	495
Add/less tax effect of:		
- Non-deductible expenses	2,926	2,118
- Prior year tax losses not previously brought to account	-	-
- Future income tax benefit not brought to account	-	-
- Tax losses utilised	(40,975)	(2,613)
- Adjustment of prior year tax losses	-	-
<i>Current income tax expense</i>	<u>-</u>	<u>-</u>
5. Deferred Tax Asset		
Opening balance of deferred tax asset	136,236	142,208
Adjustment for previously unrecognised temporary differences	-	(8)
Credited to profit or loss	(38,049)	(5,964)
Closing balance of deferred tax asset	<u>98,187</u>	<u>136,236</u>
6. Auditors' remuneration		
Remuneration of the auditors of the company		
- Audit services	<u>6,560</u>	<u>6,250</u>
	<u>6,560</u>	<u>6,250</u>

» Notes to the Financial Statements continued

Good Country Financial Services Ltd
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Notes to Financial Statements
for the year ended 30 June 2023

7. Cash and cash equivalents	2023 \$	2022 \$
Cash at bank and in hand	<u>329,710</u>	<u>219,874</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	329,710	219,874
As per the statement of cash flows	<u>329,710</u>	<u>219,874</u>

8. Trade and other receivables

Current

Trade receivables:

Trade debtors	85,140	58,865
Other debtor	-	4,760
Total current receivables	<u>85,140</u>	<u>63,625</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.

9. Other assets

Current

Prepayments	<u>7,157</u>	<u>8,536</u>
	<u>7,157</u>	<u>8,536</u>

» Notes to the Financial Statements continued

Good Country Financial Services Ltd
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10. Plant and equipment	2023	2022
	\$	\$
<i>Fit out costs</i>		
At cost	252,727	252,727
Less accumulated depreciation	(215,136)	(189,863)
	<u>37,591</u>	<u>62,864</u>
<i>Plant and equipment</i>		
At cost	8,827	7,126
Less accumulated depreciation	(2,302)	(2,927)
	<u>6,525</u>	<u>4,199</u>
<i>Motor Vehicles</i>		
At cost	31,290	-
Less accumulated depreciation	(986)	-
	<u>30,304</u>	<u>-</u>
 Total written down amount	 <u>74,420</u>	 <u>67,063</u>
 Movements in carrying amounts		
<i>Fit out costs</i>		
Carrying amount at beginning of period	62,864	72,595
Additions	-	15,059
Disposals	-	-
Depreciation expense	(25,273)	(24,790)
Carrying amount at end of period	<u>37,591</u>	<u>62,864</u>
 <i>Plant and equipment</i>		
Carrying amount at beginning of period	4,199	3,154
Additions	3,460	1,993
Disposals	-	-
Depreciation expense	(1,134)	(948)
Carrying amount at end of period	<u>6,525</u>	<u>4,199</u>
 <i>Motor Vehicles</i>		
Carrying amount at beginning of period	-	-
Additions	31,290	-
Disposals	-	-
Depreciation expense	(986)	-
Carrying amount at end of period	<u>30,304</u>	<u>-</u>
 11. Intangible assets		
<i>Franchise Fee</i>		
Cost	84,326	84,326
Accumulated amortisation	(71,944)	(57,079)
	<u>12,382</u>	<u>27,247</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
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Notes to Financial Statements
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12. Right of Use Assets	2023	2022
(i) AASB 16 related amounts recognised in the balance sheet	\$	\$
Leased Building	146,657	160,917
Accumulated Depreciation	<u>(67,835)</u>	<u>(53,639)</u>
Total Right of Use Asset	<u><u>78,822</u></u>	<u><u>107,278</u></u>
Movement in carrying amounts		
Lease Building		
Carrying amount at beginning of year	107,278	123,370
Adjustment due to interest rate changes	(14,260)	-
Depreciation expense	<u>(14,196)</u>	<u>(16,092)</u>
Net carrying amount	<u><u>78,822</u></u>	<u><u>107,278</u></u>
(ii) AASB 16 related amounts recognised in the statement of profit or loss		
Depreciation charge related to right-of-use assets	14,196	16,092
Interest expense on lease liabilities	7,528	5,012
Short-term leases expense	-	-
Low value asset leases expense	1,830	1,650
13. Trade and other payables		
Current		
Trade creditors	3,561	7,460
Other creditors and accruals	5,458	19,643
GST payable	<u>8,818</u>	<u>14,197</u>
	<u><u>17,837</u></u>	<u><u>41,300</u></u>
14. Employee Benefits		
Current		
Employee entitlements	<u>49,861</u>	<u>45,293</u>
Non-Current		
Employee entitlements	<u>12,230</u>	<u>9,258</u>
Number of employees at year end	8	8
15. Lease Liabilities		
Current		
Leased Building	<u>19,507</u>	<u>18,939</u>
	<u><u>19,507</u></u>	<u><u>18,939</u></u>
Non-Current		
Leased Building	<u>75,043</u>	<u>101,282</u>
	<u><u>75,043</u></u>	<u><u>101,282</u></u>

» Notes to the Financial Statements continued

Good Country Financial Services Ltd
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16. Equity

869,959 fully paid ordinary shares 869,959 869,959

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.

17. Statement of Cash Flows

	2023	2022
	<u>\$</u>	<u>\$</u>
(a) Reconciliation of cash flow from operations with loss after tax		
Profit (Loss) after income tax	114,952	(3,984)
Add back interest from financing activities	7,528	5,012
Non cash items included in profit		
- Depreciation	41,589	41,830
- Amortisation of franchise fee	14,865	14,871
Movement in assets and liabilities		
- (Increase) decrease in receivables / other assets	(21,515)	(9,683)
- (Increase) decrease in prepayments	1,379	(2,016)
- (Increase) decrease in deferred tax asset	38,049	5,972
- Increase (decrease) in payables	(8,598)	1,485
- Increase (decrease) in provisions	7,540	7,771
- Increase (decrease) in retained earnings - prior year adjustments	-	(8)
Net cash used in operating activities	<u>195,789</u>	<u>61,250</u>

» Notes to the Financial Statements continued

Good Country Financial Services Ltd
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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
Carlene Russell	Appointed 06/12/2022	Non-Executive Director / Secretary
Thomas Neville	Appointed 31/08/2018	Non-Executive Director
James Ryan	Appointed 31/5/2013	Non-Executive Director
Bill Hender	Appointed 05/12/2017 Resigned 23/11/2022	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 Resigned 23/11/2022	Non-Executive Director
Kelly Nankivell	Appointed 30/03/2021	Non-Executive Director
Kerrie Cleggett	Appointed 08/06/2023	Non-Executive Director

(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
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	-	-	-	-
Kelly Nankivell	Appointed 30/03/2021	-	-	-	-
Carlene Russell	Appointed 06/12/2022	-	-	-	-
Kerrie Cleggett	Appointed 08/06/2023	-	-	-	-
		17,152	-	-	17,152

» Notes to the Financial Statements continued

Good Country Financial Services Ltd
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19. Matters subsequent to the end of the financial year

There have been no matters or circumstances arisen since the end of the financial year that significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

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.

22. Dividends paid or provided for on ordinary shares

	2023	2022
	\$	\$
(a) Dividends proposed and recognised as a liability		
Franked dividends - nil cents per share (2022: nil cents)	-	-
(b) Dividends paid during the year		
(i) Current year interim		
Franked dividends - nil cents per share (2022: nil cents per share)	-	-
(ii) Previous year final		
Franked dividends - nil cents per share (2022: nil cents per share)	-	-
Unfranked dividends - 2 cents per share (2022: 2 cents per share)	17,399	17,399
(c) Dividends proposed and not recognised as a liability		
Unfranked dividends - nil cents per share (2022: 2 cents per share)	-	17,399
Franked dividends - nil cents per share (2022: nil cents per share)	-	-
(d) Franking credit balance		
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	-	-
	-	-

» 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 2023

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 2023

25. 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	2023 \$	2022 \$
Financial Assets			
Cash & cash equivalents	7	329,710	219,874
Trade and other receivables	8	85,140	63,625
Total Financial Assets		<u>414,850</u>	<u>283,499</u>
Financial Liabilities			
Trade and other payables	13	17,837	41,300
Total Financial Liabilities		<u>17,837</u>	<u>41,300</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.

	2023 \$	2022 \$
Cash and cash equivalents:		
A rated	<u>329,710</u>	<u>219,874</u>

» 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 2023

25. 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:

30 June 2023		Total	Within 1 year	1 to 5 years	Over 5 years
	Note	\$	\$	\$	\$
Financial Liabilities due					
Trade and other payables	13	(17,837)	(17,837)	-	-
Total expected outflows		<u>(17,837)</u>	<u>(17,837)</u>	<u>-</u>	<u>-</u>
Financial Assets - realisable					
Cash & cash equivalents	7	329,710	329,710	-	-
Trade and other receivables	8	85,140	85,140	-	-
Total anticipated inflows		<u>414,850</u>	<u>414,850</u>	<u>-</u>	<u>-</u>
Net (Outflow)/Inflow on financial instruments		<u>397,013</u>	<u>397,013</u>	<u>-</u>	<u>-</u>
30 June 2022					
	Note	Total \$	Within 1 year \$	1 to 5 years \$	Over 5 years \$
Financial Liabilities due					
Trade and other payables	13	(41,300)	(41,300)	-	-
Total expected outflows		<u>(41,300)</u>	<u>(41,300)</u>	<u>-</u>	<u>-</u>
Financial Assets - realisable					
Cash & cash equivalents	7	219,874	219,874	-	-
Trade and other receivables	8	63,625	63,625	-	-
Total anticipated inflows		<u>283,499</u>	<u>283,499</u>	<u>-</u>	<u>-</u>
Net (Outflow)/Inflow on financial instruments		<u>242,199</u>	<u>242,199</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 Company reviews the exposure to interest rate risk as part of the regular board meetings.

» 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 2023

25. Financial risk management (continued)

(c) Market risk (continued)

Sensitivity analysis

At the reporting date the interest rate profile of the Company's interest bearing financial instruments was:

	<u>Carrying Amount</u>	
	2023	2022
	\$	\$
Fixed rate instruments		
Financial assets	90,000	-
Financial liabilities	-	-
	90,000	-
Variable rate instruments		
Financial assets	239,710	219,874
Financial liabilities	-	-
	239,710	219,874

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed interest rate financial assets or liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have no impact on profit or retained earnings. For the analysis performed on the same basis as at 30 June 2023 there was also no impact. As at both dates this assumes all other variables remain constant.

(d) Price risk

The company is not exposed to any material price risk.

(e) 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.

(f) Capital management

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

In accordance with the franchise agreement, 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%.

» 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 2023

25. Financial risk management (continued)

(f) 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 2023 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

Good Country Financial Services Limited
ABN 86 164 061 143
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 2023 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 5th day of September 2023

» Independent Auditor's Report

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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 2023, 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 2023 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.

» Independent Auditor's Report continued

INDEPENDENT AUDITOR'S REPORT

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.

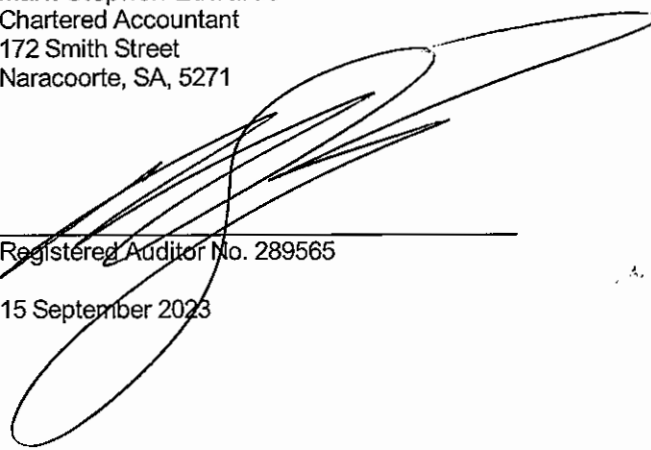
» Independent Auditor's Report continued

INDEPENDENT AUDITOR'S REPORT

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

15 September 2023

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Community Bank - Keith & Districts
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Phone: 08 8755 1143
Email: keithmailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/branch/sa/community-bank-keith-districts/

Franchisee: Good Country Financial Services Limited
ABN: 86 164 061 143
28 Hender St,
Keith SA 5267
Email: office@kdcb.com.au

Share Registry:
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 **Bendigo Bank**