

# Annual Report 2024

Kulin Community Financial  
Services Limited

Community Bank  
Kulin

ABN 49 088 885 438

## **Community Bank Report 2024**

### **BEN Message**

This past year has been particularly significant for Bendigo Bank and the Community Bank network. After five years apart, we had the opportunity to come together in person and connect in Bendigo at our National Conference in September.

It was lovely to see so many familiar faces and to meet many directors who haven't attended previously. We feel proud to support such an amazing network.

We are committed to our strategy and the qualities that make Bendigo Bank unique, by staying true to our connection with communities, our regional roots, and our position as Australia's most trusted bank.

As Bendigo Bank adapts to the evolving digital landscape and changing customer expectations, the Community Bank Network is organically evolving in response.

Over the past 12 months, we have seen Community Bank companies seek to enhance their presence within their communities more than ever.

This has been through expanding or consolidating branch sites, collaborating with local, state, and national governments to support community initiatives, or by prioritising social value alongside financial performance through Social Trader accreditation.

The anniversary of the Community Bank model, along with changing environmental factors, provides an opportunity to reset and establish a clear pathway towards the next 25 years.

Bendigo Bank's purpose, to feed into the prosperity of communities, and our willingness to ensure our purpose is relevant to the needs of communities in which we are present, is a key contributor to our commercial success.

When we utilise our combined strengths, exercise our imaginations and have the courage to commit to creating our own opportunities, we will be the partner of choice for customers and communities regardless of location or cause.

Community, regional presence, and trust are the distinctive attributes of Bendigo Bank that we have maintained and plan to uphold in the future.

While Bendigo Bank emphasises commercial success, our foundation remains in community values. Our aim is to generate mutual value by providing solutions to local challenges.

On behalf of Bendigo Bank, thank you for being a shareholder in your local Community Bank. Your contribution helps foster economic growth, creates employment opportunities, and provides essential financial services to the members of your community.

Your dedication and support is making a positive impact on your community.

**Justine Minne**  
**Head of Community Banking.**

## Chair Report

### For the year ending 30 June 2024

It is my privilege to present the Kulin Community Financial Services Limited Annual Report for the financial year ending 30 June 2024. I'm delighted to announce our largest annual operating profit of \$217,911 since opening the branch 24 years ago. Coupled together with an outstanding annual business growth of \$46.5 million, our total bank book finished the year at \$221 million. This result is such a wonderful achievement for our community. These figures, which once seemed unreachable are now paving the pathway to our future prosperity.

Kulin Community Financial Services Limited has continued to partner with many organisations throughout our region and this year has met another milestone. Community contributions have reached a total of 1.7 million dollars since we opened our doors and 1 million dollars of this has been in the past four years. Shareholders and customers of Community Bank Kulin should be very proud of this accomplishment as the impact is widespread in Kulin and surrounding towns. Some of the more significant donations this year were to the Kulin Retirement Homes of \$200,000, Kulin District High School of \$30,000, Newdegate Field Days \$10,000, Cambodia House Building- Kulin Initiative \$2,500 and Kondinin Gourmet in Garden \$2,500.

<i>Financial Year</i>	<i>Community Contribution</i>
2020/21	\$170,610
2021/22	\$333,936
2022/23	\$223,699
2023/24	\$274,169

Our Branch staff, led by Branch Manager Charmaine King, have been a massive part of our success this year. Charmaine has done an amazing job supporting our customers while leading our branch team. Having a local team at our Community Bank Kulin Branch is our major point of difference, building trust within our community. Please join me in thanking them for their great work.

Once again, we are fortunate to have the support of Alison Lucchesi fulfilling the combined role of Company Secretary and Treasurer. This at times can be quite a demanding role and we are grateful for her commitment and expertise. Thank you for your dedication this year.

Our volunteer Directors at Kulin Community Financial Services Limited have each contributed enormously this year. We welcome Jack Wilson to the position of Director and I personally would like to thank our board members that offer their time and expertise in the management of Community Bank Kulin.

In an unpredictable situation this year I took over the role of Chair from Derek Young. Derek was a quiet achiever, no fanfare, he just got it done. Starting in 2007, Derek was a board member for 5 years, before stepping in as Chair for a total of 18 years, totalling 23 years of dedication and service to Kulin Community Financial Services Limited. He epitomised community spirit by contributing back to our community and his passion fuelled our progression as a bank that cared and shared. During his time as Chair, the board has collaborated with Kulin Bush Races, Kulin Retirement Homes, Kulin District High School, and various community sporting groups. Please join me in thanking Derek for the legacy that he leaves at Kulin Community Financial Services Limited.



**Bradley Smoker**  
**Chair**  
**Kulin Community Financial Services Limited**

# Branch Manager's Report

For Year Ending 30 June 2024

I am pleased to announce that despite the economic challenges and interest rate increases, we have once again had a strong growth year.

As at 30 June 2024 the branch saw **\$221,683,703** in total Business Book Value. This is an outstanding achievement and one that we as a team are very proud of.

Over the years, we have seen Kulin Community Financial Services Limited contribute \$1,5M back into the local community. Having partnered with numerous local groups to help achieve some amazing community outcomes.

The 2024 financial year has been challenging for all small businesses. The competitive landscape in the financial services industry, fuelled by succession of Reserve Bank of Australia (RBA) rate increases, cost of living and inflation, has resulted in continued market pressure.

While RBA had increased rates at the beginning of the financial year, they have plateaued within the first half of this year affecting both lending and deposit rates.

The focus is on being able to source new business, both lending and deposits while ensuring existing customers are looked after and protected.

We have continued to review of existing customers banking facilities to meet and match competitors to avoid any potential run-off, while also being focused on scam awareness and protection.

As the outlook moves towards digital banking, we are constantly reviewing and implementing ways to better assist our customers with their daily banking needs. To ensure they are always aware of potential threats and loss of funds but assuring them that we are always here to assist, help and guide them through any issues that may arise.

As of 30<sup>th</sup> June 2024, we have a full complement of 6 staff, comprising of myself as Branch Manager, Customer Relationship Officer, 1 x Full Time Customer Service Officer, 1 x Part Time Customer Service Officer and 2 x Casual Customer Service Officers. We continue to plan and improve to ensure our customers financial needs and goals are being met.

I would like to thank all the staff for their hard work and continued commitment to our Branch and the Community. The team has worked consistently throughout the year to ensure we succeed and thrive within the Community.

Staff not only work business hours they also volunteer their time to get involved in Community events such as the Newdegate Field Day, Kulin Bush Races, just to name a few.

A BIG thank you to my board of Directors who have continued to support us, our plan and vision, always backing us with our endeavours to challenge and improve. I would also like to thank the Board for all their support and the continued confidence and trust they have placed in me and my staff to continue in delivering positive results for us all.

The year ahead will see our focus continue towards growth in our retail banking lending portfolio as well as the continuation of our strong relationship with Business Banking, Agri Business (Rural Bank) and Business Direct teams.

It is also important to note that as our customers and shareholders, you are our strongest advocates to let people know about the great things that we can achieve together.

A handwritten signature in black ink, appearing to read 'Charmaine King', with a stylized, cursive script.

**Charmaine King**  
**Branch Manager**

# Kulin Community Financial Services Limited

ABN 49 088 885 438

Financial Report - 30 June 2024

# Kulin Community Financial Services Limited

## Directors' report

### 30 June 2024

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2024.

#### Directors

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

Name:	Bradley James Smoker
Title:	Non-executive director
Experience and expertise:	Brad is a farmer who holds a Bachelor of Business in Agriculture at Curtin University. He has a farming background of 20 years and farm consultant 15 years. Brad is the current Chairperson of Kulin Community Financial Services Limited and is also Deputy President at the Shire of Kulin and Chairperson of Cultivating Kulin Committee Incorporated.
Special responsibilities:	Chairperson

Name:	Robin James McInnes
Title:	Non-executive director
Experience and expertise:	Retired. Employed by the Water Corporation for 33 years. Member of the steering committee to establish the Community Bank in Kulin. Life member of the fire brigade and football club and awarded Emergency Services Medal in 2003. Gold card in AOOB's. Treasurer of several lodges.

Name:	Graeme John Robertson
Title:	Non-executive director
Experience and expertise:	Farmer. Graeme is the director for Kulin Community Hub Pty Ltd, Kulin Bush Races and Cultivating Kulin Committee. Director and secretary for Kulin Development Cooperative. He is also Vice Chair for Kulin Community Financial Services and was previously on the Kulin Districts High School Board.

Name:	Jennie Marie McInnes
Title:	Non-executive director
Experience and expertise:	Parts Manager. Former Company Secretary and Treasurer of the company, bookkeeping and administration experience.

Name:	Cassi-Dee Tina Vandenberg
Title:	Non-executive director
Experience and expertise:	Deputy CEO Shire of Kulin. Accountant with tax and local government experience.

Name:	Jack Blyth Wilson
Title:	Non-executive director (appointed 28 May 2024)
Experience and expertise:	Local farmer, member of the Kulin Bush Race Committee and Volunteer St John Officer.

Name:	Derek Harvie Young
Title:	Non-executive director (ceased 27 February 2024)
Experience and expertise:	Self-employed farmer for 30 years. Board representative of Cultivating Kulin Committee.

#### Company secretary

The company secretary is Alison Lucchesi. Alison was appointed to the position of company secretary on 1 August 2020.

#### Principal activity

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

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

#### Review of operations

The profit for the company after providing for income tax amounted to \$217,911 (30 June 2023: \$150,120).

# Kulin Community Financial Services Limited

## Directors' report

### 30 June 2024

Operations have continued to perform in line with expectations.

#### Dividends

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

	2024 \$
Fully franked dividend of 10 cents per share (2023: 10 cents)	<u>32,892</u>

#### Significant changes in the state of affairs

On 1 July 2023, Bendigo Bank updated the Funds Transfer Pricing (FTP) base rate on certain deposits which has reduced the income earned on these products.

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

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

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

#### Likely developments and expected results of operations

No matter, circumstance or likely development in operations has arisen during or since the end of the financial year that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

#### Environmental regulation

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

#### Meetings of directors

The number of directors' meetings attended by each of the directors' of the company during the financial year were:

	Board Eligible	Attended
Bradley James Smoker	10	10
Robin James McInnes	9	9
Graeme John Robertson	9	9
Jennie Marie McInnes	9	9
Cassi-Dee Tina Vandenberg	5	5
Jack Blyth Wilson	1	1
Derek Harvie Young	6	6

#### Directors' benefits

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



# Kulin Community Financial Services Limited

## Directors' report

### 30 June 2024

#### Directors' interests

The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Bradley James Smoker	-	-	-
Robin James McInnes	14,601	-	14,601
Graeme John Robertson	5,001	-	5,001
Jennie Marie McInnes	1,300	-	1,300
Cassi-Dee Tina Vandenberg	-	-	-
Jack Blyth Wilson	-	-	-
Derek Harvie Young	2,750	-	2,750

#### Shares under option

There were no unissued ordinary shares of the company under option outstanding at the date of this report.

#### Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

#### Indemnity and insurance of directors and officers

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

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

#### Proceedings on behalf of the company

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

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

#### Indemnity and insurance of auditor

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

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

#### Non-audit services

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

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

**Kulin Community Financial Services Limited**  
**Directors' report**  
**30 June 2024**

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

**Auditor's independence declaration**

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

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

On behalf of the directors



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Bradley James Smoker  
Chair

27 August 2024



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

## Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Kulin Community Financial Services Limited

As lead auditor for the audit of Kulin Community Financial Services Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart', is positioned above the printed name.

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo, Vic, 3550  
Dated: 27 August 2024

A handwritten signature in black ink, appearing to read 'Adrian Downing', is positioned above the printed name.

**Adrian Downing**  
Lead Auditor

**Kulin Community Financial Services Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2024**

	<b>Note</b>	<b>2024</b> <b>\$</b>	<b>2023</b> <b>\$</b>
Revenue from contracts with customers	7	1,132,832	1,015,464
Other revenue	8	26,855	48,770
Finance revenue		7,649	5,295
Total revenue		<u>1,167,336</u>	<u>1,069,529</u>
Employee benefits expense	9	(384,654)	(408,994)
Advertising and marketing costs		(3,206)	(10,007)
Occupancy and associated costs		(12,331)	(10,835)
System costs		(19,415)	(16,136)
Depreciation and amortisation expense	9	(75,148)	(69,913)
Finance costs	9	(13,508)	(14,575)
General administration expenses		(95,260)	(114,984)
Total expenses before community contributions and income tax		<u>(603,522)</u>	<u>(645,444)</u>
<b>Profit before community contributions and income tax</b>		563,814	424,085
Charitable donations, sponsorships and grants expense	9	<u>(274,169)</u>	<u>(223,699)</u>
<b>Profit before income tax expense</b>		289,645	200,386
Income tax expense	10	<u>(71,734)</u>	<u>(50,266)</u>
<b>Profit after income tax expense for the year</b>		217,911	150,120
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><u>217,911</u></u>	<u><u>150,120</u></u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	28	66.25	45.64
Diluted earnings per share	28	66.25	45.64

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

**Kulin Community Financial Services Limited**  
**Statement of financial position**  
**As at 30 June 2024**

	<b>Note</b>	<b>2024</b> <b>\$</b>	<b>2023</b> <b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	11	567,742	358,422
Trade and other receivables	12	137,997	101,304
Financial assets	13	20,000	20,000
Total current assets		<u>725,739</u>	<u>479,726</u>
<b>Non-current assets</b>			
Financial assets	13	40,200	60,200
Property, plant and equipment	14	145,730	170,787
Right-of-use assets	15	214,013	231,621
Intangible assets	16	3,897	17,066
Deferred tax assets	10	8,032	4,385
Total non-current assets		<u>411,872</u>	<u>484,059</u>
<b>Total assets</b>		<u>1,137,611</u>	<u>963,785</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	17	27,402	47,752
Lease liabilities	18	28,478	8,054
Current tax liabilities	10	64,568	30,557
Employee benefits	19	33,783	38,957
Total current liabilities		<u>154,231</u>	<u>125,320</u>
<b>Non-current liabilities</b>			
Lease liabilities	18	217,601	244,732
Employee benefits	19	1,357	14,513
Lease make good provision		2,913	2,730
Total non-current liabilities		<u>221,871</u>	<u>261,975</u>
<b>Total liabilities</b>		<u>376,102</u>	<u>387,295</u>
<b>Net assets</b>		<u>761,509</u>	<u>576,490</u>
<b>Equity</b>			
Issued capital	20	322,663	322,663
Retained earnings		<u>438,846</u>	<u>253,827</u>
<b>Total equity</b>		<u>761,509</u>	<u>576,490</u>

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

**Kulin Community Financial Services Limited**  
**Statement of changes in equity**  
**For the year ended 30 June 2024**

	Note	Issued capital \$	Retained earnings \$	Total equity \$
<b>Balance at 1 July 2022</b>		322,663	136,599	459,262
Profit after income tax		-	150,120	150,120
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	150,120	150,120
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for	22	-	(32,892)	(32,892)
<b>Balance at 30 June 2023</b>		<u>322,663</u>	<u>253,827</u>	<u>576,490</u>
 <b>Balance at 1 July 2023</b>		 322,663	 253,827	 576,490
Profit after income tax expense		-	217,911	217,911
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	217,911	217,911
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for	22	-	(32,892)	(32,892)
<b>Balance at 30 June 2024</b>		<u>322,663</u>	<u>438,846</u>	<u>761,509</u>

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

**Kulin Community Financial Services Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2024**

	<b>Note</b>	<b>2024</b> <b>\$</b>	<b>2023</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		1,279,087	1,138,307
Payments to suppliers and employees (inclusive of GST)		(974,022)	(929,339)
Interest received		7,649	5,295
Income taxes refunded/(paid)		(41,370)	23,236
Net cash provided by operating activities	27	<u>271,344</u>	<u>237,499</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(17,484)	(28,736)
Payments for intangible assets		(13,770)	(13,770)
Proceeds from financial assets		20,000	20,000
Proceeds from disposal of property, plant and equipment		<u>5,000</u>	<u>-</u>
Net cash used in investing activities		<u>(6,254)</u>	<u>(22,506)</u>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(9,519)	(21,068)
Interest and other finance costs paid		(13,359)	(14,432)
Dividends paid	22	<u>(32,892)</u>	<u>(32,892)</u>
Net cash used in financing activities		<u>(55,770)</u>	<u>(68,392)</u>
Net increase in cash and cash equivalents		209,320	146,601
Cash and cash equivalents at the beginning of the financial year		<u>358,422</u>	<u>211,821</u>
Cash and cash equivalents at the end of the financial year	11	<u><u>567,742</u></u>	<u><u>358,422</u></u>

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

# **Kulin Community Financial Services Limited**

## **Notes to the financial statements**

### **30 June 2024**

#### **Note 1. Reporting entity**

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

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 1/157 Bull Street, Kulin WA 6365.

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

#### **Note 2. Basis of preparation and statement of compliance**

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

The directors have a reasonable expectation that the company has adequate resources to pay its debts as and when they fall due for the foreseeable future. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 August 2024. The directors have the power to amend and reissue the financial statements.

#### **Note 3. Material accounting policy information**

The accounting policies that are material to the company are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

##### **Adoption of new and revised accounting standards**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current financial year. A description of the impact of new or amended Accounting Standards and Interpretations that have had a material impact on the company during the current financial year is outlined below:

*AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* is mandatory for annual reporting periods beginning on or after 1 January 2023 and was adopted by the company in the preparation of the 30 June 2024 financial statements.

AASB 2021-2 includes amendments to AASB 101 *Presentation of Financial Statements*, requiring the company to disclose material accounting policy information in its financial statements rather than significant accounting policies which was required in previous financial years. Accounting policy information is material if it, when considered with other information, could reasonably be expected to influence decisions of primary users based on the financial statements.

Adoption of AASB 2021-2 has had no impact on the numerical information disclosed in the company's financial statements. Rather, adoption has required the company to remove significant accounting policy information from the notes to the financial statements that is not considered material.

##### **Accounting standards issued but not yet effective**

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to the company has been performed. No new or amended Accounting Standards or Interpretations that are not mandatory have been early adopted, nor are they expected to have a material impact on the company in future financial years.

##### **Current and non-current classification**

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



# Kulin Community Financial Services Limited

## Notes to the financial statements

### 30 June 2024

#### Note 3. Material accounting policy information (continued)

##### Impairment of non-financial assets

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

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

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

#### Note 4. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The directors continually evaluate their judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

The directors base their judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that it believes to be reasonable under the circumstances. Differences between the accounting judgements and estimates and actual results and outcomes are accounted for in future reporting periods. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

##### Judgements

###### *Timing of revenue recognition associated with trail commission*

The company receives trailing commission from Bendigo Bank for products and services sold. Ongoing trailing commission payments are recognised on a monthly basis when earned as there is insufficient detail readily available to estimate the most likely amount of revenue without a high probability of significant reversal in a subsequent reporting period. The receipt of ongoing trailing commission revenue is outside the control of the company.

###### *Allowance for expected credit losses on trade and other receivables*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

The company has not recognised an allowance for expected credit losses in relation to trade and other receivables for the following reasons:

- The company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end.
- The credit risk (i.e. the risk that a customer will not make repayments) is for Bendigo Bank to bear as long as the company has complied with the appropriate procedures and relevant obligations and has not exercised a discretion in granting or extending credit. The directors are not aware of any such non-compliance at balance date.
- The company has reviewed credit ratings provided by Standard & Poors, Moody's and Fitch Ratings to determine the level of credit exposure to the company.
- The company has not experienced any instances of default in relation to receivables owed to the company from Bendigo Bank.

###### *Impairment of non-financial assets*

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. The directors did not identify any impairment indications during the financial year.

# Kulin Community Financial Services Limited

## Notes to the financial statements

### 30 June 2024

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

##### *Recovery of deferred tax assets*

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

##### *Lease term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term.

In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations, comparison of terms and conditions to prevailing market rates, incurrence of significant penalties, existence of significant leasehold improvements and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

The company includes extension options applicable to the lease of branch premises in its calculations of both the right-of-use asset and lease liability except where the company is reasonably certain it will not exercise the extension option. This is due to the significant disruption of relocating premises and the loss on disposal of leasehold improvements fitted out in the leased premises.

#### **Estimates and assumptions**

##### *Estimation of useful lives of assets*

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

##### *Incremental borrowing rate*

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

##### *Employee benefits provision*

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

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

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

##### *Lease make good provision*

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

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 5. Economic dependency**

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in October 2024.

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

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

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

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

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

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

**Note 6. Change to comparative figures**

*Calculation of right-of-use asset cost and accumulated depreciation*

On adoption of AASB 16 Leases on 1 July 2019, the company previously recognised the right-of-use asset cost and accumulated depreciation on a gross basis from the commencement of the lease as if AASB 16 had always been applied by the company.

During the financial year the company recorded a change in accounting policy, whereby it elected to recognise the right-of-use asset net of accumulated depreciation on initial adoption of AASB 16. The change in accounting policy had no impact on the company's net profit or net asset position, however it did reduce the company's right-of-use asset cost and accumulated depreciation at 30 June 2023 by \$127.

**Note 7. Revenue from contracts with customers**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Margin income	518,856	563,475
Fee income	19,644	18,565
Commission income	594,332	433,424
	<u>1,132,832</u>	<u>1,015,464</u>

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 7. Revenue from contracts with customers (continued)**

*Accounting policy for revenue from contracts with customers*

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

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

Revenue is recognised on an accruals basis, at the fair value of consideration specified in the franchise agreement, as follows:

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

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

*Revenue calculation*

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

*Margin income*

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

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

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

*Commission income*

Commission income is generated from the sale of products and services. This commission is recognised at a point in time which reflects when the company has fulfilled its performance obligation. Refer to note 4 for further information regarding key judgements applied by the directors in relation to the timing of revenue recognition from trail commission.

*Fee income*

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

*Core banking products*

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

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 7. Revenue from contracts with customers (continued)**

*Ability to change financial return*

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

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

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

**Note 8. Other revenue**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Market development fund	-	3,333
Department of Transport	26,611	20,421
Other income	244	25,016
	<u>26,855</u>	<u>48,770</u>

**Note 9. Expenses**

**Employee benefits expense**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Wages and salaries	350,158	353,122
Non-cash benefits	-	4,633
Superannuation contributions	36,969	38,186
Expenses related to long service leave	(18,330)	(11,893)
Other expenses	15,857	24,946
	<u>384,654</u>	<u>408,994</u>

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 9. Expenses (continued)**

**Depreciation and amortisation expense**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Depreciation of non-current assets</i>		
Leasehold improvements	14,391	17,132
Plant and equipment	2,592	2,760
Motor vehicles	24,118	16,263
	<u>41,101</u>	<u>36,155</u>
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	<u>20,878</u>	<u>20,589</u>
<i>Amortisation of intangible assets</i>		
Franchise fee	2,198	2,197
Franchise renewal fee	10,971	10,972
	<u>13,169</u>	<u>13,169</u>
	<u><u>75,148</u></u>	<u><u>69,913</u></u>

**Finance costs**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Lease interest expense	13,359	14,432
Unwinding of make good provision	149	143
	<u>13,508</u>	<u>14,575</u>

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

**Leases recognition exemption**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Expenses relating to low-value leases	4,635	5,022
Expenses relating to short-term leases	<u>-</u>	<u>3,455</u>
	<u><u>4,635</u></u>	<u><u>8,477</u></u>

The company paid for the right to use a rental house for the branch manager during the prior period. The lease agreement commenced and expired during that period. As such the lease has been assessed as short term and exempted from recognition under AASB 16 accounting. Expenses relating to short term exempt leases.

**Charitable donations, sponsorships and grants expense**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Direct donation, sponsorship and grant payments	54,073	52,646
Contribution to the Community Enterprise Foundation™	220,096	171,053
	<u>274,169</u>	<u>223,699</u>

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

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 9. Expenses (continued)**

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

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

**Note 10. Income tax**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Income tax expense</i>		
Current tax	76,412	45,729
Movement in deferred tax	(3,646)	4,537
Under/over adjustment	(1,032)	-
	<u>71,734</u>	<u>50,266</u>
Aggregate income tax expense	<u>71,734</u>	<u>50,266</u>
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	<u>289,645</u>	<u>200,386</u>
Tax at the statutory tax rate of 25%	72,411	50,097
Tax effect of:		
Non-deductible expenses	355	169
	<u>72,766</u>	<u>50,266</u>
Under/over adjustment	(1,032)	-
Income tax expense	<u>71,734</u>	<u>50,266</u>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Deferred tax assets/(liabilities)</i>		
Employee benefits	8,934	13,498
Provision for lease make good	728	683
Lease liabilities	61,520	63,197
Right-of-use assets	(53,503)	(57,906)
Property, plant and equipment	(8,133)	(13,573)
Prepayments	(1,514)	(1,514)
	<u>8,032</u>	<u>4,385</u>
Deferred tax asset	<u>8,032</u>	<u>4,385</u>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Provision for income tax	<u>64,568</u>	<u>30,557</u>

*Accounting policy for income tax*

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



**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 10. Income tax (continued)**

*Accounting policy for current tax*

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

*Accounting policy for deferred tax*

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

**Note 11. Cash and cash equivalents**

	<b>2024</b> \$	<b>2023</b> \$
Cash at bank and on hand	<u>567,742</u>	<u>358,422</u>

**Note 12. Trade and other receivables**

	<b>2024</b> \$	<b>2023</b> \$
Trade receivables	<u>131,141</u>	<u>94,448</u>
Other receivables and accruals	800	800
Prepayments	<u>6,056</u>	<u>6,056</u>
	<u>6,856</u>	<u>6,856</u>
	<u>137,997</u>	<u>101,304</u>

*Accounting policy for trade and other receivables*

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. The company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end.

**Note 13. Financial assets**

	<b>2024</b> \$	<b>2023</b> \$
<i>Current assets</i>		
Loan	<u>20,000</u>	<u>20,000</u>
<i>Non-current assets</i>		
Loan	40,000	60,000
Equity securities - designated at fair value through profit and loss	<u>200</u>	<u>200</u>
	<u>40,200</u>	<u>60,200</u>

*Loans*

Loans are comprised of an interest free debenture which is due to be settled by June 2027.

*Accounting policy for financial assets*

See note 23 financial instruments for accounting policy.



**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 14. Property, plant and equipment**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Leasehold improvements - at cost	194,018	176,534
Less: Accumulated depreciation	<u>(113,496)</u>	<u>(99,105)</u>
	<u>80,522</u>	<u>77,429</u>
Plant and equipment - at cost	101,005	101,005
Less: Accumulated depreciation	<u>(96,816)</u>	<u>(94,224)</u>
	<u>4,189</u>	<u>6,781</u>
Motor vehicles - at cost	102,856	136,038
Less: Accumulated depreciation	<u>(41,837)</u>	<u>(49,461)</u>
	<u>61,019</u>	<u>86,577</u>
	<u><u>145,730</u></u>	<u><u>170,787</u></u>

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

	Leasehold improvements \$	Plant and equipment \$	Motor vehicles \$	Total \$
Balance at 1 July 2022	109,226	8,661	49,984	167,871
Additions	-	880	52,856	53,736
Disposals	(14,665)	-	-	(14,665)
Depreciation	<u>(17,132)</u>	<u>(2,760)</u>	<u>(16,263)</u>	<u>(36,155)</u>
Balance at 30 June 2023	77,429	6,781	86,577	170,787
Additions	17,484	-	-	17,484
Disposals	-	-	(1,440)	(1,440)
Depreciation	<u>(14,391)</u>	<u>(2,592)</u>	<u>(24,118)</u>	<u>(41,101)</u>
Balance at 30 June 2024	<u><u>80,522</u></u>	<u><u>4,189</u></u>	<u><u>61,019</u></u>	<u><u>145,730</u></u>

*Accounting policy for property, plant and equipment*

Property, plant and equipment are measured at cost or fair value as applicable, less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Leasehold improvements	10 years
Plant and equipment	5 to 10 years
Motor vehicles	5 to 8 years

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

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

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

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 15. Right-of-use assets**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Land and buildings - right-of-use	312,227	308,956
Less: Accumulated depreciation	<u>(98,214)</u>	<u>(77,335)</u>
	<u><u>214,013</u></u>	<u><u>231,621</u></u>

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

	Land and buildings \$
Balance at 1 July 2022	252,210
Depreciation expense	<u>(20,589)</u>
Balance at 30 June 2023	231,621
Remeasurement adjustments	3,270
Depreciation expense	<u>(20,878)</u>
Balance at 30 June 2024	<u><u>214,013</u></u>

*Accounting policy for right-of-use assets*

Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease. Right-of-use assets are subject to impairment and are adjusted for any remeasurement of lease liabilities.

Refer to note 18 for more information on lease arrangements.

**Note 16. Intangible assets**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Franchise fee	40,987	40,987
Less: Accumulated amortisation	<u>(40,345)</u>	<u>(38,147)</u>
	<u>642</u>	<u>2,840</u>
Franchise renewal fee	54,932	54,932
Less: Accumulated amortisation	<u>(51,677)</u>	<u>(40,706)</u>
	<u>3,255</u>	<u>14,226</u>
	<u><u>3,897</u></u>	<u><u>17,066</u></u>

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 16. Intangible assets (continued)**

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

	Franchise fee \$	Franchise renewal fee \$	Total \$
Balance at 1 July 2022	5,037	25,198	30,235
Amortisation expense	(2,197)	(10,972)	(13,169)
Balance at 30 June 2023	2,840	14,226	17,066
Amortisation expense	(2,198)	(10,971)	(13,169)
Balance at 30 June 2024	642	3,255	3,897

*Accounting policy for intangible assets*

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

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

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

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

<u>Asset class</u>	<u>Method</u>	<u>Useful life</u>	<u>Expiry/renewal date</u>
Franchise fee	Straight-line	Over the franchise term (5 years)	October 2024
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	October 2024

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

*Change in estimates*

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

**Note 17. Trade and other payables**

	2024 \$	2023 \$
<i>Current liabilities</i>		
Trade payables	497	8,180
Other payables and accruals	26,905	39,572
	27,402	47,752
	2024 \$	2023 \$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	27,402	47,752
less other payables and accruals (net GST payable to the ATO)	(9,845)	(3,886)
	17,557	43,866

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 18. Lease liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Land and buildings lease liabilities	<u>28,478</u>	<u>8,054</u>
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	<u>217,601</u>	<u>244,732</u>
<i>Reconciliation of lease liabilities</i>		
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Opening balance	252,786	273,854
Remeasurement adjustments	2,812	-
Lease interest expense	13,359	14,432
Lease payments - total cash outflow	<u>(22,878)</u>	<u>(35,500)</u>
	<u>246,079</u>	<u>252,786</u>

*Accounting policy for lease liabilities*

A lease liability is recognised at the commencement date of a lease. The lease liability is initially measured at the present value of the lease payments to be made over the term of the lease, including renewal options if the company is reasonably certain to exercise such options, discounted using the company's incremental borrowing rate.

The company has applied the following accounting policy choices in relation to lease liabilities:

- The company has elected not to separate lease and non-lease components when calculating the lease liability for property leases.
- The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases and low-value assets, which include the company's lease of information technology equipment. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The company's lease portfolio includes:

<b>Lease</b>	<b>Discount rate</b>	<b>Non-cancellable term</b>	<b>Renewal options available</b>	<b>Reasonably certain to exercise options</b>	<b>Lease term end date used in calculations</b>
Branch shop 1	5.39%	5 years	2 x 5 years	Yes	September 2034
Branch shop 2	5.39%	5 years	2 x 5 years	Yes	September 2034

**Note 19. Employee benefits**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Annual leave	24,919	24,919
Long service leave	<u>8,864</u>	<u>14,038</u>
	<u>33,783</u>	<u>38,957</u>
<i>Non-current liabilities</i>		
Long service leave	<u>1,357</u>	<u>14,513</u>

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 19. Employee benefits (continued)**

*Accounting policy for short-term employee benefits*

Liabilities for annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating non-vesting sick leave is expected when the leave is taken and is measured at the rates paid or payable.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

**Note 20. Issued capital**

	<b>2024 Shares</b>	<b>2023 Shares</b>	<b>2024 \$</b>	<b>2023 \$</b>
Ordinary shares - fully paid	328,919	328,919	328,910	328,910
Less: Equity raising costs	-	-	(6,247)	(6,247)
	<u>328,919</u>	<u>328,919</u>	<u>322,663</u>	<u>322,663</u>

*Accounting policy for issued capital*

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

***Rights attached to issued capital***

*Ordinary shares*

Voting rights

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

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

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

Dividends

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

Transfer

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

# Kulin Community Financial Services Limited

## Notes to the financial statements

### 30 June 2024

#### Note 20. Issued capital (continued)

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

##### *Prohibited shareholding interest*

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

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

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

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

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

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

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

#### Note 21. Capital management

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

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

The distribution limit is the greater of:

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

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

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

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 22. Dividends**

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

	2024 \$	2023 \$
Fully franked dividend of 10 cents per share (2023: 10 cents)	32,892	32,892

**Franking credits**

	2024 \$	2023 \$
Franking account balance at the beginning of the financial year	111,949	146,149
Franking credits (debits) arising from income taxes paid (refunded)	41,370	(23,236)
Franking debits from the payment of franked distributions	(10,964)	(10,964)
	<u>142,355</u>	<u>111,949</u>

*Franking transactions that will arise subsequent to the financial year end:*

Balance at the end of the financial year	142,355	111,949
Franking credits (debits) that will arise from payment (refund) of income tax	64,568	30,557
Franking credits available for future reporting periods	<u>206,923</u>	<u>142,506</u>

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

*Accounting policy for dividends*

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

**Note 23. Financial risk management**

The company's financial instruments include trade receivables and payables, cash and cash equivalents, investments and lease liabilities. The company does not have any derivatives.

The directors are responsible for monitoring and managing the financial risk exposure of the company, to which end it monitors the financial risk management policies and exposures and approves financial transactions within the scope of its authority.

The directors have identified that the only significant financial risk exposures of the consolidated entity are liquidity and market (price) risk. Other financial risks are not significant to the company due to the following factors:

- The company has no foreign exchange risk as all of its account balances and transactions are in Australian Dollars.
- The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo Bank. The company monitors credit worthiness through review of credit ratings, Bendigo Bank is rated BBB+ on Standard & Poor's credit ratings.
- The company has no direct exposure to movements in commodity prices.
- The company's interest-bearing instruments are held at amortised cost which have fair values that approximate their carrying value since all cash and payables have maturity dates within 12 months.
- The company has no borrowings.

Further details regarding the categories of financial instruments held by the company that hold such exposure are detailed below.

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 23. Financial risk management (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets at amortised cost</b>		
Trade and other receivables (note 12)	131,941	95,248
Cash and cash equivalents (note 11)	567,742	358,422
Financial assets (note 13)	60,200	80,200
	<u>759,883</u>	<u>533,870</u>
<b>Financial liabilities</b>		
Trade and other payables (note 17)	17,557	43,866
Lease liabilities (note 18)	246,079	252,786
	<u>263,636</u>	<u>296,652</u>

At balance date, the fair value of financial instruments approximated their carrying values.

*Accounting policy for financial instruments*

**Financial assets**

*Classification*

The company classifies its financial assets at amortised cost.

Financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset.

The company's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and investments in term deposits.

*Derecognition*

A financial asset is derecognised when the company's contractual right to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

*Impairment of trade and other receivables*

Impairment of trade receivables is determined using the simplified approach which uses an estimation of lifetime expected credit losses. The company has not recognised an allowance for expected credit losses in relation to trade and other receivables. Refer to note 4 for further information.

**Financial liabilities**

*Classification*

The company classifies its financial liabilities at amortised cost.

*Derecognition*

A financial liability is derecognised then it is extinguished, cancelled or expires.

**Market risk**

Market risk is the risk that changes in market prices - e.g. foreign exchange rates, interest rates, and equity prices - will affect the company's income or the value of its holdings in financial instruments.

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of \$567,742 at 30 June 2024 (2023: \$358,422). Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the company to cash flow interest-rate risk.



**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 23. Financial risk management (continued)**

***Liquidity risk***

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

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

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>2024</b>				
Trade and other payables	27,402	-	-	27,402
Lease liabilities	29,228	121,383	169,530	320,141
Total non-derivatives	56,630	121,383	169,530	347,543
	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>2023</b>				
Trade and other payables	47,752	-	-	47,752
Lease liabilities	8,054	119,602	201,692	329,348
Total non-derivatives	55,806	119,602	201,692	377,100

**Note 24. Key management personnel disclosures**

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

Bradley James Smoker  
Graeme John Robertson  
Jennie Marie McInnes  
Robin James McInnes

Cassi-Dee Tina Vandenberg  
Jack Blyth Wilson  
Derek Harvie Young

No director of the company receives remuneration for services as a company director or committee member.

There are no executives within the company whose remuneration is required to be disclosed.

**Note 25. Related party transactions**

***Key management personnel***

Disclosures relating to key management personnel are set out in note 24.

***Receivable from and payable to related parties***

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

***Terms and conditions of transactions with related parties***

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

***Transactions with related parties***

The following transactions occurred with related parties:

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 25. Related party transactions (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
During the previous financial year the company issued an interest free \$50,000 debenture to the Kulin Bush Races which Graeme Robertson is also a Director of. The amount was fully repaid in the period.	-	-
Kulin Retirement Home received \$200,000 through the CEF. Graeme Robertson's wife is a committee member and the company Secretary.	200,000	-
The company issued a interest free \$100,000 debenture to the Cultivating Kulin Committee (CKC) in 2021/22 which is repayable by June 2027. \$20,000 was repaid this financial year.	(20,000)	(20,000)
Brad Smoker, Derek Young and Graeme Robertson are a committee members of CKC.		
During year the company donated \$30,000 to Kulin District High School which Graeme Robertson was also a director of.	30,000	40,000

**Note 26. Remuneration of auditors**

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

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Audit services</i>		
Audit or review of the financial statements	7,820	5,400
<i>Other services</i>		
Taxation advice and tax compliance services	1,514	1,913
General advisory services	4,662	4,720
Share registry services	4,793	3,850
	10,969	10,483
	18,789	15,883

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

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Profit after income tax expense for the year	217,911	150,120
Adjustments for:		
Depreciation and amortisation	75,148	69,913
Net loss on disposal of non-current assets	-	14,665
Lease liabilities interest	13,359	14,432
Change in operating assets and liabilities:		
Increase in trade and other receivables	(36,693)	(24,565)
Decrease in income tax refund due	-	38,408
Decrease/(increase) in deferred tax assets	(3,647)	4,537
Decrease in trade and other payables	(10,106)	(48,818)
Increase in provision for income tax	34,011	30,557
Decrease in employee benefits	(18,330)	(11,893)
Increase/(decrease) in other provisions	(309)	143
Net cash provided by operating activities	271,344	237,499

**Kulin Community Financial Services Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 28. Earnings per share**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Profit after income tax	<u>217,911</u>	<u>150,120</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>328,919</u>	<u>328,919</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>328,919</u>	<u>328,919</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	66.25	45.64
Diluted earnings per share	66.25	45.64

*Accounting policy for earnings per share*

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

**Note 29. Commitments**

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

**Note 30. Contingencies**

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

**Note 31. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**Kulin Community Financial Services Limited**  
**Directors' declaration**  
**30 June 2024**

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

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

On behalf of the directors



---

Bradley James Smoker  
Chair

27 August 2024



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

# Independent auditor's report to the Directors of Kulin Community Financial Services Limited

## Report on the Audit of the Financial Report

### Opinion

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

- Statement of financial position as at 30 June 2024
- Statement of profit or loss and other comprehensive income for the year then ended
- Statement of changes in equity for the year then ended
- Statement of cash flows for the year then ended
- Notes to the financial statements, including material accounting policies
- The directors' declaration.

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

- i. giving a true and fair view of the company's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for Opinion

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

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

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



Andrew Frewin Stewart  
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## 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 2024, 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 will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Financial Report

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

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

## Auditor's responsibilities for the Audit of the Financial Report

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



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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart', is positioned above the printed name.

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo, Vic, 3550  
Dated: 27 August 2024

A handwritten signature in black ink, appearing to read 'Adrian Downing', is positioned above the printed name.

**Adrian Downing**  
Lead Auditor

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