

Annual Report 2023

Robe Community Financial
Services Limited

Community Bank
Robe & Districts

ABN 24 101 974 887



Contents

Chairperson's report	2
Manager's report	3
Bendigo and Adelaide Bank report	5
Dividends and sponsorships	6
Operating and Financial Review	7
Directors' report	8
Auditor's independence declaration	10
Financial statements	11
Notes to the financial statements	15
Directors' declaration	29
Independent audit report	30

Chairperson's report

For year ending 30 June 2023

Dear Shareholders and Community,

I am thrilled and honoured to present the annual report on behalf of Community Bank Robe & Districts as the Chairperson. It brings me great joy to share the remarkable achievements and successes we have accomplished in the past year.

Financially, Community Bank Robe & Districts has had an exceptional year. Through careful management and dedicated efforts, we have achieved unprecedented profitability, surpassing our previous records. This achievement not only reinforces our commitment to financial stability but also emphasises our responsibility to the community we serve.

In addition to our strong financial performance, I am proud to announce that Community Bank Robe & Districts has given back to our community in profound and meaningful ways. By investing \$166,506 in the form of grants and sponsorships this year, we have actively contributed to the growth and well-being of our community.

These grants have supported a wide range of initiatives, including educational programs, community development projects, environmental conservation efforts, and much more. Through our sponsorships, we have bolstered local events and activities, fostering a vibrant community spirit that is at the core of our bank's ethos.

The impact of these contributions extends beyond mere numbers; it touches the lives of countless individuals and families, empowering them to realise their dreams and create positive change in our society.

Our commitment to the community goes far beyond financial transactions. As a Community Bank, we strive to build lasting relationships, offer personalised services, and actively participate in the betterment of our town. We cherish the partnerships we have formed with various organisations, community groups, and individuals, and we remain dedicated to supporting their endeavours in every way we can.

I would like to extend my heartfelt gratitude to our dedicated team, our valued customers, and the entire community for making all this possible. It is your unwavering trust, support, and enthusiasm that have fuelled our success and strengthened our bond as a community-driven financial institution.

As we move forward, we pledge to continue our mission of creating positive change, both financially and socially, for the betterment of Robe, Kingston, Lucindale, Beachport, and its residents. Together, we shall build a brighter future, full of prosperity, compassion, and harmony.

Thank you for entrusting us with your financial needs and dreams and thank you for allowing us to serve and uplift this wonderful community.

Sincerely,



Andrew Brown
Chairperson, Robe & Districts Community Bank

Manager's report

For year ending 30 June 2023

I am delighted to present our branch's annual report for the 2022/23 financial year. As the Branch Manager, I am honoured to share our achievements, community involvement, and express our gratitude to our shareholders, Directors, customers, and dedicated staff. Our accomplishments have been made possible by the support of our shareholders, the commitment of our Board of Directors, the dedication of our staff, and the trust of our valued customers. Our customers are the lifeblood of our branch, and their loyalty is deeply appreciated. It is your support that empowers us to carry out initiatives that directly benefit our communities.

One of our core values is to support local not-for-profit projects and initiatives within our communities. I am pleased to report that we have, under the guidance of our volunteer Board of Directors, allocated close to \$750,000 since our establishment in 2003. In the 2022/23 financial year alone, we reinvested a record-breaking \$166,506. This support has yielded notable highlights:

- **Education:** We've sponsored educational programs and scholarships, equipping our youth with the knowledge and skills they need to succeed
- **Healthcare:** Contributions to local healthcare facilities have ensured access to quality healthcare services for all residents
- **Local Community Groups:** Our sustained support for various local community groups has made a significant impact and brought so many community projects to life.

Our branch has consistently delivered strong financial results throughout the past year. I am proud to announce that our diligent efforts have resulted in sustainable profits, enabling us to fulfill our commitment to community support. We successfully navigated the market changes, including continuous rate increases and a property market recovery phase. Additionally, we navigated a significant reorganisation within Bendigo Bank Business Banking, and welcomed Emma Newton as the new Regional Manager, whilst Alison Burr takes an extended leave of absence. Our team members demonstrated resilience by embracing these changes, and with the support of local banking, we achieved a healthy profit. We also recorded our highest level of sponsorships to date and expanded our business by \$2.4 million.

I extend my commendations to our dedicated staff for their outstanding teamwork over the past 12 months. The transformation from a year ago to the present is remarkable, and we have successfully overcome the staffing challenges of 2021/22. Our Customer Service Officers - Karla, Megan, and Tara - have demonstrated a deep understanding of operational requirements. They work collaboratively to deliver excellent customer service and willingly provide assistance that often goes beyond their roles, particularly during peak periods. I sincerely appreciate their selfless collaboration, which has significantly contributed to our branch's ongoing success. Within our lending team, Robbie, our Assistant Branch Manager, provides much needed support at branch level. Jack's well-deserved promotion to Customer Relationship Manager in January and his progress toward a higher Lending Authority are noteworthy achievements. Antony's commitment to enhancing his lending knowledge and his innovative contributions have been commendable. Our staff consistently go the extra mile in serving our customers and making a positive impact on our community. I take great pride in their hard work and unwavering dedication.

Notably, we achieved growth in our deposit and lending book. Specifically, we settled 51 home loans, amounting to \$13 million, and expanded our deposit book by a substantial \$1.7 million. These achievements highlight our commitment to providing strong financial support to our customers.

Realising our long-standing goal, we expanded our services to Beachport in July 2022. The opening of a visiting office on Railway Terrace, operating one day a week, has been well-received by the community. This expansion complements our existing visiting offices in Lucindale and Kingston. I extend my heartfelt thanks to our Board of Directors for their flexibility and support in enabling this expansion into neighbouring towns.

Manager's report (continued)

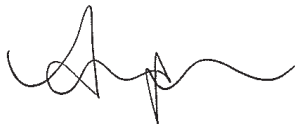
In October, we proudly opened a new Bendigo Bank Agency located at the Kingston Electrical and Renovator Centre in Kingston S.E. Operated by Peter and Linda Zacker and Bree Sharam, the agency provides friendly and professional service on weekdays from 10.00am to 4.00pm. Pete, Linda and Bree's dedication has made a significant contribution to our branch's success. I am confident that the Kingston S.E Agency will continue to thrive with the guidance and support of our branch staff.

Our branch's innovative approach has established us as pioneers in regional banking. We have been at the forefront, operating with multiple office sites, and this model has inspired other branches to adopt a similar approach, extending their services to neighbouring towns. This unique alliance, a characteristic of the Bendigo Bank Community Bank model, is a source of pride. Witnessing regional communities gain access to the Community Bank network is truly gratifying.

In conclusion, I am optimistic about our branch's future as we continue to fulfill our mission. We remain committed not only to being a financially sound institution but also to being responsible and compassionate members of our regional community. Our focus remains on supporting our customers, enabling us to grow and provide continued investments in the communities of all our shareholders and customers, including Robe, Kingston, Lucindale, and Beachport.

I appreciate your continued trust and support, which have been pivotal in our journey of growth and community impact.

Sincerely



Tracey Bainger
Branch Manager

Bendigo and Adelaide Bank report

For year ending 30 June 2023

Community and customer will always be at the heart of what we do at Bendigo and Adelaide Bank.

Together, we're setting up Community Banking for the future – growing our impact as a leading social impact movement to transform communities across Australia.

As we continue to evolve to meet the needs of our customers, we should feel proud that more Australians are choosing to do their banking with us and trust us with their financial goals. Our position as Australia's most trusted bank (Roy Morgan) reflects the esteem we are held in by our customers, and communities.

This year has been particularly significant for us. After five years apart, we had the opportunity to come together in person and connect through our State Connect program and in Bendigo at our National Conference in September. It has also been a record-breaking year for Community Bank with more than \$32 million invested into local communities nationwide. This is our highest year on record and underscores our ongoing commitment to our customers and communities.

Reflecting on the 25 years since we opened our first Community Bank, I'm so grateful to the hard work of many passionate Directors (past and present). Everything we have done and continue to do is focused on our purpose to feed into the prosperity of our customers and communities, not off it.

On behalf of the Bank, thank you for continuing to play an essential role in supporting your community. I look forward to seeing us grow together and make a positive impact for generations to come.



Justine Minne
Bendigo and Adelaide Bank

Dividends and sponsorships

Divident payment history			
Financial year	Amount per share	Franking level	Date paid
2021/22	0.05	franked	15 December 2022
2020/21	0.05	franked	15 December 2021
2019/20	0.05	unfranked	3 December 2020
2018/19	0.05	unfranked	3 December 2019
2017/18	0.1	unfranked	31 March 2019
2016/17	0.05	unfranked	20 November 2017
2012/13	0.05	unfranked	14 February 2014

Allocations of funds to various community projects and initiatives	
Financial year	Value
2022/23	\$166,506
2021/22	\$113,196
2020/21	\$77,974
2019/20	\$56,715
2018/19	\$81,039
2017/18	\$20,719
2016/17	\$18,485



Community Sponsorship Recipients
Community Group
Beachport Surf Lifesaving Club
Breaking the Silence - Suicide prevention Group
Health, Harmony & Happiness Festival
Kingston Bowling Club
Kingston SE Netball club
Kingston SE AP&H Society
Kingston SE Football Club
Kingston SE Park Run
Kingston SE Tennis Club
Kingston Robe Health Advisory Council
Lucindale AP&H Society
Lucindale Campdraft Association
Lucindale Community Economic Dev Fund
Lucindale Country Club
Lucindale Football Club
Lucindale Survivors
Lucindale Netball Club
Robe Christmas Parade
Robe Bowling Club
Robe Community Arts
Robe Golf Club
Robe Junior Football Club
Robe Motor Sports Club Inc
Robe Primary School
Robe Tennis Club
Robe Yacht Club
Scholarships
Southern Ocean Arts Prize
Southern Ports Golf Week
Funds raised from BBQ's
Variety SA

Operating and Financial Review

Principal Activities

The principal activities of the company during the financial year were:

- to provide a banking and financial service to Robe and the surrounding districts

Significant Changes to Activities

There were no other significant changes in the nature of the company's principal activities during the financial year.

Operating Results

The profit of the entity amounted to \$175,158 after providing for income tax.

Financial Position

The net assets of the entity have increased by \$152,878 from 30 June 2022 to \$636,319 in 2023.

The directors believe the entity is in a strong and stable financial position to expand and grow its current operations.

Events after the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity.

Future Developments, Prospects and Business Strategies

Likely developments in the operations of the company and the expected results of those operations in the future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Issues

The entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of the State.

Directors' report

Your directors present their report on the entity ROBE COMMUNITY FINANCIAL SERVICES LTD for the financial year ended 30 June 2023. The information in the preceding Operating and Financial Review forms part of this Directors Report for the financial year ended 30 June 2023 and is to be read in conjunction with the following information:

General Information

Directors

The names and details of the company's Directors who held office during or since the end of the financial year are:

Andrew John Brown

Chairperson

Samantha Lee Matthews

Secretary

Admin Assistant

Michael Anthony Mattei

Treasurer

Anne Marie Matthews

Geoffrey Colin Saunders

Evelyn Ann Schinckel

An Tran

Thomas Edward White

John Stuart Williamson

Appointed 08/07/2022

Julie Robyn Merrett

Appointed 15/05/2023

Directors were in office for this entire year unless otherwise stated

Directors meetings

The number of Directors meetings attended during the year were:

Director	Directors' Meetings	
	Number eligible to attend	Number Attended
Evelyn Ann Schinckel	5	4
Anne Marie Matthews	11	6
Geoffrey Colin Saunders	11	8
Andrew John Brown	8	6
An Tran	9	4
Michael Anthony Mattei	11	9
Samantha Lee Matthews	11	11
Thomas Edward White	11	8
John Stuart Williamson	10	8
Julie Robyn Merrett	2	1

Company Secretary

Anne Matthews was the company secretary until she resigned from the secretary role on 7th December 2022.

Samantha Matthews was appointed company secretary on 7th December 2022.

Dividends Paid or Recommended

Dividends paid or declared for payment during the financial year are as follows:

- Interim ordinary dividend of \$22,280.50 was paid on 15/12/2022

Directors' report (continued)

Indemnifying Officers or Auditor

No indemnities have been given, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company. The Directors are covered by a policy to a limit of \$5,000,000 covering comprehensive crime and professional indemnity which is paid by the company.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit Services

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 23 of the Financial Report.

Options

There have been no options granted over unissued shares or interests of any controlled entity within the Company during or since the end of the reporting period.

Signed in accordance with a resolution of the Board of Directors at Robe on the 26th day of September 2023



Andrew Brown, Director

Auditor's independence declaration

Bordertown T 08 8752 8888
PO Box 270, Bordertown SA 5268
E bordertown@murraynankivell.com.au

Naracoorte T 08 8765 7777
PO Box 403, Naracoorte SA 5271
E naracoorte@murraynankivell.com.au

Murray Bridge T 08 8535 5999
PO Box 3007, Murray Bridge SA 5253
E mb@murraynankivell.com.au

www.murraynankivell.com.au
ABN 68 191 400 792



AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF ROBE COMMUNITY FINANCIAL SERVICES LIMITED

I declare that, to the best of my knowledge and beliefs, during the year ended 30 June 2023 there have been:

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

Mark Stephen Edwards
Chartered Accountant

172 Smith Street
Naracoorte, SA, 5271



Registered Auditor: Mark Edwards
Registered Auditor No. 289565

27 September 2023

Financial statements

Robe Community Financial Services Limited
ABN 24 101 974 887
Statement of Profit or Loss and Other Comprehensive Income
for the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	2	1,097,698	785,816
Employee benefits expense	3	(448,804)	(392,225)
Depreciation and amortisation expense	3	(35,706)	(37,478)
Finance Costs	3	(13,137)	(1,354)
Professional fees		(15,400)	(14,900)
Marketing and promotional expense		(21,324)	(6,328)
Other expenses		<u>(163,277)</u>	<u>(118,938)</u>
Profit (Loss) before charitable donations & sponsorships		400,050	214,593
Charitable donations and sponsorship		<u>(166,506)</u>	<u>(113,196)</u>
Profit (Loss) before income tax		233,544	101,397
Income tax (expense)/benefit	4	<u>(58,386)</u>	<u>(25,755)</u>
Profit (Loss) for the year		175,158	75,642
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive Profit (loss) for the year attributable to members		<u><u>175,158</u></u>	<u><u>75,642</u></u>

The accompanying notes form part of these financial statements

Financial statements (continued)

Robe Community Financial Services Limited
ABN 24 101 974 887
Statement of Financial Position
As at 30 June 2023

	<u>Notes</u>	2023 \$	2022 \$
Assets			
Current Assets			
Cash and cash equivalents	6	694,538	400,028
Trade and other receivables	7	86,260	67,444
Current tax receivables	14		3,489
Other assets	8	6,073	4,394
Total Current Assets		<u>786,871</u>	<u>475,355</u>
Non-Current Assets			
Property, plant and equipment	9	67,503	69,873
Deferred tax assets	14	13,574	7,880
Intangible assets	10	2,976	14,882
Right-of-use assets	11	155,230	21,888
Total Non-Current Assets		<u>239,283</u>	<u>114,523</u>
Total Assets		<u>1,026,154</u>	<u>589,878</u>
Liabilities			
Current Liabilities			
Trade and Other Payables	12	133,647	52,246
Borrowings	13	240	782
Current tax liabilities	14	46,423	-
Provisions	15	42,895	28,921
Lease Liability	16	20,063	20,063
Total Current Liabilities		<u>243,268</u>	<u>102,012</u>
Non-Current Liabilities			
Lease Liability	16	146,567	4,425
Total Non-Current Liabilities		<u>146,567</u>	<u>4,425</u>
Total Liabilities		<u>389,835</u>	<u>106,437</u>
Net Assets/(Liabilities)		<u>636,319</u>	<u>483,441</u>
Equity			
Share capital	17	427,989	427,989
Retained earnings / (accumulated losses)	18	208,330	55,452
Total Equity		<u>636,319</u>	<u>483,441</u>

The accompanying notes form part of these financial statements

Financial statements (continued)

Robe Community Financial Services Limited
ABN 24 101 974 887
Statement of Changes in Equity
for the year ended 30 June 2023

	<u>Notes</u>	Ordinary \$	Retained Earnings \$	Total \$
Balance at 1 July 2021		427,989	2,098	430,087
Adjustment to opening balance due to prior year adjustments			(8)	(8)
Comprehensive income				
Profit for the year		-	75,642	75,642
Total comprehensive income for the year		-	75,642	75,642
Transactions with owners, in their capacity as owners, and other transfers				
Dividends recognised for the year	25	-	(22,280)	(22,280)
Total transactions with owners and other transfers		-	(22,280)	(22,280)
Balance at 30 June 2022		427,989	55,452	483,441
Balance at 1 July 2022		427,989	55,452	483,441
Adjustment to opening balance due to prior year adjustments			-	-
Comprehensive income				
Profit for the year		-	175,158	175,158
Total comprehensive income for the year		-	175,158	175,158
Transactions with owners, in their capacity as owners, and other transfers				
Dividends recognised for the year	25	-	(22,280)	(22,280)
Total transactions with owners and other transfers		-	(22,280)	(22,280)
Balance at 30 June 2023		427,989	208,330	636,319

The accompanying notes form part of these financial statements

Financial statements (continued)

Robe Community Financial Services Limited
ABN 24 101 974 887
Statement of Cash Flows
For the year ended 30 June 2023

	<u>Notes</u>	2023 \$	2022 \$
Cash Flows From Operating Activities			
Receipts from customers		1,121,110	802,668
Payments to suppliers and employees		(772,412)	(640,039)
Interest received		8,030	950
Interest paid		(4)	(1)
Income Tax Received		4,585	-
Income Tax Paid		(18,752)	(35,314)
Net cash flows from/(used in) operating activities	19a	<u>342,557</u>	<u>128,264</u>
Cash Flows From Investing Activities			
Payments for property, plant and equipment		(6,288)	(20,963)
Net cash flows from/(used in) investing activities		<u>(6,288)</u>	<u>(20,963)</u>
Cash Flows From Financing Activities			
Interest paid		(13,134)	(1,353)
Lease Payments		(6,345)	(18,299)
Dividends paid		(22,280)	(22,281)
Net cash flows from/(used in) financing activities		<u>(41,759)</u>	<u>(41,933)</u>
Net increase/(decrease) in cash held		294,510	65,368
Cash and cash equivalents at start of year		400,028	334,660
Cash and cash equivalents at end of year	6	<u>694,538</u>	<u>400,028</u>

The accompanying notes form part of these financial statements

Notes to the financial statements

For the year ended 30 June 2023

This financial report includes the financial statements and notes of Robe Community Financial Services Ltd. The financial statements were authorised for issue on 26/09/2023 by the directors of the company.

1. Summary of significant accounting policies

(a) Basis of preparation

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

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Income tax

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

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from: (a) the initial recognition of goodwill; or (b) the initial recognition of an asset or liability in a transaction which: (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised, unless the deferred tax asset relating to temporary differences arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination; and
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where:

- (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Notes to the financial statements (continued)

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(k) for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	2.5-37.5%
Plant and equipment	5-50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. Gains shall not be classified as revenue. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Leases

The Company as lessee

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Notes to the financial statements (continued)

(e) Financial Instruments

Initial Recognition and Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the company becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

- (i) *Loans and receivables*
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.
- (ii) *Financial Liabilities*
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Derivative instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the statement of comprehensive income unless they are designated as hedges.

The company does not hold any derivative instruments.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Financial Guarantees

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 15: Revenue. Where the company gives guarantees in exchange for a fee, revenue is recognised under AASB 15. The company has not issued any financial guarantees.

Notes to the financial statements (continued)

(f) Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(g) Employee Benefits

Short-term employee benefits

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

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

Termination benefits

When applicable, the Company recognises a liability and expense for termination benefits at the earlier of:

- the date when the Company can no longer withdraw the offer for termination benefits; and
- when the Company recognises costs for restructuring pursuant to AASB 137: Provisions, Contingent Liabilities and Contingent Assets and the costs include termination benefits.

In either case, unless the number of employees affected is known, the obligation for termination benefits is measured on the basis of the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

Notes to the financial statements (continued)

(h) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks and bank overdrafts. Bank overdrafts are reported within borrowings in current liabilities on the statement of financial position.

(j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(k) Goods and Services Tax (GST)

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

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

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

(l) Share capital

Issued and paid up capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(m) Comparative Figures

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

Where the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(n) New accounting standards for application in future periods

Australian Accounting Standards that have been recently issued or amended but not yet effective have not been adopted in the preparation of these financial statements. These changes have been assessed by Directors and determined they will not have a material impact on the company's financial statements.

(o) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. Estimates and judgements are reviewed on an ongoing basis.

Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The estimates and judgements that have a significant risk of causing material adjustments to the carrying values of assets and liabilities are as follows:

Key Estimates

Impairment

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

Estimation of useful lives of assets

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

Income tax

The company is subject to income tax. Significant judgement is required in determining the provision for income tax.

Notes to the financial statements (continued)

2. Revenue and Other Income

The Company has recognised the following amounts relating to revenue in the statement of profit or loss.

	2023 \$	2022 \$
Continued Operations		
Other sources of revenue	1,089,667	771,005
	<u>1,089,667</u>	<u>771,005</u>
(a) Other sources of revenue		
- Total interest received	8,031	950
- Sales revenue	1,089,667	771,005
Total other sources of revenue	<u>1,097,698</u>	<u>771,955</u>
(b) Other Income		
- Other income	-	13,861
Total other income	<u>-</u>	<u>13,861</u>

The Company applies the practical expedient in AASB 15.121 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

3. Expenses

Profit before income tax from continuing operations includes the following specific expenses:

	2023 \$	2022 \$
Employee benefits expense		
- wages and salaries	392,411	365,183
- superannuation costs	40,998	33,511
- workers' compensation costs	1,420	1,718
- other costs	13,975	(8,187)
	<u>448,804</u>	<u>392,225</u>
Depreciation of non-current assets:		
- plant and equipment	5,302	4,756
- buildings	3,355	3,400
- right-of-use asset	15,144	17,417
Amortisation of non-current assets:		
- intangibles	11,905	11,905
	<u>35,706</u>	<u>37,478</u>
Finance Costs:		
- Interest paid	13,137	1,354

Notes to the financial statements (continued)

4. Income Tax Expense

	2023 \$	2022 \$
The prima facie tax on profit/(loss) before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on profit/(loss) before income tax at 25% (2022 - 25%)	58,386	25,349
Add/less tax effect of		
- Non-assessable income	-	-
- Adjustment to prior year tax expense	-	-
- Reduction in opening deferred taxes resulting from reduction in tax rate	-	406
Income tax expense/(benefit)	<u>58,386</u>	<u>25,755</u>
Tax Expense - Current year	58,386	25,349
Add/less tax effect of:		
- Non-deductible expenses	5,693	(2,267)
- Recoupment of prior year tax losses not previously brought to account	-	-
- Future income tax benefit not brought to account	-	-
- Adjustment of prior year tax losses	-	-
<i>Current income tax expense</i>	<u>64,079</u>	<u>23,082</u>
Origination and reversal of temporary differences		
<i>Deferred income tax expense</i>	<u>(13,574)</u>	<u>(7,880)</u>
Income tax expense/(benefit) attributable to entity	<u>50,505</u>	<u>15,202</u>

Notes to the financial statements (continued)

5. Net profit/(loss) on disposal of non-current assets

	2023 \$	2022 \$
Profit/(loss) on disposal of non-current assets	-	-
	<u>-</u>	<u>-</u>

6. Cash and Cash Equivalents

	2023 \$	2022 \$
Cash at bank and on hand	694,538	400,028
	<u>694,538</u>	<u>400,028</u>

7. Trade and other receivables

	2023 \$	2022 \$
Trade Debtors	86,260	67,444
	<u>86,260</u>	<u>67,444</u>

8. Other assets

	2023 \$	2022 \$
Prepaid Expense	6,073	4,394
	<u>6,073</u>	<u>4,394</u>

9. Property, Plant and Equipment

	2023 \$	2022 \$
<i>Plant and equipment</i>		
At cost	88,314	82,026
Less accumulated depreciation	(61,136)	(58,129)
	<u>27,178</u>	<u>23,897</u>
<i>Leasehold Improvements</i>		
At cost	81,195	81,195
Less accumulated depreciation	(56,790)	(53,434)
	<u>24,405</u>	<u>27,761</u>
<i>Motor Vehicle</i>		
At cost	32,263	32,263
Less accumulated depreciation	(16,343)	(14,048)
	<u>15,920</u>	<u>18,215</u>
Total written down amount	<u>67,503</u>	<u>69,873</u>

Notes to the financial statements (continued)

10. Intangible Assets

Franchise Fee
At cost

2023	2022
\$	\$
2,976	14,882
<u>2,976</u>	<u>14,882</u>

11. Right of Use Assets

(i) AASB 16 related amounts recognised in the balance sheet

	2023	2022
	\$	\$
Leased Building	231,986	83,500
Accumulated Depreciation	(76,756)	(61,612)
Total Right of Use Asset	<u>155,230</u>	<u>21,888</u>

Movement in carrying amounts

Lease Building

Carrying amount at beginning of year	21,888	38,670
Adjustment due to extended lease term & incremental borrowing rate	148,486	-
Adjustment based on lease payments change	-	635
Depreciation expense	(15,144)	(17,417)
Net carrying amount	<u>155,230</u>	<u>21,888</u>

(ii) AASB 16 related amounts recognised in the statement of profit or loss

Depreciation charge related to right-of-use assets	15,144	17,417
Interest expense on lease liabilities	13,137	1,353
Short-term leases expense	-	-
Low value asset leases expense	16,311	3,000
Total cash outflows for leases	35,790	22,652

Notes to the financial statements (continued)

12. Trade and Other Payables

	2023 \$	2022 \$
Current		
Trade creditors	115,399	32,404
GST & payroll	18,248	19,842
	<u>133,647</u>	<u>52,246</u>

(a) Financial Liabilities at amortised cost classified as trade and other payables

- Total Current	133,647	52,246
- Total Non-Current	-	-
	<u>133,647</u>	<u>52,246</u>

Financial Liabilities as trade and other payables

	<u>133,647</u>	<u>52,246</u>
--	----------------	---------------

13. Borrowings

	2023 \$	2022 \$
Current		
Borrowings	240	782
	<u>240</u>	<u>782</u>
Non-Current		
Borrowings	-	-
	<u>-</u>	<u>-</u>
Total borrowings	240	782

14. Tax

Current		
Income tax payable/(receivable)	46,423	(3,489)
	<u>46,423</u>	<u>(3,489)</u>

	Opening Balance	Charged to Income	Charged directly to Equity	Changes in Tax Rates	Exchange Differences	Closing Balance
Deferred tax assets						
Deferred tax assets	10,553	(2,267)		(406)		7,880
Balance as at 30 June 2022	<u>10,553</u>	<u>(2,267)</u>	<u>-</u>	<u>(406)</u>	<u>-</u>	<u>7,880</u>
Deferred tax assets						
Deferred tax assets	7,880	5,694				13,574
Balance as at 30 June 2023	<u>7,880</u>	<u>5,694</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,574</u>

Notes to the financial statements (continued)

15. Provisions

Current

Employee benefits

2023	2022
\$	\$
42,895	28,921
<u>42,895</u>	<u>28,921</u>

Non-Current

Employee benefits

-	-
<u>-</u>	<u>-</u>
<u>42,895</u>	<u>28,921</u>

16. Lease Liabilities

Current

Leased Building

20,063	20,063
<u>20,063</u>	<u>20,063</u>

Non-Current

Leased Building

146,567	4,425
<u>146,567</u>	<u>4,425</u>
<u>166,630</u>	<u>24,488</u>

17. Share Capital

445,610 Ordinary Shares fully paid of \$1 each
Prospectus Fees

2023	2022
445,610	445,610
(17,621)	(17,621)
<u>427,989</u>	<u>427,989</u>

18. Retained Earnings / (Accumulated Losses)

Balance at the beginning of the financial year
Adjustment to opening balance from prior year adjustments
Profit/(loss) after income tax
Dividends
Balance at the end of the financial year

2023	2022
\$	\$
55,452	2,098
-	(8)
175,158	75,642
(22,280)	(22,280)
<u>208,330</u>	<u>55,452</u>

Notes to the financial statements (continued)

19. Statement of Cash Flows

	2023 \$	2022 \$
(a) Reconciliation of profit / (loss) after tax to net cash provided from/(used in) operating activities		
Profit / (loss) after income tax	175,158	75,642
	<u>175,158</u>	<u>75,642</u>
Interest relating to financing activities	13,134	1,353
Non cash items		
- Depreciation	23,801	25,573
- Amortisation	11,905	11,905
Changes in assets and liabilities		
- (Increase) decrease in receivables	(18,815)	(3,289)
- (Increase) decrease in prepayments	(1,679)	-
- (Increase) decrease in deferred tax asset	(5,694)	2,673
- Increase (decrease) in trade payables and accruals	81,402	30,783
- Increase (decrease) in borrowings	(542)	396
- Increase (decrease) in income taxes payable	49,912	(8,577)
- Increase (decrease) in provisions	13,975	(8,187)
- Increase (decrease) in retained earnings - prior year adjustments	-	(8)
Net cashflows from/(used in) operating activities	<u>342,557</u>	<u>128,264</u>

20. Auditors' Remuneration

	2023 \$	2022 \$
Amounts received or due and receivable		
- Audit or review of the financial report of the Company	5,300	5,300
	<u>5,300</u>	<u>5,300</u>

21. Director and Related Party Disclosures

No director or related entity has entered into a material contract with the Company. No director's fees have been paid as the positions are held on a voluntary basis.

22. Events after the reporting period

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

23. Contingent liabilities and assets

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

24. Corporate Information

Robe Community Financial Services Ltd is a company limited by shares incorporated in Australia.

The registered office and principal place of business is: 9 Victoria Street, ROBE, South Australia, 5276.

Notes to the financial statements (continued)

25. Dividends paid or provided for on ordinary shares

	2023 \$	2022 \$
(a) Dividends proposed and recognised as a liability		
Unfranked dividends - nil cents per share (2022: nil cents)	-	-
(b) Dividends paid during the year		
(i) Current year interim		
Franked dividends - 5 cents per share (2022: 5 cents per share)	22,280	22,280
Unfranked dividends - nil cents per share (2022: nil cents per share)	-	-
(ii) Previous year final		
Unfranked dividends - nil cents per share (2022: nil cents per share)	-	-
(c) Dividends proposed and not recognised as a liability		
Unfranked dividends - nil cents per share (2022: nil cents per share)		
Franked dividends - 5 cents per share (2022: 5 cents per share)	22,280	22,280
(d) Franking credit balance		
The amount of franking credits available for the subsequent financial year are:		
- Franking account balance as at the end of the financial year	89,875	83,135
- Franking credits that will arise from the payment of income tax payable as at the end of the financial year	46,424	(3,489)
- Franking debits that will arise from the payment of dividends as at the end of the financial year		
- Franking credits that will arise from the payment of dividends recognised as receivables at the reporting date		
- Franking credits that the entity may be prevented from distributing in the subsequent year		
	<u>136,299</u>	<u>79,646</u>

The tax rate at which dividends have been franked is 25% (2022: 25%).
Dividends proposed will be franked at a rate of 25% (2022: 25%).

26. Earnings per share

	¢	¢
Basic earnings per share amounts are calculated by dividing profit / (loss) after income tax by the weighted average number of ordinary shares outstanding during the year.	39.31	16.97
Diluted earnings per share amounts are calculated by dividing profit / (loss) after income tax by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of any dilutive options or preference shares).	39.31	16.97
The following reflects the income and share data used in the basic and diluted earnings per share computations:		
Profit/(loss) after income tax expense	<u>175,158</u>	<u>75,642</u>
Weighted average number of ordinary shares for basic and diluted earnings per share	<u>445,610</u>	<u>445,610</u>

Notes to the financial statements (continued)

27. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and leases.

The totals for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

	2023 \$	2022 \$
Financial Assets		
Financial assets at amortised cost		
- cash and cash equivalents	694,538	400,028
- trade and other receivables	86,260	67,444
Total Financial Assets	780,798	467,472
Financial Liabilities		
Financial liabilities at amortised cost		
- contingent consideration		
- trade and other payables	133,647	52,246
- borrowings	240	782
Total Financial Liabilities	133,887	53,028

Financial Risk Management Policies

The Board of Directors monitor the company's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls.

Specific Financial Risk Exposures and Management

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

(a) Credit risk

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

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the FOC has otherwise assessed as being financially sound.

(b) Liquidity risk

Liquidity risk arises from the possibility that the entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities
- obtaining funding from a variety of sources
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- only investing surplus cash with major financial institutions
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets

(c) Market Risk

Inherent rate risk

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

Directors' declaration

In accordance with a resolution of the directors of Robe Community Financial Services Limited, the directors of the company declare that:

- 1 the financial statements and notes, as set out on pages 4 to 21, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards applicable to the entity, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the company;
- 2 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- 3 the directors have been given the declarations required by section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer.



Andrew Brown

Dated this 26th day of September 2023

Independent audit report

Bordertown T 08 8752 8888
PO Box 270, Bordertown SA 5268
E bordertown@murraynankivell.com.au

Naracoorte T 08 8765 7777
PO Box 403, Naracoorte SA 5271
E naracoorte@murraynankivell.com.au

Murray Bridge T 08 8535 5999
PO Box 3007, Murray Bridge SA 5253
E mb@murraynankivell.com.au

www.murraynankivell.com.au
ABN 68 191 400 792



INDEPENDENT AUDITOR'S REPORT

To the Members of Robe Community Financial Services Limited Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Robe Community Financial Services Ltd ('the Company') which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (a) giving a true and fair view of the company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Information Other than the Financial Report and Auditor's Report Thereon

Those charged with governance are responsible for the other information. The other information comprises the information included in the Annual Report for the respective year, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

INDEPENDENT AUDITOR'S REPORT

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

INDEPENDENT AUDITOR'S REPORT

- 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, related safeguards.

Mark Stephen Edwards
Chartered Accountant
172 Smith Street
Naracoorte, SA, 5271



Registered Auditor No. 289565

27 September 2023

Community Bank · Robe & Districts
9 Victoria Street, Robe SA 5276
Phone: 08 8768 1855 Fax: 08 8768 2749
Email: robe@bendigoadelaide.com.au
Web: bendigobank.com.au/robe

Franchisee: Robe Community Financial Services Limited
ABN: 24 101 974 887
9 Victoria Street, Robe SA 5276
Phone: 08 8768 1855



[/communitybankrobedistricts](https://www.facebook.com/communitybankrobedistricts)

This Annual Report has been printed on 100% Recycled Paper

