# Annual Report 2024

## Wandin Seville Financial Services Limited

Community Bank
Wandin-Seville

ABN 33 098 648 296

# CHAIRMAN’S AGM REPORT 2024

The last 12 months have continued to present ongoing challenges with the changing economic climate.

All the staff are to be commended for their dedication and commitment to our customers and Community Bank Wandin Seville.

Wandin Seville Financial Services Limited (WSFSL) as a Franchisee, need to have an ongoing relationship with our Franchisor, Bendigo and Adelaide Bank Limited (The Bank), contractual with the Board and operational with the Branch staff.

Initiatives undertaken by our Board of Directors and the total commitment of the staff have provided an after, the provision for income tax, a profit of $501,319, an increase on the 2023 profit of $473,978. The business continues to be impacted by the Reserve Bank of Australia (RBA)

Whilst interest rates have been relatively stable, the RBA decisions continue to have a significant effect on the general community.

Cost of living pressures continue to present a challenge to Australian households. The Bank is ready to support borrowers who experience financial difficulties and has team members from the Bank Mortgage Help Centre standing by. Conditions are expected to improve for many of our customers next year due to a combination of tax cuts, moderating inflation and forecast cuts to the official cash rate.

Although as the interest rates on Loans and Deposits have been stable, and the general concerns in the current environment, the impact on our business still remains uncertain.

For the 2023/2024 fiscal year, a 10c per share fully franked dividend will again be provided to our shareholders.

It should be noted that considering the variability in the economic climate, future profits and subsequent Dividends may be impacted.

The Board has not and will not compromise its commitment to supporting local Community organisations. The value of these groups, and the volunteers in the Community cannot be undervalued with their contribution to the community’s future. Our Company has this year committed over $150,000 to our community, and since our branch has been operating this total is more than $2,000,000.

Branch staffing requirements are continually being reviewed to meet the changing business environment. As the nature of banking is changing, the staffing structure will continue to be reviewed to meet the needs to grow the business and to support the community.

It continues to be important that as a shareholder, you promote the values and benefits of the Community Banking Model, and the benefits to the community from supporting our Community Bank. With other banks closing branches it presents an opportunity to further promote the Community Banking Model, and we will remain open to serve our community.

As a shareholder, we thank you for your ongoing support and encourage you to actively look for opportunities to refer potential customers to our branch. This will continue to provide benefits back to our community.

Also, if you are not already a customer, please consider your options and organise a confidential appointment with our Branch Manager.

I take this opportunity to thank my fellow directors and our Executive Officer, Leah Thompson, who all play a vital part in the function of the Board as well as our Branch staff, led by Jackie for their ongoing support.

I look forward to seeing all shareholders and interested stakeholders at our Annual General Meeting on 25th November 2024 at the Community Hub, 410 Clegg Road, Wandin North.

R. J. Barrett

Ray Barrett
Chairman

**Branch Manager's Annual Report 2023/2024**

As of 30th June 2024, Community Bank Wandin-Seville marked its 22nd year of operation with funds under management totalling approximately $187 million. This was comprised of $46.8 million in lending, $135.9 million in deposits, and approximately $4.3 million in other business holdings, such as Rural, Wealth and Community Sector Banking.

The past financial year has presented significant challenges for growth. Rising interest rates and the increasing cost of living have created an environment where refinancing, purchasing, or taking on additional debt has been approached with caution. The gap between wage growth and rising repayment obligations has made it difficult for the average income earner to service existing debts, let alone take on new ones. Additionally, an aging population has influenced trends, with many opting to pay down or discharge their home loans rather than extend borrowing, often downsizing in response to financial pressures.

Similarly, many "mum and dad" investors have felt the pinch of financial pressures along with the uncertainty of future legislative changes, that may occur around negative gearing. As a result, some have opted to sell their investment properties, further reducing the need for new borrowing. These factors have all contributed to a cautious approach toward debt and growth in the current economic climate.

However, despite these hurdles, the increase in interest rates has had a positive impact on our margins, strengthening the income of Wandin Seville Financial Services Ltd. Looking forward, the trajectory of the economy remains uncertain, with interest rates and cost-of-living pressures continuing to dominate.

Our Community Bank's focus moving forward is to ensure that we continue to offer competitive Bendigo Bank products and services, while emphasising our standout strength – personalised customer service. In an evolving financial landscape, combining this personalised approach with Bendigo Bank's digital offerings, while actively engaging both existing and potential customers, will be essential in fostering future growth.

At Community Bank Wandin-Seville, our partnerships with local community groups and organisations are invaluable. These relationships not only enable us to reinvest in the community through sponsorships and grants, but they also play a crucial role in driving the growth of our business. By working closely with sporting clubs, schools, local CFAs and various community associations, we foster strong connections that lead to word-of-mouth referrals and new customer acquisitions.

Our community partners act as ambassadors, sharing the benefits of banking locally with friends, family, and colleagues, which helps us expand our customer base while continuing to support the community in meaningful ways. Since our inception, we have proudly invested over $2 million back into our local community, demonstrating our ongoing commitment to its success. These partnerships are a testament to the power of collaboration and mutual benefit, ensuring that both the bank and the community thrive together.

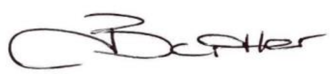
On a more personal note, I would like to take a moment to recognize some important staff changes this year. After 15 dedicated years with us, Liz has moved on to pursue a new career. Her commitment to both our business and our customers has been remarkable, and we are incredibly grateful for her contribution over this time. On behalf of the entire team, I would like to extend our heartfelt thanks to Liz and wish her every success in her future endeavours.

We would also like to officially welcome Amy, our new Customer Service Officer, to the team. Amy has begun to make a positive impact, and I'm confident she will be an asset as we continue to grow and serve our community.

I'd also like to express my gratitude to the rest of our dedicated branch team: Carolyn and Cass. This year has brought numerous challenges, yet they have continued to demonstrate professionalism, resilience, and good humour in a dynamic environment. Their passion for our community has been particularly evident, especially in their compassionate handling of customers affected by the unfortunate rise in fraud and scams along with the increased support needed for a part of our community facing hardship. Their support for these individuals during difficult times has been invaluable.

Our Board of Directors have provided vital support and guidance throughout the year. I'd especially like to thank our Chairman Ray, and our Executive Officer Leah, for their unwavering support, advice and commitment. The board's strong community ties ensure our organisation remains focused on supporting local projects and events, furthering our investment in the community's future.

Finally, I want to extend my sincere thanks to you, our customers, shareholders, and community partners. Your ongoing support of Community Bank Wandin-Seville has made it possible for us to continue investing in the community through sponsorships and grants over the past 22 years. Together, we will continue building a stronger future for our community.



Jackie Butler – Branch Manager

# WANDIN SEVILLE FINANCIAL SERVICES LTD

**ABN 33 098 648 296**

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**Contents**

The Directors submit their report of the Company for the financial year ended 30 June 2024.

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

Raymond Barrett Chairman
Director
Occupation : Company Director

Graeme Prime
Director
Occupation: Retired

Kim Parry
Director
Occupation: Real Estate Agent

James Brown
Director
Occupation: Retired

Gavan McIntyre
Director
Occupation : Retired

Jayantilal Naran
Director
Occupation : Small Business Owner

Susan Harmsworth
Director
Occupation: Retired

Benjamin Vallance
Director
Occupation: Lawyer

Daniel Field
Director
Occupation: Real Estate Videographer

Anita Matee Wood
Director
Occupation: HR Manager

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

No Directors have material interests in contracts or proposed contracts with the Company.

**Principal activities**
The principal activities of the Company during the course of the financial year were in providing Community Bank® services under management rights to operate franchised branches of Bendigo Bank Limited.

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

**Operating results**
The profit of the Company for the financial year after provision for income tax was $501,319 (2023: $473,978). The net assets of the company have increased to $3,298,534 (2023: $2,852,343).

**Dividends**
Dividends paid since the start of the financial year as follows:-
a) A fully franked dividend of 10c per share ($52,831.10) was paid during the year.

**Significant changes in the state of affairs**

In the opinion of the Directors there have been no significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report.

**Significant events after the balance date**

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company, in future years.

**Likely developments**

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

**Environmental regulation**

The company is not subject to any significant environmental regulation.

**Directors' benefits**

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

**Accounting and Taxation services**

Accounting and taxation services are provided by the The Field Group - Accounting.

**Indemnification and insurance of Directors and Officers**

The company has paid premiums to insure directors under a Directors and Officers Insurance policy. The details of the indemnity insurance are as follows.

The company has entered into an insurance policy to indemnify each director, against any liability arising from a claim brought against the company and the directors by a third party for the supply of substandard services or advice. The agreement provides for the insurer to pay all damages and costs which may be brought against the directors.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The Company has not provided any insurance for an Auditor of the Company or a related body corporate.

**Directors' meetings**

**The number of Directors Meetings held during the year was 11**

Number of meetings attended by Directors:

| | |
|---|---|
| Jim Brown | 9 |
| Jay Naran | 10 |
| Gavan McIntyre | 8 |
| Graeme Prime | 7 |
| Susan Harmsworth | 11 |
| Kim Parry | 8 |
| Raymond Barrett | 10 |
| Ben Vallance | 4 |
| Daniel Field | 5 |
| Anita Wood | 6 |

**Corporate governance**
The Company has implemented various corporate governance practices which include:

(a) Director approval of operating budgets and monitoring of progress against these budgets;
(b) Ongoing Director training; and
(c) Monthly Director meetings to discuss performance and strategic plans.

**Corporate governance**
The company's operations are not regulated by any environmental regulation under a law of the Commonwealth or of a State or Territory.

**Proceedings on Behalf of the Board**
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.

**Company Secretary**
The following person held the position of company secretary at the end of the financial year:
Dannie McKinnon

No officer of the company/Group is or has been a partner/director of any auditor of the Group.

**ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191**
The company is an entity to which *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars where stated.

R J Barrett

Raymond Barrett, Chairperson
Date: 28/10/2024

S Harmsworth

Susan Harmsworth, Director
Date: 28/10/2024

**Auditor's Independence Declaration Under Section 307C Of The Corporations Act 2001**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024 there have been no contraventions of:

(i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

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

Ryan Mizael
Date: 29 October 2024

**Mizael Auditors Pty Ltd**
**ABN** 91 164 180 241
**A.** Suite 6, 12 Maroondah Hwy, Ringwood, VIC 3134
Unit 7, 5-7 Ross St, Parramatta, NSW 2150
**P.** 1300 444 004 • **E.** hello@mizaelpartners.com.au

## WANDIN SEVILLE FINANCIAL SERVICES LTD
## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

| | Note | 2024 $ | 2023 $ |
|---|---|---|---|
| Revenues from ordinary activities | 2 | 1,592,485 | 1,759,216 |
| Employee benefits expense | 3 | (428,983) | (386,621) |
| Charitable donations and sponsorship | | (135,416) | (256,437) |
| Depreciation and amortisation expense | 3 | (79,725) | (55,868) |
| Finance costs | 3 | - | - |
| Other expenses from ordinary activities | | (245,046) | (406,253) |
| Profit before income tax expense | | 703,315 | 654,037 |
| Income tax expense | 4 | (201,996) | (180,059) |
| Profit after income tax expense | | 501,319 | 473,978 |
| Other comprehensive income: | | | |
| Total comprehensive income attributable to members | | 501,319 | 473,978 |
| Earnings per share (cents per share) | | | |
| - basic/ diluted earnings per share | 21 | 0.95 | 0.90 |
| - dividends paid per share | | 0.10 | 0.10 |

# WANDIN SEVILLE FINANCIAL SERVICES LTD
# STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

| | Note | 2024<br>$ | 2023<br>$ |
|---|---|---|---|
| Current assets | | | |
| Cash and cash equivalents | 6 | 2,669,423 | 2,127,834 |
| Trade and other receivables | 7 | 154,022 | 172,436 |
| Other | 8 | 17,596 | 17,784 |
| Total current assets | | 2,841,041 | 2,318,054 |
| | | | |
| Non-current assets | | | |
| Property, plant and equipment | 9 | 724,823 | 758,808 |
| Deferred income tax asset | 4 | 13,301 | 38,002 |
| Intangible assets | 10 | 247,717 | 287,966 |
| Total non-current assets | | 985,841 | 1,084,776 |
| | | | |
| Total assets | | 3,826,882 | 3,402,830 |
| | | | |
| Current liabilities | | | |
| Trade and other payables | 11 | 92,641 | 90,161 |
| Borrowings | 12 | 32,077 | 31,143 |
| Tax payable | | 15,377 | 14,800 |
| Short-Term provisions | 13 | 129,915 | 133,032 |
| Total current liabilities | | 270,010 | 269,136 |
| | | | |
| Non-current liabilities | | | |
| Borrowings | 12 | 199,271 | 218,860 |
| Long-term provisions | 13 | 59,067 | 64,791 |
| Total non-current Liabilities | | 258,338 | 283,651 |
| | | | |
| Total liabilities | | 528,348 | 552,787 |
| | | | |
| Net assets | | 3,298,534 | 2,850,043 |
| | | | |
| Equity | | | |
| Share capital | 14 | 528,311 | 528,311 |
| Retained earnings | 15 | 2,770,223 | 2,321,732 |
| Total equity | | 3,298,534 | 2,850,043 |

# WANDIN SEVILLE FINANCIAL SERVICES LTD
## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

| | Note | 2024<br>$ | 2023<br>$ |
|---|---|---|---|
| Share Capital | | | |
| Balance at start of year | | 528,311 | 528,311 |
| Issue of share capital | | - | - |
| Share issue costs | | - | - |
| Balance at end of year | | 528,311 | 528,311 |
| | | | |
| Retained Earnings | | | |
| Balance at start of year | | 2,321,735 | 1,900,588 |
| Over provision for tax | | - | |
| Profit after tax | | 501,319 | 473,978 |
| Dividends paid | 21 | (52,831) | (52,831) |
| Balance at end of year | | 2,770,223 | 2,321,735 |

# WANDIN SEVILLE FINANCIAL SERVICES LTD
# STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

| | 2024 $ | 2023 $ |
|---|---|---|
| Cash flows from operating activities | | |
| Cash receipts in the course of operations | 1,556,844 | 1,740,398 |
| Cash payments in the course of operations | (819,173) | (1,186,642) |
| Interest received | 54,056 | 17,910 |
| Interest Paid | - | - |
| Income tax paid | (173,159) | (8,028) |
| Net cash flows from operating activities | **618,568** | 563,638 |
| Cash flows from investing activities | | |
| Payments for property, plant and equipment | (5,494) | (2,201) |
| Proceed from sale of Property, plant and equipment | 2 | 1,091 |
| Net cash flows used in investing activities | **(5,492)** | (1,110) |
| Cash flows from financing activities | | |
| Interest expense on lease liability | - | (13,398) |
| Payment for principal elements of lease payments | (18,656) | (17,745) |
| Dividend paid | (52,831) | (52,831) |
| Net cash flows used in financing activities | **(71,487)** | (83,974) |
| Net increase in cash held | **541,589** | 478,554 |
| Cash at beginning of financial year | 2,127,834 | 1,649,280 |
| Cash at the end of financial year | **2,669,423** | 2,127,834 |

The accompanying notes form part of these financial statements.

| (a) Reconciliation of cash | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Cash and cash equivalents | 2,669,423 | 2,127,834 |
| | 2,669,423 | 2,127,834 |

| (b) Reconciliation of profit after tax to net cash provided from/(used in) operating activities | | |
|---|---|---|
| Profit after income tax | 501,319 | 473,978 |
| *Add (Less) non-cash flows in profit from ordinary activities:* | | |
| Depreciation & amortisation | 79,725 | 55,868 |
| Gain/(Loss) on sale of assets | 0 | (9,040) |
| *Add (Less): changes in assets & liabilities* | | |
| - (Increase) decrease in receivables | 18,414 | (66,946) |
| - (Increase) decrease in other assets | 188 | (4,427) |
| - Increase (decrease) in payables | 3,060 | (38,406) |
| - Increase (decrease) in provisions | (12,976) | 106,782 |
| - Increase (decrease) in other liabilities | 28,838 | 45,829 |
| Net cash flows from/(used in) operating activities | 618,568 | 563,638 |

**1. Basis of preparation of the Financial Report**

**(a) Basis of preparation**

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated

The financial statements, except for cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar unless stated otherwise.

Economic dependency

The company has entered a franchise agreement with Bendigo & Adelaide Bank Limited that governs the management of the Community Bank branches at Wandin.

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

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

**(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. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

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

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.

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.

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

**(c) Fair Value of assets and liabilities**

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable accounting standard.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

**(d) 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.

**Property**

Freehold land and buildings are carried at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

**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 or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present 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 lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity 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 Asset | Depreciation rate |
|---|---|
| Buildings | 2.5% |
| Plant & Equipment | 10-20% |

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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(e) Goods and services tax**
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.

**(f) 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.

**(g) Intangibles**
Establishment costs have been initially recorded at cost and amortised on a straight line basis at a rate of 20% per annum. Leasehold improvements at Wandin Branch have been amortised over the lease term.

**(h) Revenue**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest method. Dividend revenue is recognised when the right to receive a dividend has been established. All revenue is stated net of the amounts of goods and services tax.

Revenue is deferred when management fees are received upfront but where associated services are yet to be performed.

**(i) Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.
Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

**(j) Interest bearing liabilities**

All loans are measured at the principal amount. Interest is recognised as an expense as it accrues.

**(k) Provisions**

Provisions are recognised that when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation. A provision for dividend is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

**(l) Contributed 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) 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.

**(o) Derecognition**
Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount 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.

**(p) Cash and cash equivalents**
Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as borrowings in current liabilities on the statement of financial position.

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

**(r) Leases**
Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.
Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.
Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:
•fixed payments (including in-substance fixed payments), less any lease incentives receivable;
•variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date; and
•payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.
Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:
•where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
•uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing; and
•makes adjustments specific to the lease, e.g. term, country, currency and security.
The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.
the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

**(r) Leases - Continued**

Right-of-use assets are measured at cost comprising the following:

•the amount of the initial measurement of lease liability;

•any lease payments made at or before the commencement date less any lease incentives received;

•any initial direct costs; and

•restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

The Company leases 386 Warbuton Highway, Wandin North, Victoria. This lease is a 5 year lease term with 1 further 5 year option.

(1) Fixed Lease Payments

The rent of the building is a fixed amount subject to annual CPI increases or 3%, whatever is greater plus 100% of all ougoings.

(2) Options to Extend or Terminate

The options to extend or terminate are available in relation to the property lease. The initial lease term expires on 30th June 2027. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use asset.

| | 2024 | 2023 |
|---|---|---|
| **(i) AASB16 related amounts recongnised in balance sheet** | **$** | **$** |
| **Right-of-use assets** | | |
| Leased Building | 331,796 | 331,796 |
| Accumulated depreciation | (126,695) | (101,058) |
| | 205,101 | 230,738 |
| Total right-of-use asset | 205,101 | 230,738 |
| **Movement in carrying amounts** | | |
| Leased buildings: | | |
| Recognised on initial application of AASB 16 (previously classified as operating leases under AASB 117) | 326,817 | 326,817 |
| Additions to lease for new lease agreement | 4,979 | 4,979 |
| Depreciation expense | (126,695) | (101,058) |
| Net carrying amount | 205,101 | 230,738 |

**(ii) AASB16 related amounts reconised in the statement of profit or loss**

| | | |
|---|---|---|
| Depreciation change related to right-of-use assets | 25,637 | 25,638 |
| Interest expense on lease liabilities | 12,487 | 13,398 |

| | 2024 | | 2023 |
|---|---|---|---|
| **2. Revenue from ordinary activities** | **$** | | **$** |
| Operating activities | | | |
| - Gross Margin | 1,374,251 | | 1,584,819 |
| - Services Commissions | 21,213 | | 15,627 |
| - Fee Income | 70,712 | | 66,521 |
| - Upfront /Trailer Product Com | 46,720 | | 42,107 |
| - Recoveries | 4,369 | | 5,569 |
| Total revenue from operating activities | 1,517,265 | | 1,714,643 |
| | | | |
| Non-operating activities: | | | |
| - interest received | 54,056 | | 17,910 |
| - rent revenue | 21,124 | | 20,757 |
| - other revenue | 40 | | 5,905 |
| Total revenue from non-operating activities | 75,220 | | 44,572 |
| | | | |
| Total revenue from ordinary activities | 1,592,485 | - | 1,759,215 |

**3. Expenses**

Profit from ordinary activities before income tax expense has been determined after:

| | 2024 | 2023 |
|---|---|---|
| Employee benefits expense | | |
| - wages and salaries, leave | 385,871 | 348,291 |
| - superannuation costs | 41,532 | 38,168 |
| - workers' compensation costs | 1,580 | 162 |
| | 428,983 | 386,621 |
| Depreciation of non-current assets: | | |
| - plant and equipment | 3,064 | 3,729 |
| - buildings | 30,168 | 29,723 |
| - motor vehicles | 6,244 | 7,805 |
| - Leased Amortisation | 25,638 | |
| Amortisation of non-current assets: | | |
| - intangibles | 14,611 | 14,611 |
| | 79,725 | 55,868 |

**4. Income tax expense**

The prima facie tax on profit before income tax is reconciled to the income tax expense as follows:

| | 2024 | 2023 |
|---|---|---|
| Prima facie tax on profit before income tax at 25% (2023: 25%) | 175,829 | 163,509 |
| | | |
| Add tax effect of: | | |
| - non-deductible expenses | 26,167 | 16,550 |
| Current income tax expense | 201,996 | 180,059 |

| | 2024 $ | 2023 $ |
|---|---|---|
| The components of tax expense comprise: | | |
| Current tax | 177,294 | 185,217 |
| Deferred tax | 24,702 | (5,158) |
| | 201,996 | 180,059 |
| **Tax payable** | | |
| Current tax payable | 115,786 | 110,333 |
| | 115,786 | 110,333 |
| **Deferred income tax asset** | | |
| Future income tax benefits arising from deductible temporary differences are recognised to the extent that profits will be available against which such differences can be utilised. | 13,301 | 38,003 |
| | 13,301 | 38,003 |
| **5. Auditor's remuneration** | | |
| Amounts received or due and receivable by Ryan Mizael (Mizael Partners) for: | | |
| - Audit or review of the financial report of the Company | 5,800 | 5,800 |
| | 5,800 | 5,800 |
| **6. Cash and cash equivalent** | | |
| - Cash at Bank | 775,756 | 288,223 |
| - Term Deposits | 1,893,667 | 1,839,611 |
| | 2,669,423 | 2,127,834 |
| **7. Trade and other receivables** | | |
| Trade debtors | 154,022 | 172,436 |
| | 154,022 | 172,436 |
| **8. Other** | | |
| Prepayments | 17,596 | 17,784 |
| | 17,596 | 17,784 |
| **9. Property, plant and equipment** | | |
| *Buildings* | | |
| At cost | 1,067,936 | 1,067,936 |
| Less: accumulated depreciation | (379,910) | (349,741) |
| | 688,026 | 718,195 |
| *Plant and equipment* | | |
| At cost | 125,984 | 120,491 |
| Less: accumulated depreciation | (89,187) | (79,877) |
| | 36,797 | 40,614 |
| Total written down amount | 724,823 | 758,809 |
| **Movements in carrying amounts** | | |
| **Building** | | |
| Carrying amount at beginning of year | 718,195 | 738,202 |
| Additions | (0) | 9,715 |
| Depreciation expense | (30,169) | (29,722) |
| Carrying amount at end of year | 688,026 | 718,195 |

| | 2024 $ | 2023 $ |
|---|---|---|
| **9. Plant and equipment** | | |
| Carrying amount at beginning of year | 40,614 | 50,128 |
| Additions | 5,494 | 2,201 |
| Disposals / Adjustments | (2) | (2,271) |
| Depreciation expense | (9,310) | (9,444) |
| Carrying amount at end of year | 36,796 | 40,614 |

**10. Intangible assets**

| | 2024 $ | 2023 $ |
|---|---|---|
| Franchise Fee-at cost - Wandin | 73,056 | 73,056 |
| Less accumulated amortisation | (30,440) | (15,829) |
| | 42,616 | 57,227 |
| Right-Of-Use Asset | 331,796 | 331,796 |
| Less accumulated amortisation | (126,695) | (101,058) |
| | 205,101 | 230,738 |
| | 247,717 | 287,965 |

**11. Trade and other payables**

| | 2024 $ | 2023 $ |
|---|---|---|
| Trade creditors | 13,848 | 11,167 |
| Other creditors and accruals | 78,793 | 78,994 |
| | 92,641 | 90,161 |

**12. Borrowings**

| | 2024 $ | 2023 $ |
|---|---|---|
| Current: | | |
| Lease Liability - Warburton Hwy | 32,077 | 31,143 |
| | 32,077 | 31,143 |
| Non-current: | | |
| Lease Liability - Warburton Hwy | 199,271 | 218,860 |
| | 199,271 | 218,860 |

| | 2024 $ | 2023 $ |
|---|---|---|
| **13. Provisions** | | |
| Current: | | |
| Provision for Tax | 115,786 | 111,650 |
| Provision for Sponsorships | - | 10,000 |
| Employee benefits | 14,129 | 11,382 |
| | 129,915 | 133,032 |
| Non-Current | | |
| Make Good Provision | 32,997 | 31,309 |
| Employee benefits | 26,070 | 33,482 |
| | 59,067 | 64,791 |
| Number of employees at year end | 5 | 5 |
| **14. Share capital** | | |
| 528,311 Ordinary Shares fully paid of $1 each | 528,311 | 528,311 |
| | 528,311 | 528,311 |
| **15. Retained Earnings** | | |
| Balance at the beginning of the financial year | 2,321,735 | 1,900,589 |
| Over provision for tax | - | - |
| Profit after income tax | 501,319 | 473,978 |
| Dividends paid | (52,831) | (52,831) |
| Balance at the end of the financial year | 2,770,223 | 2,321,735 |

**16. Director and related party disclosures**

The names of Directors who have held office during the financial year are:

| | |
|---|---|
| Jayantilal Naran | Gavan McIntyre |
| Kim Parry | Raymond Barrett |
| James Brown | Graeme Prime |
| Susan Harmsworth | Anita Wood |
| Ben Vallance | Daniel Field |

No Director or related entity has entered into a material contract with the Company.

Remuneration received by directors and associates:-

| | 2024 $ | 2023 $ |
|---|---|---|
| Raymond Barrett (Consulting Fees) | 28,068 | 28,068 |
| | 28,068 | 28,068 |

| | 2024 $ | 2023 $ |
|---|---|---|
| **Directors shareholdings** | | |
| Kim Parry | 1,501 | 1,501 |
| Gavan McIntyre | 2,000 | 2,000 |
| Graeme Prime | 1,000 | 1,000 |
| Susan Harmsworth | 2,000 | 2,000 |
| Jay Naran | 1,000 | 1,000 |

Each share held has a paid up value of $1 and is fully paid.

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

**18. Contingent liabilities**
There were no contingent liabilities at the date of this report to affect the financial statements.

**19. Segment reporting**
The economic entity operates in the financial services sector where it provides banking services to its clients. The economic entity operates in regional areas of Eastern Victoria.

**20. Corporate information**
Wandin Seville Financial Services Ltd is a Company limited by shares incorporated in Australia.
The registered office and principal place of business is:

Registered Office:
Suite 10, 1 Eastridge Drive
Chirnside Park, Vic, 3116

Principal places of Business:
386 Warburton Hwy
Wandin North Vic 3139

Security Register
AFS & Associates
61-65 Bull Street
Bendigo Vic 3550

Auditor
Mizael Partners
Unit 6 12 Maroondah Hwy
Ringwood VIC 3134

| | 2024 | 2023 |
|---|---|---|
| | $ | $ |
| **21. Dividends paid or provided for on ordinary shares** | | |
| Franked dividends Paid - 10 cents per share. | 52,831 | 52,831 |
| The tax rate at which dividends have been franked is 25% | | |
| | | |
| Dividends proposed and not recognised as a liability. | | |
| Franked dividends - 10 cents per share from 2024 profits. | 52,831 | 52,831 |
| Dividends proposed will be franked at a rate of 25%, payable December 2024. | | |

**22. 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.

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).

The following reflects the income and share data used in the basic and diluted earnings per share computations:

| | 2024 | 2023 |
|---|---|---|
| Profit after income tax expense | 501,319 | 473,978 |
| Weighted average number of ordinary shares for basic and diluted earnings per share earnings per share | 528,311 | 528,311 |
| Earnings per share | 0.95 | 0.90 |

**23. Community Enterprise Funds**

*Community Enterprise Foundation*
During previous periods the company has contributed funds to the Community Enterprise Foundation (CEF), the philanthropic arm of the Bendigo and Adelaide Bank Group. These contributions form part of charitable donations and sponsorship expenditure in the Statement of Profit or Loss and Other Comprehensive Income.
The Funds Contributed are held by Sandhurst Trustees Ltd ATF CEF in trust on behalf of the company and are avaialble for distribution as grants to eligible applicants.
The balance of funds held by the CEF as at June 30 2024 is as follows:

| | 2024 | 2023 |
|---|---|---|
| | $ | $ |
| Opening Balance | 315,362 | 132,271 |
| Contributions | - | 221,100 |
| Grants paid | 14,192 | 42,099 |
| Interest | 14,915 | 4,090 |
| Management Fees | - | - |
| **Balance available for distribution** | **316,085** | **315,362** |

**23. Community Enterprise Funds - Continued**

*Youth Foundations Victoria*

During previous periods the company has contributed funds to the Youth Foundations Victora.
These contributions form part of charitable donations and sponsorship expenditure in the
Statement of Profit or Loss and Other Comprehensive Income.
The Funds Contributed are held by Sandhurst Trustees Ltd ATF Youth Foundations Victoria in trust on behalf of the company and are available for distribution as grants to eligible applicants.
The balance of funds held by the Youth Foundations Victoria as at June 30 2024 is as follows:

| | 2024 | 2023 |
|---|---|---|
| | $ | $ |
| Opening Balance | 19,507 | 26,756 |
| Contributions | - | 100 |
| Grants paid | 4,500 | 8,100 |
| Interest | 879 | 751 |
| Management Fees | - | - |
| **Balance available for distribution** | **15,886** | **19,507** |

## 24. Financial Risk Management

### Net fair values

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the statement of financial position. The Company does not have any unrecognised financial instruments at year end.

### Maturity analysis

| Financial Instrument | Floating interest rate | | Fixed interest rate maturing in | | | | | | Non interest bearing | | Weighted average effective interest rate | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Within one year | | 1 to 5 years | | Over 5 Years | | | | | |
| | 2024 $ | 2023 $ | 2024 $ | 2023 $ | 2024 $ | 2023 $ | 2024 $ | 2023 $ | 2024 $ | 2023 $ | 2024 $ | 2023 $ |
| Cash and cash equivalent | 775,756 | 288,223 | 1,893,667 | 1,839,611 | - | - | - | - | - | - | 1.00% | 1.00% |
| Trade and other receivables | - | - | - | - | - | - | - | - | 154,022 | 172,436 | | |
| **Total financial assets** | **775,756** | **288,223** | **1,893,667** | **1,839,611** | - | - | - | - | **154,022** | **172,436** | | |
| | | | | | | | | | | | | |
| Trade and other payables | - | - | - | - | - | - | - | - | 13,848 | 11,167 | | |
| **Total financial liabilities** | - | - | - | - | - | - | - | - | **13,848** | **11,167** | | |

The Company has exposure to credit risk, liquidity risk and market risk from their use of financial instruments.

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

| | 2024 $ | 2023 $ |
|---|---|---|

**(a) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. For the Company it arises from receivables and cash assets.

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the Balance Sheet and notes to the financial statements. The Company's maximum exposure to credit risk at reporting date was:

| | 2024 $ | 2023 $ |
|---|---|---|
| Cash and cash equivalents | 2,669,423 | 2,127,834 |
| Trade and other receivables | 154,022 | 172,436 |
| | 2,823,445 | 2,300,270 |

The Company's exposure to credit risk is limited to Australia by geographic area. Significant part of this balance is due from Bendigo Bank Ltd.

None of the assets of the Company are past due and based on historic default rates, the Company believes that no impairment allowance is necessary in respect of assets not past due.

The Company limits its exposure to credit risk by only investing in liquid securities with Bendigo and Adelaide Bank Ltd.

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures it will have enough liquidity to meet its liabilities when due under both normal and stressed conditions. Liquidity management is carried out within the guidelines set by the Board.

Typically, the Company maintains sufficient cash on hand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the estimated contractual maturities of financial liabilities, including estimated interest payments.

Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments whose carrying amounts approximate their fair values. Trade and other payables exclude amounts relating to the provision of annual leave and deferred revenue, which are outside the scope of AASB 139.

| | Carrying amount $ | Contractual cash flows $ | 1 year or less $ | Over 1 to 5 years $ | More than 5 years $ |
|---|---|---|---|---|---|
| **30-Jun-24** | | | | | |
| Trade and other payables | 13,848 | - | 13,848 | - | - |
| Borrowings | - | - | - | - | - |
| | 13,848 | - | 13,848 | - | - |
| **30-Jun-23** | | | | | |
| Trade and other payables | 11,167 | - | 11,167 | - | - |
| Borrowings | - | - | - | - | - |
| | 11,167 | - | 11,167 | - | - |

| | 2024 $ | 2023 $ |
|---|---|---|

**(c) Market risk**

Market risk is the risk that changes in market prices, such as interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

**Interest Rate Risk**

Interest rate risk is that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company reviews the exposure to interest rate risk as part of the regular board meetings.

**Sensitivity analysis**

At the reporting date the interest rate profile of the Company's interest bearing financial instruments was:

| | 2024 $ | 2023 $ |
|---|---|---|
| **Fixed rate instruments** | | |
| Financial assets (fixed rate) | 1,893,667 | 1,839,611 |
| Financial liabilities (fixed rate) | - | - |
| Financial liabilities (floating rate) | - | - |
| | 1,893,667 | 1,839,611 |

Fair value sensitivity analysis for fixed rate instruments.
The Company does not account for any fixed interest rate financial assets or liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

**(d) Net fair values**

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the Balance Sheet. The Company does not have any unrecognised financial instruments at year end.

**(e) Capital management**

The Board's policy is to maintain a strong capital base so as to sustain future development of the Company. The Board of Directors monitor the return on capital and the level of dividends to shareholders. Capital is represented by total equity as recorded in the Balance Sheet.

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

(i) the Distribution Limit is the greater of:
(a) 20% of the profit or funds of the Franchisee otherwise available for distribution to shareholders in that 12 month period; and

(b) subject to the availability of distributable profits, the Relevant Rate of Return multiplied by the average level of share capital of the Franchisee over that 12 month period; and

(ii) the Relevant Rate of Return is equal to the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%.

The Board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the Company is such that amounts will be paid in the form of charitable donations and sponsorship. Charitable donations and sponsorship paid for the year ended 30 June 2023 can be seen in the Income Statement. There werer no changes in the Company's approach during the year.

**WANDIN SEVILLE FINANCIAL SERVICES LTD**
**DECLARATION BY DIRECTORS**

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

1) the financial statements and notes are in accordance with the Corporations Act 2001 and:

(a) comply with Accounting Standards, 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 2024 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.

R S Barrett

Raymond Barrett, Chairperson
Date: 28/10/2024

SHarmsworth

Susan Harmsworth, Director
Date: 28/10/2024

MIZAEL
PARTNERS
Accountants I Auditors I Business Visa Accountants

**Independent Auditor's Report**
**To the Members of Wandin Seville Financial Services Ltd**

## Opinion

We have audited the financial report of Wandin Seville Financial Services Ltd ("the Company") which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company 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 2024 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards to the extent described in Note 1 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*, 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.

**Mizael Auditors Pty Ltd**
**ABN** 91 164 180 241
**A.** Suite 6, 12 Maroondah Hwy, Ringwood, VIC 3134
Unit 7, 5-7 Ross St, Parramatta, NSW 2150
**P.** 1300 444 004 • **E.** hello@mizaelpartners.com.au

## 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The director's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

## 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 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.

- 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.

**Mizael Auditors Pty Ltd**

**Ryan Mizael, RCA**
Director

Dated this 29th day of October 2024

Community Bank · Wandin Seville
386 Warburton Highway,
Wandin North VIC 3139
Phone: 5964 4595
Web: bendigobank.com.au/wandin-seville

Franchisee: Wandin Seville Financial Services Limited
ABN: 33 098 648 296
Shop 15 / 2 Union Road
Wandin North VIC 3139
Phone: 5964 2356
Email: executive.officer@wsfsl.com.au

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

/communitybankwandinseville

Bendigo Bank