

Parkdale/Mentone East Community Branch Ltd

ABN 20 089 783 166

Half-year Financial Report - 31 December 2024

**Parkdale/Mentone East Community Branch Ltd**  
**Directors' report**  
**31 December 2024**

The directors present their report, together with the financial statements, on the company for the half-year ended 31 December 2024.

**Directors**

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

Alan Campbell  
James Ashley Cashion  
Stephen Thomas Budge  
Tyson McGeoch

Michael Gerrard Supple  
Anna Worsnop  
Stacey Kaye Maxwell (resigned 13 November 2024)

**Principal activity**

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 \$351,300 (31 December 2023: \$436,948).

**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 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.

**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 2001*.

On behalf of the directors



Alan Campbell  
Chairman

25 February 2025



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

## Lead auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Parkdale/Mentone East Community Branch Ltd

We declare that, to the best of our knowledge and belief, for the half-year ended 31 December 2024 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review
- ii. any applicable code of professional conduct in relation to the review.

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: 25 February 2025

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

**Adrian Downing**  
**Lead Auditor**

**Parkdale/Mentone East Community Branch Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2024**

	Note	31-Dec-24 \$	31-Dec-23 \$
Revenue from contracts with customers	3	1,142,266	1,160,530
Other revenue		34,327	24,929
Finance revenue		25,332	6,031
Fair value gain on financial assets		81,490	54,664
<b>Total revenue</b>		<u>1,283,415</u>	<u>1,246,154</u>
Employee benefits expense		(407,637)	(404,774)
Advertising and marketing costs		(40,961)	(23,592)
Occupancy and associated costs		(15,863)	(14,859)
Systems costs		(11,816)	(10,080)
Depreciation and amortisation expense		(31,843)	(38,720)
General administration expenses		(67,274)	(66,995)
<b>Total expenses before community contributions and income tax</b>		<u>(575,394)</u>	<u>(559,020)</u>
<b>Profit before community contributions and income tax expense</b>		708,021	687,134
Charitable donations, sponsorships and grants expense		(253,175)	(131,364)
<b>Profit before income tax expense</b>		454,846	555,770
Income tax expense		(103,546)	(118,822)
<b>Profit after income tax expense for the half-year</b>		351,300	436,948
Other comprehensive income for the half-year, net of tax		-	-
<b>Total comprehensive income for the half-year</b>		<u>351,300</u>	<u>436,948</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share		27.70	34.46
Diluted earnings per share		27.70	34.46

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

**Parkdale/Mentone East Community Branch Ltd**  
**Statement of financial position**  
**As at 31 December 2024**

	Note	31-Dec-24 \$	30-Jun-24 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		1,314,824	1,160,217
Trade and other receivables		221,870	208,800
Financial assets	5	663,057	581,566
Total current assets		<u>2,199,751</u>	<u>1,950,583</u>
<b>Non-current assets</b>			
Property, plant and equipment		1,748,814	1,771,867
Intangibles		11,876	18,353
Deferred tax assets		12,352	22,933
Total non-current assets		<u>1,773,042</u>	<u>1,813,153</u>
<b>Total assets</b>		<u>3,972,793</u>	<u>3,763,736</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		87,067	132,680
Current tax liabilities		258,370	233,696
Employee benefits		72,957	55,188
Total current liabilities		<u>418,394</u>	<u>421,564</u>
<b>Non-current liabilities</b>			
Employee benefits		10,813	23,079
Total non-current liabilities		<u>10,813</u>	<u>23,079</u>
<b>Total liabilities</b>		<u>429,207</u>	<u>444,643</u>
<b>Net assets</b>		<u>3,543,586</u>	<u>3,319,093</u>
<b>Equity</b>			
Issued capital		996,950	996,950
Retained earnings		2,546,636	2,322,143
<b>Total equity</b>		<u>3,543,586</u>	<u>3,319,093</u>

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

**Parkdale/Mentone East Community Branch Ltd**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2024**

	Note	Issued capital \$	Retained earnings \$	Total equity \$
<b>Balance at 1 July 2023</b>		996,950	1,523,694	2,520,644
Profit after income tax expense		-	436,948	436,948
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	436,948	436,948
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	4	-	(190,211)	(190,211)
<b>Balance at 31 December 2023</b>		<u>996,950</u>	<u>1,770,431</u>	<u>2,767,381</u>
<b>Balance at 1 July 2024</b>		996,950	2,322,143	3,319,093
Profit after income tax expense		-	351,300	351,300
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	351,300	351,300
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	4	-	(126,807)	(126,807)
<b>Balance at 31 December 2024</b>		<u>996,950</u>	<u>2,546,636</u>	<u>3,543,586</u>

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

**Parkdale/Mentone East Community Branch Ltd**  
**Statement of cash flows**  
**For the half-year ended 31 December 2024**

	<b>Note</b>	<b>31-Dec-24</b>	<b>31-Dec-23</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		1,267,442	1,312,238
Payments to suppliers and employees (inclusive of GST)		(937,045)	(1,240,752)
Dividends received		16,703	16,197
Interest received		18,641	6,031
Income taxes paid		<u>(68,291)</u>	<u>(18,648)</u>
Net cash from operating activities		<u>297,450</u>	<u>75,066</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(2,311)	(10,434)
Payments for intangible assets		<u>(13,725)</u>	<u>(13,725)</u>
Net cash used in investing activities		<u>(16,036)</u>	<u>(24,159)</u>
<b>Cash flows from financing activities</b>			
Dividends paid	4	<u>(126,807)</u>	<u>(126,807)</u>
Net cash used in financing activities		<u>(126,807)</u>	<u>(126,807)</u>
Net increase/(decrease) in cash and cash equivalents		154,607	(75,900)
Cash and cash equivalents at the beginning of the financial half-year		<u>1,160,217</u>	<u>876,935</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>1,314,824</u></u>	<u><u>801,035</u></u>

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

**Parkdale/Mentone East Community Branch Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**Note 1. Material accounting policy information**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 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'.

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 2024 and any public announcements made by the company during the period.

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

**Note 2. 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 revenue under the franchise agreement. The franchise agreement expires on 29 November 2025.

The franchise agreement includes two remaining additional renewal options, for a period of five years each. Under the terms of the franchise agreement, Bendigo Bank will renew the agreement upon the company's request, subject to the company satisfying certain conditions. The key conditions for renewal include:

- compliance with franchise conditions under the existing agreement
- maintaining valid lease agreement/s for branch premises where applicable
- ensuring branch premises meet Bendigo Bank's fit-out requirements at the time of renewal.

The directors have assessed the company's ability to meet these conditions and, to the best of their knowledge, believe they have been and will continue to be satisfied. Accordingly, the directors have a reasonable expectation that the franchise agreement will be renewed prior to its expiry date.

**Note 3. Revenue from contracts with customers**

	<b>31-Dec-24</b>	<b>31-Dec-23</b>
	\$	\$
Margin income	1,067,844	1,093,727
Fee income	38,043	38,723
Commission income	36,379	28,080
Revenue from contracts with customers	<u>1,142,266</u>	<u>1,160,530</u>

*Disaggregation of revenue*

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

**Note 4. Dividends**

*Dividends provided for and paid during the half-year*

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.

	<b>31-Dec-24</b>	<b>31-Dec-23</b>
	\$	\$
Fully franked dividend of 10 cents per share (31-Dec-23: 10 cents)	<u>126,807</u>	<u>126,807</u>

*Dividends provided for during the half-year*

The following dividends were provided for during the half-year as presented in the Statement of changes in equity.



**Parkdale/Mentone East Community Branch Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**Note 4. Dividends (continued)**

	31-Dec-24 \$	31-Dec-23 \$
At 31 December 2024 no special dividend has been declared (31-Dec-23: 5 cents)	-	63,404

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

**Note 5. Fair value measurement**

Some of the company's assets and liabilities are measured at fair value for financial reporting purposes. The board of directors determine the appropriate valuation techniques and inputs for fair value measurements.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1: Quoted market price at the close of business at the end of the reporting period.

Level 2: Inputs are based on a valuation performed by a third party qualified valuer using quoted prices for similar assets in an active market.

Level 3: Unobservable inputs for the asset or liability

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>31-Dec-24</b>				
<i>Assets</i>				
Equity securities - Bendigo & Adelaide Bank	663,057	-	-	663,057
Total assets	663,057	-	-	663,057
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>30-Jun-24</b>				
<i>Assets</i>				
Equity securities - Bendigo & Adelaide Bank	581,566	-	-	581,566
Total assets	581,566	-	-	581,566

**Note 6. Contingent assets and liabilities**

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

**Note 7. Related party transactions**

The company has related party transactions that include payments to not-for-profit organisations affiliated with certain directors. These related party transactions are consistent with those disclosed in the company's financial report for the year ended 30 June 2024. There have been no significant changes to the nature or amount of these related party transactions during the half-year ended 31 December 2024.

**Note 8. Events after the reporting date**

No matter or circumstance has arisen since 31 December 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.

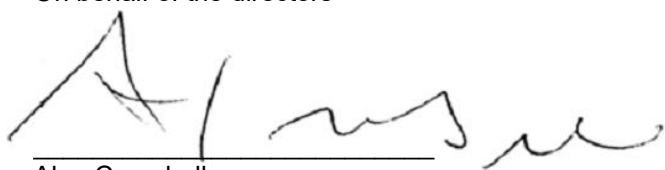
**Parkdale/Mentone East Community Branch Ltd**  
**Directors' declaration**  
**31 December 2024**

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 2024 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



Alan Campbell  
Chairman

25 February 2025



# Independent auditor's review report to the Directors of Parkdale/Mentone East Community Branch Ltd

## Report on the half-year financial report

### Conclusion

We have reviewed the half-year financial report of Parkdale/Mentone East Community Branch Ltd (the company), which comprises the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying half-year financial report of Parkdale/Mentone East Community Branch Ltd does not present fairly, in all material respects, the company's financial position at 31 December 2024, and of its financial performance and its cash flows for the half-year ended on that date, in accordance with the *Corporations Act 2001* and Accounting Standard *AASB 134: Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Material uncertainty over going concern

We draw attention to note 2 in the half-year financial report, which indicates that the company is economically dependent on its franchise agreement with Bendigo Bank, which is set to expire within 12 months from the date of this report. As stated in note 2, while the directors have a reasonable expectation that a new franchise agreement will be entered into on mutually acceptable terms and conditions, no formal agreement or letter of support has been obtained as at the date of this report. These events or conditions indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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



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## Responsibility of the directors for the financial report

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

## Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the half-year financial report does not present fairly, in all material respects in accordance with the *Corporations Act 2001* including giving a true and fair view of the company's financial position as at 31 December 2024 and its performance for the half-year ended on that date, in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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 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.

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: 25 February 2025

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

**Adrian Downing**  
Lead Auditor