



Half-Yearly Report 2023

For the half-year ended
31 December 2023

Mt Eliza Community
Enterprise Limited

Community Bank Mt Eliza
ABN 18 139 499 326

Mt Eliza Community Enterprise Limited

ABN: 18 139 499 326

Half-year Financial Report

31 December 2023

Mt Eliza Community Enterprise Limited

Directors' Report

The directors present their report, together with the financial statements, on the company for the half-year ended 31 December 2023.

Directors

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

Reagan Harrison Barry
James Craig Batty
Robert Charles Gauci
Alexandra Godfrey
Joanne Horton
Matthew Wilson
Gregory John Russo

Principal activities

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

Review of operations

The profit for the company after providing for income tax amounted to \$138,236 (31 December 2022: \$229,322)

The Reserve Bank of Australia (RBA) increased the cash rate by 2.25% during the previous period from 0.85% to 3.10% at 31 December 2022. Since then the cash rate has increased by 1.25% to 4.35% as at 31 December 2023. The increased cash rate had a direct impact on the revenue received by the company, increasing the net interest margin income received under the revenue share arrangement the company has with Bendigo Bank.

While the cash rate has increased, from 1 July 2023 Bendigo Bank updated the Funds Transfer Pricing (FTP) base rate on certain deposits what has impacted the income earned on these products.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2023 that has significantly affected the company's operations, the results of those operations, or the company's state of affairs in future financial years.

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 306(3)(a) of the *Corporations Act 2011*.

On behalf of the directors



Reagan Harrison Barry

11 March 2024

Mt Eliza Community Enterprise Ltd

ABN 18 139 4993 26

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2023 there have been:

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

Ashfords Audit and Assurance Pty Ltd

Ashfords Audit and Assurance Pty Ltd



Andrew White

2 April 2024

Dandenong

Mt Eliza Community Enterprise Limited

Statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2023

	Note	2023 \$	2022 \$
Revenue from ordinary activities	3	851,644	861,325
Other revenue		59,312	18,357
Total revenue		<u>910,956</u>	<u>879,682</u>
Employee benefits expense		(413,844)	(349,808)
Occupancy and associated costs		(13,914)	(12,672)
Systems costs		(15,600)	(13,839)
Depreciation and amortisation expense		(60,558)	(61,552)
Finance costs		(19,225)	(20,138)
General administration expenses		<u>(62,482)</u>	<u>(55,861)</u>
Total expenses before community contributions and income tax		<u>(585,623)</u>	<u>(513,870)</u>
Profit before community contributions and income tax expense		325,333	365,812
Charitable donations, sponsorship, advertising and promotion		<u>(162,074)</u>	<u>(52,025)</u>
Profit before income tax expense		163,259	313,787
Income tax (expense)		<u>(25,022)</u>	<u>(84,465)</u>
Profit after income tax for the half-year		138,237	229,322
Other comprehensive income for the half-year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the half-year		<u>138,237</u>	<u>229,322</u>
		Cents	Cents
Basic earnings per share		17.10	28.41
Diluted earnings per share		17.10	28.41

Mt Eliza Community Enterprise Limited

Statement of financial position

As at 31 December 2023

	31-Dec-23 \$	30-Jun-23 \$
Assets		
Current assets		
Cash and cash equivalents	371,399	400,369
Trade and other receivables	167,867	194,565
Financial assets	302,073	300,000
Total current assets	841,339	894,934
Non-current assets		
Financial assets	863,452	688,415
Property, plant and equipment	189,498	203,814
Right-of-use assets	934,906	974,692
Intangible assets	31,714	38,170
Deferred tax asset	48,458	42,339
Total non-current assets	2,068,028	1,947,430
Total Assets	2,909,367	2,842,364
Liabilities		
Current liabilities		
Trade and other payables	119,378	79,812
Current tax liabilities	104,083	98,152
Lease liabilities	55,522	53,164
Employee benefits	45,420	42,705
Total current liabilities	324,403	273,833
Non-current liabilities		
Trade and other payables	15,170	30,340
Employee benefits	39,610	31,636
Lease liabilities	971,104	999,462
Provisions	17,080	17,080
Deferred tax liabilities	9,068	14,606
Total non-current liabilities	1,052,032	1,093,124
Total Liabilities	1,376,435	1,366,957
Net Assets	1,532,932	1,475,407
Equity		
Issued capital	774,249	774,249
Retained earnings	758,683	701,158
Total Equity	1,532,932	1,475,407

Mt Eliza Community Enterprise Limited

Statement of changes in equity

For the half-year ended 31 December 2023

	Note	Issued Capital \$	Retained Earnings \$	Total Equity \$
Balance at 1 July 2022		774,249	290,326	1,064,575
Total comprehensive income for the half-year		-	229,322	229,322
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	4	-	(40,356)	(40,356)
Balance at 31 December 2022		774,249	479,292	1,253,541
Balance at 1 July 2023		774,249	701,158	1,475,407
Total comprehensive income for the half-year		-	138,237	138,237
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	4	-	(80,712)	(80,712)
Balance at 31 December 2023		774,249	758,683	1,532,932

Mt Eliza Community Enterprise Limited

Statement of cash flows

For the half-year ended 31 December 2023

	31-Dec-23 \$	31-Dec-22 \$
Cash flows from operating activities		
Receipts from customers	901,967	814,282
Payments to suppliers and employees	(620,981)	(434,837)
Lease payments (interest component)	(19,225)	(20,138)
Lease payments not included in the measurement of lease liabilities	(6,838)	(5,458)
Dividends and other investment income	17,861	1,926
Interest received	2,116	136
Income taxes paid	(30,747)	(38,192)
Net cash provided by operating activities	244,153	317,719
Cash flows from investing activities		
Payments for intangible assets	(15,170)	(15,170)
Net investment	(156,444)	(640,885)
Net cash used in investing activities	(171,614)	(656,055)
Cash flows from financing activities		
Lease payments (principal component)	(26,000)	(23,770)
Dividends paid	(75,509)	(36,795)
Net cash used in financing activities	(101,509)	(60,565)
Net decrease in cash held	(28,970)	(398,901)
Cash and cash equivalents at the beginning of the financial half-year	400,369	850,796
Cash and cash equivalents at the end of the financial half-year	371,399	451,895

Mt Eliza Community Enterprise Limited

Notes to the financial statements

For the half-year ended 31 December 2023

Note 1. Significant accounting policies

Statement of compliance

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

Accounting policies

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Note 2. Basis of preparation

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 the 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.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the period.

Note 3. Revenue from contracts with customers

	31-Dec-23	31-Dec-22
	\$	\$
Margin Income	779,098	788,838
Fee Income	28,916	26,508
Commission Income	43,630	45,979
	<u>851,644</u>	<u>861,325</u>
Revenue from contracts with customers	<u>851,644</u>	<u>861,325</u>

Disaggregation of revenue

All revenue from contracts with customers has been recognised at a point in time during the half-year.

Mt Eliza Community Enterprise Limited

Notes to the financial statements

For the half-year ended 31 December 2023

Note 4. Dividends

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

	31-Dec-23	31-Dec-22
	\$	\$
Fully franked dividend of 10 cents per share (2023: 5 cents)	80,712	40,356

The tax rate at which dividends have been franked is 25%.

Note 5. Contingent assets and liabilities

There were no contingent assets or liabilities at the date of this report that would materially affect the financial statements at the reporting date.

Note 6. Related party transactions

Arrangements with related parties continue to be in place. For details on these arrangements, refer to the 30 June 2023 annual financial report.

Note 7. Events after the reporting date

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Mt Eliza Community Enterprise Limited

Directors' Declaration

31 December 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 '*Interim Financial Reporting*', the *Corporations Regulations 2001* and other mandatory professional reporting requirements.
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Reagan Harrison Barry
Chair

11 March 2024

Mt Eliza Community Enterprise Ltd

ABN 18 139 499 326

Independent Audit Report to the members of Mt Eliza Community Enterprise Ltd

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Mt Eliza Community Enterprise Ltd (the company), which comprises the condensed balance sheet as at 31 December 2023, the condensed statements of comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, the accounting policies and other selected explanatory notes and the directors' declaration.

Director's Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2140 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2023 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001. As the auditor of Mt Eliza Community Enterprise Ltd, ASRE 2410 requires that we comply with all ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Mt Eliza Community Enterprise Ltd

ABN 18 139 499 326

Independent Audit Report to the members of Mt Eliza Community Enterprise Ltd

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Mt Eliza Community Enterprise Ltd on 31 December 2023, would be in the same terms if provided to the directors as at the date of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Mt Eliza Community Enterprise Ltd is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

Ashfords Audit and Assurance Pt Ltd

Ashfords Audit and Assurance Pty Ltd



Andrew White

2 April 2024

Dandenong

Community Bank · Mt Eliza
102 Mt Eliza Way
Mt Eliza VIC 3930
Phone: 9787 1224
Email: mteliza@bendigoadelaide.com.au
Web: bendigobank.com.au/mt-eliza

Franchisee: Mt Eliza Community Enterprise Limited
ABN: 18 139 499 326
PO Box 307
Mt Eliza VIC 3930
Phone: 0407 560 586
Email: secretary@mece.com.au

Share Registry:
RSD Registry
PO Box 30, Bendigo VIC 3552
Phone: 5445 4222 | Fax: 5444 4344
Email: shares@rsdregistry.com.au
Web: www.leadgroup.com.au



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We acknowledge and pay our respect to the Bunurong people, the traditional custodians of the land on which we live, work and play.