Annual Report 2020

Kew East Financial Services Limited

Community Bank
Kew & Kew East

ABN 91 096 301 058

Contents

Chairman's Report	**2**
Manager's Report	**4**
Bendigo and Adelaide Bank Report	**5**
Directors' Report	**6**
Auditor's independence declaration	**10**
Financial statements	**11**
Notes to the financial statements	**15**
Directors' Declaration	**37**
Independent audit report	**38**

Chairman's Report

For year ending 30 June 2020

Dear Shareholder,

This has been another significant and profitable year for the Company. Obviously, it has been a different and challenging year for our Company, branch and all our stakeholders, including our shareholders. The Board and I wish to bring you up to date with progress of your Company for the 2019-20 financial year.

Building on our stronger foundations over the last 3 years, we have continued the Company's profitability in 2020 despite operating in a very challenging COVID-19 environment. This outcome is also significant despite the continuing difficult operating environment facing banking businesses irrespective of COVID-19 impacts The work done in the last 3 years, in the board's view, has established a strong platform for growth and business continuity into the future. As always, our Branch Manager, Business Development Manager and staff have been working particularly hard in very difficult circumstances to deliver exceptional services to all our customers and to keep branch performance ahead of the budget. We would particularly like to acknowledge the work done by Effie Iliadis who continues to lead our branch as Branch Manager. We would also like to welcome and thank our Business Development Manager Darren Waldock who has come aboard our Company during this year. We also need to thank all of our staff for their tireless work and commitment to the continued prosperity of our branch and particularly caring for and keeping safe our customers in very unusual circumstances.

Achievement of the profit performance in 2020 together with more meaningful relationships with our partner Bendigo and Adelaide Bank, our clients and community groups will ensure we can generate a greater impact locally. Our community contributions have continued this year and prior to 30 June 2020 the Company awarded community grants and sponsorships valued at $52,337. This brings our overall contribution back to the community to over $2.5m. Our sponsorship of, and co-operation with, local sporting clubs and other community organisations remains a key priority particularly given the difficult year that those clubs and community groups experienced in 2020 because of COVID 19. Close, respectful and mutually beneficial relationships with our community partners is and remains an integral part of our banking business and what sets us apart from other financial institutions.

During 2020 our home-grown and owned community marketing and social media program, Kew For You, continues to have an enduring impact in the Kew and Boroondara region. This social media platform is at the forefront of our engagement with local businesses, community groups and the wider Kew community which we are proud to support.

During 2020, we continued our engagement with the Bendigo Bank collaborative marketing program. This enabled us to join with other community branches in our region to reinforce, showcase and develop further our activities and capabilities at a local level. This enables us to market our products, people and services to the community more effectively. It also reinforces our brand and footprint in our local community.

I would also like to thank all Directors for their considerable efforts over the last 12 months in helping build the profile of the Company in the local community. All Directors work hard to ensure that the Company is always presented in the best light and that the Company's important values are upheld and exhibited in the board room and in public . At the same time, I would like to thank our shareholders in particular for their patience and support over many years and I wish to assure them that our staff and our Directors will continue working towards building shareholder value, enhance our business and social reputation while also meeting our obligations to serve our local community.

Our aim continues to be that the Company remains a welcoming, inclusive positive and vital presence for families, businesses and community groups in the wider community and especially in the neighbourhoods of Kew and Kew East.

Yours Faithfully

Phillip Davies

Phillip Davies
Chairman

Community Contributions in 2019/20

Sponsorships worth $25,250 were given.

Deepdene Uniting Cricket Club	Kew Football Club
Kew Community Festival	North Kew Kindergarten
Kew East Primary School	Rotary Club of North Balwyn

Community Grants worth $27,087 were given.

Kew Baptist Student Hostel	Kew Toy Library
Korus Connect	National Bushfire Appeal
Servants Community Housing Limited	

Progressive Community Contributions:

Financial Year	Community Grants	Community Enterprise Foundation	Sponsorships	Donations	Total*
2002/03				6,000#	**6,000**
2003/04					**0**
2004/05			4,340		**4,340**
2005/06	6,400^		15,170		**21,570**
2006/07	18,500^	40,900	7,075		**66,475**
2007/08	26,552	50,000	36,750		**86,750**
2008/09	59,667	145,000	40,000		**185,000**
2009/10	121,630	272,727	17,672		**290,399**
2010/11	94,357	250,000	54,078		**304,078**
2011/12	156,751	200,000	27,183		**227,183**
2012/13	153,952	100,000	37,443		**137,443**
2013/14	170,006		28,364		**28,364**
2014/15	64,499		33,075		**33,075**
2015/16	16,745		32,048		**32,048**
2016/17	2,500		19,930		**19,930**
2017/18	38,124		38,672		**38,672**
2018/19	48,058		37,350		**37,350**
2019/20	27,087		25,050		**25,050**
Total Paid to date	**1,004,828**	**1,058,627**	**454,200**	**6,000**	**1,543,727**

Donation by Bendigo and Adelaide Bank Ltd in recognition of growth in the Company's business in the first two years.

^ Community Grants paid in November 2005 and 2006 were through a KEFS account and not Community Enterprise Foundation.

All subsequent Community Grants were paid through the CEF and are not included in the Total column.

* As reported in the Financial Statements – Charitable Donations and Sponsorships
Community Enterprise Foundation contributions paid in June 2007, 2008, 2009, 2010, 2011, 2012, 2013.
Community Enterprise Foundation balance as at 30/06/2020 $99,503.36.

Manager’s Report

For year ending 30th June 2020.

Welcome to the 2020 Branch Manager’s report for Kew & Kew East Community Bank Branch.

I would firstly like to take the opportunity to welcome Darren Waldock, our new Business Development Manager.

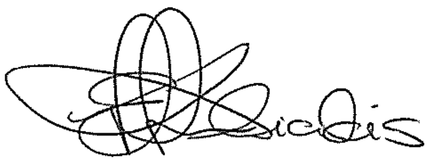
Darren is a finance and management professional with over 25 years of experience in the banking industry. Working within the Kew & Kew East Community Bank Branch, he is looking forward to delivering customers a significantly more tailored and personalised experience when servicing their banking and finance needs. Darren has been part of the team since January this year and together we will grow our business and support our local community.

The final months of 2020 have been different, and challenging, due to the COVID-19 pandemic. Our branch staff have embraced the need to change the way we conduct business with professionalism and compassion. I am proud of how our staff have adapted and continued to provide our customers with elite service. In times such as these we will continue to ensure that we support our customers, shareholders, and our local community to deal with this sudden change. We are continuing to grow our business and making a difference where able.

Kew & Kew East Community Bank Branch footings as at 30th June 2020 were $200.5 million. This was made up of $51.3 million in lending and $149.2 million in deposits. In the first half of the financial year, Bendigo Bank financial planning was sold to an external party. This caused a decrease of $3.2 million to our portfolio.

Our end of year results demonstrate an overall decrease of $4 million in our footings balance, being the impact of the current pandemic, lowered interest rates and lower consumer spending. We are closely monitoring our lending portfolio and anticipating that due to low interest rates and changes in the housing market the next financial year will be a successful one.

A big thankyou goes out to the branch staff Elie, Jenny and James, our new team member Darren and our support staff Pam, Tommy and Shakira for their continued hard work and dedication to our business. I would like to also thank our Board of Directors, our customers, and our shareholders. Without you the Kew & Kew East Community Bank Branch would not be the successful business it is today.



Effie Iliadis
Branch Manager

Bendigo and Adelaide Bank Report

For year ending 30 June 2020

In the 20-plus years since the opening of the very first Community Bank branch, it's fair to say we haven't seen a year quite like 2020.

After many years of drought, the 2019 calendar year ended with bushfires burning across several states. A number of our Community Bank companies were faced with an unprecedented natural disaster that impacted lives, homes, businesses and schools in local communities.

As fires took hold, Bendigo and Adelaide Bank's head office phones started to ring, emails came in from all over the world and our customers, and non-customers, headed into our branches to donate to an appeal that we were still in the process of setting up.

Our reputation as Australia's most trusted bank and the goodwill established by 321 Community Bank branches across the country meant that people instinctively knew that Bendigo, and our Community Bank partners, would be there to help. An appeal was established and donations were received in branch and online from 135,000 donors from all around the world. More than $45 million was donated.

Just as the fires had been extinguished and the Bank's Community Enterprise Foundation was working with government, not-for-profit organisations and impacted communities to distribute donations, the global COVID-19 pandemic arrived.

The impact of this pandemic was, and continues to be, more than about health. The impacts are far-reaching and banking is not immune. Your support as a shareholder, and a customer, of your local Community Bank company has never been so important.

You should be proud of your investment in your local Community Bank company. As the Australian workforce had to adjust its way of working, your Community Bank branch staff were classified as essential workers and turned up for work every day throughout the pandemic to serve your local customers.

Your Community Bank company, led by your local directors, were committed to supporting local economies. Often it was the little things like purchasing coffees and meals from local cafes, not only for their branch staff but for other essential workers (teachers, nurses, hospital support staff, ambulance and police officers and aged care workers). This not only supported essential workers also supported many local businesses when they needed it the most.

What we've discovered in 2020 is that in times of crisis, Australia's Community Bank network has unofficially become Australia's 'second responder'. Local organisations and clubs look to their local Community Bank companies not only for financial assistance, but to take the lead in connecting groups and leading the community through a crisis.

So, what does this all mean? For Bendigo and Adelaide Bank, it reinforces the fact that you are a shareholder of a unique and caring company – run by locals to benefit not only your community but those in need.

As Australia's 5th largest bank with more than 1.9 million customers we are proud to partner with your community. If 2020 has shown us anything, it's that we're stronger for the partnerships we have with the communities we operate in.

On behalf of Bendigo and Adelaide Bank, we thank all of our Community Bank company directors and shareholders and your branch staff and customers for your continued support throughout the year.

Mark Cunneen
Head of Community Support
Bendigo and Adelaide Bank

Directors' Report

Kew East Financial Services Limited
ABN 91 096 301 058

For the year ended 30 June 2020

The directors present their report of the company for the financial year ended 30 June 2020.

Directors

The following persons were directors of Kew East Financial Services Limited during or since the end of the financial year up to the date of this report:

Phillip Davies

Position	Chairman
Professional qualifications	LLM (Monash), LLB (Hons), BA (Hons) Melb, GAICD
Experience and expertise	CEO General Counsel, non-executive director in legal, property, health, financial and education services. Member of Audit and Governance Committee. Member of Personnel Committee.

Paula Davey

Position	Deputy Chairman
Professional qualifications	MAAPM (Member of Australian Association of Practice Management), MAICD
Experience and expertise	Former Local Councillor, extensive connections with Community organisations, consultant and facilitator. Member of Community Investment Committee. Chairman of Personnel Committee.

Eric Thomas

Position	Treasurer
Professional qualifications	FCA
Experience and expertise	Chartered Accountant. Chairman of Audit and Governance Committee.

Jason Talbot

Position	Secretary
Professional qualifications	BSc., PhD, Grad.Dip Acc., M App Fin., GAICD.
Experience and expertise	Governance, strategy and finance consultant, former director of Blackburn South Bendigo Community Bank. Member of Audit and Governance Committee.

Lilian Look

Position	Director
Professional qualifications	B EC, LLB, GAICD, FFin, ASA
Experience and expertise	Corporate Finance, Legal, Project Management and Governance. Member of Audit and Governance Committee.

Diana Nelson

Position	Director
Professional qualifications	B Civ Eng (Hons), Post grad Dip of Management, MBA
Experience and expertise	Property, Governance, Strategy, Change Management, Procurement, Transition and Project Management. School Council Member Trinity Grammar School. Member of Community Investment Committee.

Directors (continued)

Olivia Dolezal

Position	Director
Professional qualifications	BCom (Currently completing)
Experience and expertise	Bendigo Bank Young Directors Program. Leadership and community service experience. Member of Community Investment Committee. Member of Audit and Governance Committee. Chairman of Youth Sub-Committee.

Thomas Rochford

Position	Director
Professional qualifications	LLB (Hons), BSci (Enviro), GDLP
Experience and expertise	Marketing strategy and business development. Chairman of Community Investment Committee.

Michael Barden

Position	Director
Professional qualifications	Bachelor of Commerce (Melbourne Uni)
Experience and expertise	Owner and Managing Director of workwear clothing importer and distributor for over 25 years. Close association with a number of local schools sports clubs over 20 years. Member of Community Investment Committee.

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

No director has a material interest in contracts or proposed contracts with the company.

Directors' meetings

Attendances by each director during the year were as follows:

	Board meetings		Audit and Governance Committee meetings		Community Investment Committee meetings	
Director	**A**	**B**	**A**	**B**	**A**	**B**
Phillip Davies	11	11	9	9	N/A	N/A
Paula Davey	11	5	N/A	N/A	10	8
Eric Thomas	11	10	9	9	N/A	N/A
Jason Talbot	11	10	9	8	N/A	N/A
Lilian Look	11	10	9	8	N/A	N/A
Diana Nelson	11	10	N/A	N/A	10	7
Olivia Dolezal	11	9	9	9	10	8
Thomas Rochford	11	9	N/A	N/A	10	10
Michael Barden	11	11	N/A	N/A	10	10

A - The number of meetings eligible to attend.

B - The number of meetings attended.

N/A - not a member of that committee.

Company Secretary

Jason Talbot has been the Company Secretary of Kew East Financial Services Limited since November 2017. Refer above for Jason's qualifications and experience.

Principal activities

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

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

Review of operations

Operations have continued to perform in line with expectations. The profit of the company for the financial year after provision for income tax was $323,035 (2019 profit: $375,844).

COVID-19 Impact on Operations

The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary interventions to stabilise economic conditions.

The company has determined that these events have not required any specific adjustments within the financial report. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as any impact on the financial position and results of the company for future periods.

Dividends

A fully franked final dividend of 4 cents per share was declared and paid for the year ended 30 June 2019. The board declared a fully franked dividend of 3 cents per share at the board meeting on 27 July 2020.

Options

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

Significant changes in the state of affairs

No significant changes in the company's state of affairs occurred during the financial year.

Events subsequent to the end of the reporting period

Other than noted in COVID-19 Impact on Operations above, no matters or circumstances have arisen since the end of the financial year that significantly affect or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company, in future financial years.

Likely developments

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

Environmental regulations

The company is not subject to any significant environmental regulation.

Indemnifying Officers or Auditor

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

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for an Auditor of the company.

Proceeding on behalf of company

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

Auditor Independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set at page 5 of this financial report. No Officer of the company is or has been a partner of the Auditor of the company.

Signed in accordance with a resolution of the Board of Directors at Kew East on 28 September 2020.

Phillip Davies
Chairman

Auditor’s independence declaration

41A Breen Street
Bendigo, Victoria
PO Box 448, Bendigo, VIC, 3552

Ph: (03) 4435 3550
admin@rsdaudit.com.au
www.rsdaudit.com.au

Auditors Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of Kew East Financial Services Limited

In accordance with Section 307C of the *Corporations Act 2001,* I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020 there have been no contraventions of:

(i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) Any applicable code of professional conduct in relation to the audit.

RSD Audit

Kathie Teasdale
Partner
41A Breen Street
Bendigo VIC 3550

Dated: 29 September 2020

Richmond Sinnott & Delahunty, trading as RSD Audit
ABN 85 619 186 908
Liability limited by a scheme approved under Professional Standards Legislation

Financial statements

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2020

	Notes	2020	2019
		$	$
Revenue	2	1,224,526	1,199,329
Expenses			
Employee benefits expense	3	(434,248)	(312,239)
Depreciation and amortisation	3	(52,958)	(51,528)
Finance costs	3	(11,064)	(15,629)
Bad and doubtful debts expense	3	(414)	(124)
Advertising and marketing expenses		(28,766)	(12,400)
Occupancy expenses		(32,067)	(30,826)
IT expenses		(35,949)	(36,048)
Other expenses		(181,357)	(184,374)
		(776,823)	**(643,168)**
Operating profit before charitable donations and sponsorship		**447,703**	**556,161**
Charitable donations and sponsorships		(25,250)	(37,350)
Profit before income tax		**422,453**	**518,811**
Income tax expense	4	(99,418)	(142,967)
Profit for the year after income tax		**323,035**	**375,844**
Total comprehensive income attributable to members of the company		**323,035**	**375,844**
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company (cents per share):			
- basic earnings per share	17	18.02	20.97

These financial statements should be read in conjunction with the accompanying notes.

Statement of Financial Position
as at 30 June 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash and cash equivalents	5	316,420	171,081
Trade and other receivables	6	84,092	90,994
Other assets	7	7,284	7,780
Total current assets		**407,796**	**269,855**
Non-current assets			
Property, plant and equipment	8	1,640,197	1,646,189
Intangible assets	9	15,856	27,048
Deferred tax assets	4	1,552	3,319
Total non-current assets		**1,657,605**	**1,676,556**
Total assets		**2,065,401**	**1,946,411**
Liabilities			
Current liabilities			
Trade and other payables	11	93,155	80,336
Current tax liability	4	54,484	101,103
Borrowings	12	-	84,363
Provisions	13	63,652	52,832
Total current liabilities		**211,291**	**318,634**
Non-current liabilities			
Trade and other payables	11	-	13,158
Borrowings	12	1,998	13,957
Provisions	13	130	22
Total non-current liabilities		**2,128**	**27,137**
Total liabilities		**213,419**	**345,771**
Net assets		**1,851,982**	**1,600,640**
Equity			
Issued capital	14	798,218	798,218
Retained earnings	15	1,053,764	802,422
Total equity		**1,851,982**	**1,600,640**

Statement of Changes in Equity
for the year ended 30 June 2020

	Notes	Issued Capital $	Retained Earnings $	Total Equity $
Balance at 1 July 2019		**798,218**	**802,422**	**1,600,640**
Comprehensive income for the year				
Profit for the year		-	323,035	323,035
Other comprehensive income for the year		-	-	-
		-	**323,035**	**323,035**
Transactions with owners in their capacity as owners				
Dividends paid or provided	16	-	(71,693)	(71,693)
Balance at 30 June 2020		**798,218**	**1,053,764**	**1,851,982**
Balance at 1 July 2018		798,218	480,348	1,278,566
Comprehensive income for the year				
Profit for the year		-	375,844	375,844
Other comprehensive income for the year		-	-	-
		-	**375,844**	**375,844**
Transactions with owners in their capacity as owners				
Dividends paid or provided	16	-	(53,770)	(53,770)
Balance at 30 June 2019		**798,218**	**802,422**	**1,600,640**

Statement of Cash Flows
for the year ended 30 June 2020

	Notes	2020 $	2019 $
Cash flows from operating activities			
Receipts from customers		1,312,894	1,316,779
Payments to suppliers and employees		(807,876)	(760,444)
Interest paid		(673)	(15,629)
Interest received		1,016	-
Income tax paid		(144,270)	(14,526)
Net cash flows provided by operating activities	18b	**361,091**	**526,180**
Cash flows from investing activities			
Purchase of property, plant and equipment		(35,775)	(1,625)
Purchase of intangible assets		(11,962)	(11,962)
Net cash flows used in investing activities		**(47,737)**	**(13,587)**
Cash flows from financing activities			
Repayment of borrowings		(96,322)	(354,710)
Dividends paid		(71,693)	(53,770)
Net cash flows from/(used in) financing activities		**(168,015)**	**(408,480)**
Net increase/(decrease) in cash held		**145,339**	**104,113**
Cash and cash equivalents at beginning of financial year		171,081	66,968
Cash and cash equivalents at end of financial year	18a	**316,420**	**171,081**

Notes to the financial statements

For the year ended 30 June 2020

These financial statements and notes represent those of Kew East Financial Services Limited (the Company) as an individual entity.

Kew East Financial Services Limited is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the Directors on 28 September 2020.

Note 1. Summary of significant accounting policies

(a) Basis of preparation

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

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, were applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Economic dependency

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

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

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

Bendigo and Adelaide Bank Limited provides significant assistance in establishing and maintaining the Community Bank branch’s 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 Managers and other employees in banking, management systems and interface protocol;
- Methods and procedures for the sale of products and provision of services;
- Security and cash logistic controls;
- Calculation of company revenue and payment of many operating and administrative expenses;
- The formulation and implementation of advertising and promotional programs; and
- Sale techniques and proper customer relations.

Note 1. Summary of significant accounting policies (continued)

(b) Impairment of assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard. With the exception of goodwill all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's recoverable amount exceeds its carrying amount.

(c) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(d) Comparative figures

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

(e) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements 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. Estimates and judgements are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The estimates and judgements that have a significant risk of causing material adjustments to the carrying values of assets and liabilities are as follows:

Estimation of useful lives of assets

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

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 only when it is considered sufficient future profits will be generated. The assumptions made regarding future profits is based on the company's assessment of future cash flows.

Impairment

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

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

With the exception of the below, these financial statements have been prepared in accordance with the same accounting policies adopted in the entity's last annual financial statements for the year ended 30 June 2019. Note that the changes in accounting policies specified below **ONLY** apply to the current period. The accounting policies included in the company's last annual financial statements for the year ended 30 June 2019 are the relevant policies for the purposes of comparatives.

Note 1. Summary of significant accounting policies (continued)

AASB 16 Leases became mandatorily effective on 1 January 2019. Accordingly, this standard applies for the first time to this set of annual financial statements. The nature and effect of changes arising from these standards are summarised in the section below.

AASB 16 Leases

AASB 16 Leases replaces AASB 117 Leases and three associated Interpretations. Under AASB 16 the company is required to recognise a lease liability and right-of-use asset for all leases recognised as operating leases under the now inoperative AASB 117. Upon review of the requirements of AASB 16 the directors have determined that the company is not currently party to any such operating leases, apart from those eligible to be exempted from recognition under the standard. Therefore adoption of this standard has not had a material affect on the financial statements.

Recognition Exemption

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value-assets, the company has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

The company pays for the right to use information technology equipment. The underlying assets have been assessed as low value asset and exempted from recognition under AASB 16.

Expenses relating to low value leases

(g) Change in accounting policies

Accounting policy applicable from 1 July 2019

The company as a lessee
For any new contracts entered into on or after 1 July 2019, the company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the company
- the company has the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the company has the right to direct the use of the identified asset throughout the period of use. The company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee
At lease commencement date, the company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net any incentives received).

The company depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or to the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Note 1. Summary of significant accounting policies (continued)

The company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, the right-of-use assets have been included in property, plant and equipment (except those meeting the definition of investment property) and lease liabilities have been included in borrowings.

The company as a lessee

Finance leases

Management applies judgement in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the company obtains ownership of the asset at the end of the lease term.

For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interests. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

See the accounting policy note in the year-end financial statements for the depreciation methods and useful lives for assets held under finance leases. The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases
All other leases are treated as operating leases. Where the company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

Impact of standards issued but not yet applied by the entity

AASB 17 Insurance Contracts

AASB 17 was issued in July 2017 as replacement for AASB 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured each reporting period. The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under AASB 9.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features. As the company does not issue any insurance contracts or investment contracts with discretionary participation features, the directors have determined this standard will not affect the company when adopted.

The company does not intend to adopt the standard before its effective date.

AASB 1059 Service Concession Arrangements: Grantors
The standard applies to both not-for-profit and for-profit public sector entities that are grantors in a service concession arrangement. These are arrangements that involve an operator providing public services related to a service concession asset on behalf of a public sector entity for a specified period of time and managing at least some of those services.

As the company is not a grantor in a service concession arrangement, the directors have determined this standard will not affect the company when adopted.

The company does not intend to adopt the standard before its effective date.

Note 2. Revenue

	2020 $	2019 $
Revenue		
- service commissions	1,160,998	1,198,783
	1,160,998	**1,198,783**
Other revenue		
- Interest received	1,028	-
- Other revenue	62,500	546
	63,528	546
Total revenue	**1,224,526**	**1,199,329**

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

The entity applies the revenue recognition criteria set out below to each separately identifiable sales transaction in order to reflect the substance of the transaction.

Interest and other income
Interest income is recognised on an accrual basis using the effective interest rate method.

Other revenue is recognised when the right to the income has been established. The current year comprises cash flow boost income which is part of the federal government's economic stimulus measures implemented in wake of the global coronavirus pandemic.

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

Rendering of services
As detailed in the franchise agreement, the company earns three types of revenue - margin, commission and fee income. Bendigo and Adelaide Bank Limited decide the method of calculation of revenue the company earns on different types of products and services and this is dependent on the type of business the company generates also taking into account other factors including economic conditions, including interest rates.

Core Banking Products
Bendigo and Adelaide Bank Limited identify specific products and services as 'core banking products', however it also reserves the right to change the products and services identified as 'core banking products', providing 30 days notice is given. The core banking products, as at the end of the financial year included Bendigo Bank branded home loans, term deposits and at call deposits.

Margin
Margin is earned on all core banking products. A Funds Transfer Pricing (FTP) model is used for the method of calculation of the cost of funds, deposit return and margin. Margin is determined by taking the interest paid by customers on loans less interest paid to customers on deposits, plus any deposit returns, i.e. interest return applied by Bendigo and Adelaide Bank Limited for a deposit, minus any costs of funds i.e. interest applied by Bendigo and Adelaide Bank Limited to fund a loan.

Commission
Commission is a fee earned on products and services sold. Depending on the product or services, it may be paid on the initial sale or on an ongoing basis.

Fee Income
Fee income is a share of 'bank fees and charges' charged to customers by Bendigo and Adelaide Bank Limited, including fees for loan applications and account transactions.

Note 2. Revenue (continued)

Discretionary Financial Contributions
Bendigo and Adelaide Bank Limited has made discretionary financial payments to the company, outside of the franchise agreement and in addition to margin, commission and fee income. This income received by the company is classified as "Market Development Fund" (MDF) income. The purpose of these payments is to assist the company with local market development activities, however, it is for the board to decide how to use the MDF. Due to their discretionary nature, Bendigo and Adelaide Bank Limited may change or stop these payments at any time.

Form and Amount of Financial Return
The franchise agreement stipulates that Bendigo and Adelaide Bank Limited may change the form, method of calculation or amount of financial return the company receives. The reasons behind making a change may include, but not limited to, changes in Bendigo and Adelaide Bank Limited's revenue streams/processes; economic factors or industry changes.

Bendigo and Adelaide Bank Limited may make any of the following changes to form, method of calculation or amount of financial returns:

- A change to the products and services identified as 'core banking products and services'
- A change as to whether it pays the company margin, commission or fee income on any product or service.
- A change to the method of calculation of costs of funds, deposit return and margin and a change to the amount of any margin, commission and fee income.

These abovementioned changes, may impact the revenue received by the company on a particular product or service, or a range of products and services.

However, if Bendigo and Adelaide Bank Limited make any of the above changes, per the franchise agreement, it must comply with the following constraints in doing so.

a) If margin or commission is paid on a core banking product or service, Bendigo and Adelaide Bank Limited cannot change it to fee income;

b) In changing a margin to a commission or a commission to a margin on a core banking product or service, OR changing the method of calculation of a cost of funds, deposit return or margin or amount of margin or commission on a core product or service, Bendigo and Adelaide Bank Limited must not reduce the company's share of Bendigo and Adelaide Bank Limited's margin on core banking product and services when aggregated to less than 50% of Bendigo and Adelaide Bank Limited's margin on core banking products attributed to the company's retail branch operation; and

c) Bendigo and Adelaide Bank Limited must publish the change at least 30 days before making the change.

Note 3. Expenses

	2020 $	2019 $
Profit before income tax includes the following specific expenses:		
Employee benefits expense		
- wages and salaries	364,523	273,123
- superannuation costs	53,029	25,175
- other costs	16,696	13,941
	434,248	**312,239**
Depreciation and amortisation		
Depreciation		
- buildings	23,618	23,618
- plant and equipment	14,800	16,718
- Motor vehicles	3,348	
	41,766	**40,336**
Amortisation		
- franchise fees	2,238	3,405
- Establishment/renewal processing fees	8,954	17,121
	11,192	**11,192**
Total depreciation and amortisation	**52,958**	**51,528**
Finance costs		
- Interest paid	11,064	15,629
Bad and doubtful debts expenses	414	124
Loss on disposal of property, plant and equipment	-	100
Auditors' remuneration		
Remuneration of the Auditor, RSD Audit, for:		
- Audit or review of the financial report	5,400	5,600

Operating expenses

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

Borrowing costs

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

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised leased assets, but excluding freehold land, is depreciated over the asset's useful life to the company commencing from the time the asset is held ready for use.

Note 3. Expenses (continued)

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

Class of asset	Rate	Method
Buildings Plant and equipment Motor vehicles	2.5% 5-40% 25%	Straight line Straight line Straight line

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

Gains/losses upon disposal of non-current assets

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Note 4. Income tax

	2020 $	2019 $
a. The components of tax expense comprise:		
Current tax expense	97,651	115,629
Deferred tax expense	1,677	10,593
Recoupment of prior year tax losses	-	16,745
Adjustment to deferred tax due to change in tax rate in future period	90	-
	99,418	**142,967**

b. Prima facie tax payable		
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on profit before income tax at 27.5% (2019: 27.5%)	116,175	142,673
Add tax effect of:		
- Non-assessable income	(17,187)	-
- Non-deductible expenses	340	294
- Adjustment to deferred tax due to change in tax rate in future period	90	-
Income tax attributable to the entity	**99,418**	**142,967**
The applicable weighted average effective tax rate is:	23.53%	27.56%

Note 4. Income tax (continued)

	2020 $	2019 $
c. Current tax liability		
Current tax relates to the following:		
Current tax liabilities		
Opening balance	101,103	-
Income tax paid	(144,270)	(14,526)
Current tax	97,651	115,629
	54,484	**101,103**
d. Deferred tax asset		
Deferred tax relates to the following:		
Deferred tax assets comprise:		
Accruals	9,735	2,095
Employee provisions	16,583	14,535
	26,318	**16,630**
Deferred tax liabilities comprise:		
Accrued income	3	-
Property, plant and equipment	24,763	13,311
	24,766	13,311
Net deferred tax asset	**1,552**	**3,319**

e. Deferred income tax included in income tax expense comprises:		
Decrease / (increase) in deferred tax assets	(9,688)	29,098
(Decrease) / increase in deferred tax liabilities	11,455	(1,760)
	1,767	**27,338**

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

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities/assets are 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.

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.

Deferred income tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Current tax assets and liabilities are offset where a legally enforceable right of off-set 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: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity.

Note 5. Cash and cash equivalents

	2020	2019
	$	$
Cash at bank and on hand	166,420	171,081
Short-term bank deposits	150,000	-
	316,420	**171,081**

Cash and cash equivalents include cash on hand, deposits available on demand with banks and other short-term highly liquid investments with original maturities of three months or less.

The effective interest rate on short-term bank deposits is 0.2%; these deposits have an average maturity of 90 days.

Note 6. Trade and other receivables

	2020	2019
	$	$
Current		
Trade receivables	84,080	90,994
Other receivables	12	-
	84,092	**90,994**

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

The company's main debtor relates to the Bendigo and Adelaide Bank Limited monthly profit share distribution, which is deposited 14 days post month end. There are no items that require the application of the lifetime expected credit loss model.

Credit risk

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

The company always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current and forecast directions of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

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

	Gross amount	Not past due	Past due but not impaired			Past due and impaired
			< 30 days	31-60 days	> 60 days	
	$	$	$	$	$	$
2020						
Trade receivables	84,080	84,080	-	-	-	-
Other receivables	12	12				
Total	**84,092**	**84,092**	**-**	**-**	**-**	**-**

Note 6. Trade and other receivables (continued)

	Gross amount	Not past due	Past due but not impaired < 30 days	31-60 days	> 60 days	Past due and impaired
	$	$	$	$	$	$
2019						
Trade receivables	90,994	90,994	-	-	-	-
Other receivables	-	-				
Total	**90,994**	**90,994**	**-**	**-**	**-**	**-**

Note 7. Other assets

	2020	2019
	$	$
Prepayments	**7,284**	**7,780**

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

Note 8. Property, plant and equipment

	2020 At cost	2020 Accumlated Depreciation	2020 Written down value	2019 At cost	2019 Accumlated Depreciation	2019 Written down value
	$	$	$	$	$	$
Land - at cost	667,000	-	667,000	667,000	-	667,000
Buildings - at cost	944,697	(92,443)	852,254	944,697	(68,825)	875,872
Plant and equipment - at cost	167,793	(72,598)	95,195	161,115	(57,798)	-
Motor vehicles - at cost	29,096	(3,348)	25,748	-	-	-
Total property, plant and equipment	**1,808,586**	**(168,389)**	**1,640,197**	**1,772,812**	**(126,623)**	**1,646,189**

Land and buildings

Freehold land and buildings are measured at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of land and buildings is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of land and buildings 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 asset's employment and subsequent disposal.

Plant and equipment

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

Note 6. Trade and other receivables (continued)

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's 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 assets 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 recognised as expenses in profit or loss during the financial period in which they are incurred.

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

An 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.

(a) Capital expenditure commitments
The entity does not have any capital expenditure commitments at 30 June 2020 (2019: Nil).

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

	Land	Buildings	Plant & Equipment	Motor Vehicles	Total
2020	**$**	**$**	**$**	**$**	**$**
Opening carrying value	667,000	875,872	103,317	-	1,646,189
Additions	-	-	6,678	29,096	35,774
Disposals	-	-	-	-	-
Depreciation	-	(23,618)	(14,800)	(3,348)	(41,766)
Closing carrying value	**667,000**	**852,254**	**95,195**	**25,748**	**1,640,197**

2019	**$**	**$**	**$**	**$**	**$**
Opening carrying value	667,000	899,490	118,510	-	1,685,000
Additions	-	-	1,625	-	1,625
Disposals	-	-	(100)	-	(100)
Depreciation	-	(23,618)	(16,718)	-	(40,336)
Closing carrying value	**667,000**	**875,872**	**103,317**	**-**	**1,646,189**

Note 9. Intangible assets

	2020			2019		
	At cost	Accumulated amortisation	Written down value	At cost	Accumulated amortisation	Written down value
	$	$	$	$	$	$
Franchise fees	81,192	(78,020)	3,172	81,192	(75,782)	5,410
Establishment/renewal processing fees	154,769	(142,085)	12,684	154,769	(133,131)	21,638
Total intangible assets	**235,961**	**(220,105)**	**15,856**	**235,961**	**(208,913)**	**27,048**

Note 9. Intangible assets (continued)

Franchise fees and establishment/renewal processing fees have been initially recorded at cost and amortised on a straight line basis at a rate of 20% per annum. The current amortisation charges for intangible assets are included under depreciation and amortisation in the Statement of Profit or Loss and Other Comprehensive Income.

Movements in carrying amounts of intangible assets

	Opening written down value	Additions	Amortisation	Closing written down value
2020	**$**	**$**	**$**	**$**
Franchise fees	5,410	-	(2,238)	3,172
Establishment/renewal processing fees	21,638	-	(8,954)	12,684
Total intangible assets	**27,048**	**-**	**(11,192)**	**15,856**

2019	**$**	**$**	**$**	**$**
Franchise fees	7,648	-	(2,238)	5,410
Establishment/renewal processing fees	30,592	-	(8,954)	21,638
Total intangible assets	**38,240**	**-**	**(20,526)**	**27,048**

Note 10. Financial liabilities

entities. Financial liabilities are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

Note 11. Trade and other payables

	2020	2019
	$	**$**
Current		
Unsecured liabilities:		
Trade creditors	15,892	11,133
Other creditors and accruals	77,263	69,203
	93,155	**80,336**
Non-current		
Unsecured liabilities:		
Other creditors and accruals	-	13,158
Total trade and other payables	**93,155**	**93,494**

Note 11. Trade and other payables (continued)

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

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

The average credit period on trade and other payables is one month.

Note 12. Borrowings

	2020 $	2019 $
Current		
Secured liabilities:		
Bank loan	-	84,363
Non-current		
Secured liabilities:		
Bank loan	1,998	13,957
Total borrowings	**1,998**	**98,320**

Loans

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measures at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings as classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

The company has a Bendigo and Adelaide Bank Limited Business Flexi Loan Facility in place, secured by first registered mortgage over the property at 643 High Street, Kew East. The weighted average effective interest rate on the bank loan for the financial year was 3.37% (2019: 4.02%).

Note 13. Provisions

	2020 $	2019 $
Current		
Employee benefits	63,652	52,832
Non-current		
Employee benefits	130	22
Total borrowings	**63,782**	**52,854**

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

Short-term employee benefits

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

Note 13. Provisions (continued)

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

Other long-term employee benefits

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

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

Note 14. Share capital

	2020 $	2019 $
1,792,327 Ordinary shares fully paid	827,307	827,307
Less: Equity raising costs	(29,089)	(29,089)
	798,218	**798,218**

Ordinary shares are classified as equity.

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

(a) Movements in share capital

	2019 $	2018 $
Fully paid ordinary shares:		
At the beginning of the reporting period	1,792,327	1,792,327
At the end of the reporting period	**1,792,327**	**1,792,327**

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

(b) 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 company otherwise available for distribution to shareholders in that 12 month period; and

Note 14. Share capital (continued)

(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 can be seen in the Statement of Profit or Loss and Comprehensive Income.

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

Note 15. Retained earnings

	2020 $	2019 $
Balance at the beginning of the reporting period	802,422	480,348
Profit for the year after income tax	323,035	375,844
Dividends paid	(71,693)	(53,770)
Balance at the end of the reporting period	**1,053,764**	**802,422**

Note 16. Dividends paid or provided for on ordinary shares

	2020 $	2019 $
Dividends paid during the year		
Prior year final ordinary dividend of 4 cents (2019: 3 cents) per share fully franked at the tax rate of 27.5%.	**71,693**	**53,770**
Dividends proposed but not recognised as a liability		
Current year final ordinary dividend of 3 cents (2019: 4 cents) per share fully franked at the tax rate of 26% (2019: 27.5%).	**53,770**	**71,693**
Franking account balance		
Franking credits available for subsequent reporting periods are:		
franking account balance as at the beginning of the financial year	317,927	323,796
franking credits from payment of income tax during the financial year	144,270	14,526
franking debits from the payment of fully franked dividends	(27,194)	(20,395)
franking account balance as at the end of the financial year	**435,003**	**317,927**
franklin debits that will arise from payment of dividends proposed or declared before the financial report was authorised for use but not recognised as a distribution to equity holders during the	(18,892)	(27,194)
franking credits that will arise from payment of income tax payable as at the end of the financial year	54,484	101,103
Net franking credits available	**470,595**	**391,836**

Note 17. Earnings per share

	2020 $	2019 $
Basic earnings per share (cents)	18.02	20.97
Earnings used in calculating basic earnings per share	323,035	375,844
Weighted average number of ordinary shares used in calculating basic earnings per share.	1,792,327	1,792,327

Basic earnings per share

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

Note 18. Statement of cash flows

	2020 $	2019 $
(a) Cash and cash equivalents balances as shown in the Statement of Financial Position can be reconciled to that shown in the Statement of Cash Flows as follows:		
Cash and cash equivalents (Note 5)	316,420	171,081
As per the Statement of Cash Flow	**316,420**	**171,081**
(b) Reconciliation of cash flow from operations with profit after income tax		
Profit for the year after income tax	323,035	375,844
Non-cash flows in profit		
- Depreciation and amortisation	52,958	51,528
- Net loss on disposal of property, plant & equipment	-	100
Changes in assets and liabilities		
- (Increase) / decrease in trade and other receivables	6,902	(1,760)
- (increase) / decrease in prepayments and other assets	496	1,802
- (Increase) / decrease in deferred tax asset	1,767	27,338
- Increase / (decrease) in trade and other payables	11,624	18,396
- Increase / (decrease) in current tax liability	(46,619)	101,103
- Increase / (decrease) in provisions	10,928	(48,171)
Net cash flows from operating activities	**361,091**	**526,180**

(c) Credit standby arrangement and loan facilities

The company has a loan facility amounting to $600,000 (2019: $600,000). This may be terminated at any time at the option of the bank. At 30 June 2020, $1,998 of this facility was used (2019: $98,320). Variable interest rates apply to this facility.

Note 19. Key management personnel and related party disclosures

(a) Key management personnel

Key management personnel includes any person having authority or responsibility for planning, directing or controlling the activities of the entity, directly or indirectly including any Director (whether executive or otherwise) of that company.

The totals of remuneration paid to key management personnel of the company during the year are as follows:

	2020 $	2019 $
Short-term employee benefits	54,795	56,723
Post-employment benefits	5,205	3,277
Total key management personnel compensation	**60,000**	**60,000**

Short-term employee benefits

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

Post-employment benefits

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

(b) Other related parties

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

(c) Transactions with key management personnel and related parties

No key management personnel or related party has entered into any material contracts with the company.

The company has accepted the Bendigo and Adelaide Bank Limited's Community Bank Directors Privileges package. The package is available to all Directors who can elect to avail themselves of the benefits based on their personal banking with the branch. There is no requirement to own Bendigo and Adelaide Bank Limited shares and there is no qualification period to qualify to utilise the benefits.

The package mirrors the benefits currently available to Bendigo and Adelaide Bank Limited shareholders. For the year ended 30 June 2020 there have been minimal benefits received by the Directors from the Directors Privileges Package.

(d) Key management personnel shareholdings

The number of ordinary shares in Kew East Financial Services Limited held by each key management personnel of the company during the financial year is as follows:

	2020 $	2019 $
Phillip Davies	-	-
Paula Davey	2,500	2,500
Eric Thomas	3,003	3,003
Jason Talbot	-	-
Lilian Look	-	-
Diana Nelson	-	-
Olivia Dolezal	-	-
Thomas Rochford	-	-
Michael Barden	**5,503**	**5,503**

Note 19. Key management personnel and related party disclosures (continued)

There was no movement in key management personnel shareholdings during the year. Each share held has a paid up value of $1 and is fully paid.

(e) Other key management transactions

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

Note 20. Community Enterprise Foundation™

The Community Enterprise FoundationTM (CEF) is the philanthropic arm of the Bendigo and Adelaide Bank Group to which Community Bank branches can make financial contributions. These contributions made by the company are included in the charitable donations and sponsorship expenditure in the Statement of Profit or Loss and Other Comprehensive Income.

During the current financial year, the company contributed funds to the Community Enterprise FoundationTM (CEF), as detailed below. These funds are held in trust by the CEF on behalf of the company and are available for distribution by grants to eligible applicants.

	2020 $	2019 $
Opening Balance	125,990	179,168
Contributions	-	-
Grants Paid	(28,087)	(56,558)
Interest	1,600	3,380
Management fees	-	-
Balance available for distribution in future periods	**99,503**	**125,990**

Note 21. Events after the reporting period

There have been no events after the end of the financial year that would materially affect the financial statements.

Note 22. Contingent liabilities and contingent assets

There were no contingent liabilities or assets at the date of this report to affect the financial statements.

Note 23. Operating segments

The company operates in the financial services sector where it provides banking services to its clients. The company has a franchise agreement in place with Bendigo and Adelaide Bank Limited who account for 100% of the revenue (2019: 100%).

Note 24. Company details

The registered office and principal place of business is: 643 High Street, Kew East, Victoria, 3101

Note 25. Financial instrument risk

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 an Audit and Governance Committee which reports regularly to the Board.

Note 25. Financial instrument risk (continued)

Specific financial risk exposure and management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk and other price risk. There have been no substantial changes in the types of risks the company is exposed to, how the risks arise, or the board's objectives, policies and processes for managing or measuring the risks from the previous period.

The company's financial instruments consist mainly of deposits with banks, short term investments, account receivables and payables, bank overdraft and loans. The totals for each category of financial instruments measured in accordance with AASB 9 Financial Instruments as detailed in the accounting policies are as follows:

The company's financial instruments consist mainly of deposits with banks, short term investments, account receivables and payables, bank overdraft and loans. The totals for each category of financial instruments measured in accordance with AASB 9 Financial Instruments as detailed in the accounting policies are as follows:

	Note	2020 $	2019 $
Financial assets			
Financial assets at amortised cost:			
Cash and cash equivalents	5	316,420	171,081
Trade and other receivables	6	84,092	90,994
Total financial assets		**400,512**	**262,075**
Financial liabilities			
Trade and other payables	11	93,155	80,336
Borrowings	12	1,998	98,320
Total financial liabilities		**95,153**	**178,656**

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that clients and counterparties to transactions are of sound credit worthiness. 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.

Credit risk exposures

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 table above.

The company has significant concentrations of credit risk with Bendigo and Adelaide Bank Limited. The company's exposure to credit risk is limited to Australia by geographic area.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 6.

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.

(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.

Note 25. Financial instrument risk (continued)

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.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis:

	Weighted average interest rate	Total	Within 1 year	1 to 5 years	Over 5 years
30 June 2020	**%**	**$**	**$**	**$**	**$**
Financial assets					
Cash and cash equivalents	0.39%	316,420	316,420	-	-
Trade and other receivables		84,092	84,092	-	-
Total anticipated inflows		**400,512**	**400,512**	-	-
Financial liabilities					
Trade and other payables		93,155	93,155	-	-
Borrowings	3.37%	1,998	-	1,998	-
Total expected outflows		**95,153**	**93,155**	**1,998**	-
Net inflow / (outflow) on financial instruments		**305,359**	**307,357**	**(1,998)**	**-**

	Weighted average interest rate	Total	Within 1 year	1 to 5 years	Over 5 years
30 June 2019	**%**	**$**	**$**	**$**	**$**
Financial assets					
Cash and cash equivalents	%	171,081	171,081	-	-
Trade and other receivables		90,994	90,994	-	-
Total anticipated inflows		**262,075**	**262,075**	-	-
Financial liabilities					
Trade and other payables		80,336	80,336	-	-
Borrowings	4.02%	152,683	84,363	13,957	-
Total expected outflows		**178,656**	**164,699**	**13,957**	-
Net inflow / (outflow) on financial instruments		**83,419**	**97,376**	**(13,957)**	**-**

(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.

Note 25. Financial instrument risk (continued)

The primary risks the company is exposed to is interest rate risk and other price risk. The company has no exposure to fluctuations in foreign currency.

Interest rate risk

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

The financial instruments that primarily expose the company to interest rate risk are borrowings and cash and cash equivalents.

Sensitivity analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates. 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.

	2020		2019	
	Profit $	**Equity $**	**Profit $**	**Equity $**
+/- 1% in interest rates (interest income)	3,164	3,164	1,711	1,711
+/- 1% in interest rates (interest expense)	(20)	(20)	(983)	(983)
	3,144	**3,144**	**728**	**728**

There have been no changes in any of the methods or assumptions used to prepare the above sensitivity analysis from the prior year.

Directors' Declaration

In accordance with a resolution of the Directors of Kew East Financial Services Limited, the Directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 32 are in accordance with the Corporations Act 2001 and:

   (i) comply with Australian Accounting Standards which, as stated in accounting policy Note 1(a) to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

   (ii) give a true and fair view of the company's financial position as at 30 June 2018 and of the performance for the year ended on that date;

2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Phillip Davies
Chairman

Signed at Kew East on 28 September 2020.

41A Breen Street
Bendigo, Victoria
PO Box 448, Bendigo, VIC, 3552

Ph: (03) 4435 3550
admin@rsdaudit.com.au
www.rsdaudit.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KEW EAST FINANCIAL SERVICES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Kew East Financial Services Limited (the Company), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

(i) giving a true and fair view of the Company's financial position as at 30 June 2020 and of its performance for the year then ended; and

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements related to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Director's Responsibility 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 ability of the Company 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.

Richmond Sinnott & Delahunty, trading as RSD Audit
ABN 60 616 244 309
Liability limited by a scheme approved under Professional Standards Legislation

Auditor's Responsibility for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control.

We 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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We 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.

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

We obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2020, 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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RSD Audit
Chartered Accountants

Kathie Teasdale
Partner
Bendigo
Dated: 29 September 2020

Community Bank · Kew East
643 High Street,
Kew East VIC 3102
Phone: 9859 7699 Fax: 9859 6944
Email: KewEast@bendigoadelaide.com.au
Web: bendigobank.com.au/kew

Franchisee: Kew East Financial Services Limited
ABN: 91 096 301 058
643 High St, Kew East Vic 3102
Phone: 9859 7699 Fax: 9859 6944

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

www.facebook.com/KewandKewEastCommunityBankBranch.

This Annual Report has been printed on 100% Recycled Paper

Bendigo Bank