Annual Report 2024

Bacchus Marsh Community Enterprise Limited

Community Bank
Bacchus Marsh

ABN 11 164 574 832

Contents

Chair’s report

For year ending 30 June 2024

Dear shareholders and customers,

As the Chair of Bacchus Marsh Community Enterprise Limited it gives me great pleasure to present the Financial Reports for the 23/24 financial year, our 11th Annual Report and our 10th year of banking in Bacchus Marsh.

In the last year, Community Bank Bacchus Marsh has experienced solid growth in the footings (loans and deposits) and very strong growth in our customer base.

The branch footings grew by 3.29% or $9.65 Million to $327.7 Million and the branch revenue was down 12% or $266,028 on the 22/23 year. This result did not meet our budget in footings or revenue and was a direct reflection of the difficult lending market and the tightening of margins in the finance sector.

Despite the reduction in revenue, the company’s expenses of $1,945,338 included a $400,000 deposit into the Community Enterprise Foundation for future community investments and over $290,000 was invested directly into activities in our community. In addition to this funding, we spent $120,384 from our Community Enterprise Foundation funds on our scholarship programmes, green grants and 2 new programs aimed to improve the lives of our younger generation - Inform and Empower, a digital and online safety program in primary schools and the Money Mentor program – giving our secondary school students the tools to manage their finances.

Operating profit before Community Investment and tax was $781,396 a considerable drop on last year’s result and profit after tax was also lower than last year at $68,691. These figures resulted in an earnings per share of $0.0741 compared to $0.1307 last year.

Interest rates have steadied and even though our deposit growth is strong, the environment to increase our loans has been challenging. The revenue budget for this financial year is difficult to predict due to a number of factors but we expect a slight increase on this year’s result for FY 24/25.

Thanks to our customers we invested over $691,000 into our community. $291,000 directly into groups and not for profit organisations and a further $400,000 into the Community Enterprise Foundation. The Foundation now holds over $1,300,000 in trust for our scholarships, Grants Programmes and seed funding for large projects. In October 2024 we expect our investment into our community since opening to exceed $2,000,000.

23/24 was our 7th year of the Scholarship programme and this year we awarded a First Year University Scholarship to Jordyn Mace and a bursary to 3 other students from Bacchus Marsh. We also continued to support another local, Zali Ward, to achieve her sporting goals with a High Achiever Ambassadorship worth $5,000 per year for 4 years and we sent 3 young locals to the Magic Moments Leadership Camp in Sydney. This year, we also had the opportunity to create a Deakin School of Rural Medicine bursary for 2 young doctors who are living, training and working in our local hospital and GP Clinics in their practical year of their medical degree. We are very proud to be able to support our young people on their life journey.

Over the past year, Bacchus Marsh Community Enterprise Limited proudly joined 24 other community enterprises in our network to gain social enterprise certification. This formal recognition highlights our long-standing commitment to making a positive impact within our community and underscores our dedication as a ‘business for good’. It is affirmed by our mission to be a substantial, sustainable community-built business that contributes to community prosperity.

The previous year’s excellent result allowed us to pay all shareholders a fully franked dividend of $0.14 cents per share in December 2023 and this dividend brings the return to shareholders to $0.455 per share since opening in 2014.

We will continue to assess the need for banking services in our community and ensure we are best placed to service our existing customers and those new customers who are not inclined to travel to other towns to conduct their banking. We are always open for those that want to do business with us online.

We are immensely proud of all of our staff and would like to thank Ian, Veronica and the team for the outstanding service they provide to our community. Our volunteer board has also been well supported by Amanda (on leave) our Minute Secretary, and Amber, our Community Engagement Officer, who assist us to achieve our governance responsibilities and maintain a strong connection with our community.

I would like to sincerely thank my fellow board members for your tireless support and ongoing contribution to the success of our company and Community Bank Bacchus Marsh. Your passion for our community and our company is awesome and is to be congratulated.

Bendigo Bank continues to be a valuable partner in all things Community Bank and we thank you on behalf of our company and the community.

To our shareholders and customers, thank you for banking with Community Bank Bacchus Marsh, believing in the model and investing in your community.

Together we can make great things happen.

Claire Sutherland
Chair

Bacchus Marsh COMMUNITY Enterprise Limited

Social Traders CERTIFIED SOCIAL ENTERPRISE
Business for good

Manager's report

For year ending 30 June 2024

Our challenge for 2023/24 financial year was always going to be to consolidate on the good work we had done in our previous years. The lending interest rates have increased to the highest levels since 2008 and the home loan market has seen a large reduction in the number of properties sold with the main area of property turnover being investors selling off their investment properties to debt reduce.

As we are only one of two banks left in the town it was important we continue to grow our market share so a key focus was to continue to provide a high level of service to our existing clients and make the transition to new clients moving banks as seamless as possible.

Deposit growth and new clients to Community Bank Bacchus Marsh was our strongest area with our deposits growing by $6.2 Million and new to bank clients increasing by 15% to 4,950 clients now banking with our Community Bank. Our Home Loan lending went backwards last year mainly due to the high-interest rate climate however we did have a couple of good Business Banking Loans settle which grew our lending book by $3.4 Million. Although we did not meet the target we had set at the start of the year, I am pleased we were able to consolidate our lending and deposit book in a very tough financial environment.

Our biggest asset is our staff. They all work tirelessly to ensure our customers are provided with the the best level of service possible and they are a very experienced team with half the staff working for us for more than 5 years.

In our lending suite we have Simran, Craig and myself all working in the lending area. Craig joined our team in August 2023 and has a lending background, having worked for Circle CU for 15 years and NAB for more than 20 years. The amount of new lending was similar to the previous year however we did experience more runoff from our lending book with many local investors selling off investment properties.

In the branch we have Veronica who manages the staff and has been with us since the branch opened. Janine, Michelle, Melissa, Sarah, Jess and Teresa are all now experienced members of our team and provide a high level of service to our customers.

I would like to thank all my staff on the work they have done, I am so proud of the team we have. They go above and beyond to provide the highest level of service. They also get involved in Community events and promote Community Bank Bacchus Marsh in a very positive way.

Our aim over the next 12 months is to continue providing the highest level of service to our customers. With the experienced staff we now have this will see us continue to grow our Deposit & Loan books

I would also like to take this opportunity to thank the board for all their support. Claire and all the board members are volunteers who contribute large amounts of their time to ensuring Community Bank Bacchus Marsh has all the tools needed to continue to grow and provide the level of service our customers deserve.

I am also well supported by Bendigo Bank who provide the financial licence and ensure we are compliant. To Leanne Martin who has been my Regional Manager for the past two years, a big thank you for all the support she provides to myself and the board.

For us to continue to grow we need client support advocating our service and Bendigo Bank products and always remember,

"Support the Community Bank that supports your Community."

Ian Prince
Branch Manager
Community Bank Bacchus Marsh

Bendigo and Adelaide Bank report

For year ending 30 June 2024

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

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

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

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

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

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

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

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

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

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

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

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

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

Justine Minne
Bendigo and Adelaide Bank

Community Bank National Council report

For year ending 30 June 2024

Community Bank network: celebrating 26 years of empowering communities

This year our Community Bank network celebrated 26 years of providing grassroots support to metro, regional, rural and remote communities across Australia. It's a milestone that has been widely applauded by our customers and partners who recognise the significant role we play in the lives of everyday Australians. We're there when it matters – whether that be as second responders in times of natural disaster, crisis and need; or as community builders, providing resources and support; help and hope.

In the 2022-23 financial year, our Community Bank network gave back more than $32 million in grants, sponsorships and donations to local community projects and initiatives. Over 26 years, we have returned more than $324 million to local communities for emergency services; facilities and infrastructure; sport and recreation; education and research; health and wellbeing; art, culture and heritage as well as environment and animal welfare.

As a shareholder in your local Community Bank, you are part of this incredible social enterprise network that is playing an ever-important role in the Australian economy. With close working relationships with local, state and federal government, peak governing bodies, clubs and community organisations, we are integrally connected and in tune with the needs of everyday Australians.

Our Community Bank network is a first mover in Australia with our unique social enterprise model. The first Community Bank opened its doors in 1998, and since then, the network has grown to 305 Community Bank branches. Today we represent a diverse cross-section of Australia with more than 215 community enterprises, 70,000+ shareholders, 1500+ volunteer directors, 1700 staff and 950,000 customers.

Our Community Bank National Council (CBNC) plays a pivotal role in these relationships. The CBNC consists of both elected and appointed members from every state and territory. The role of council is to represent the network with its partners and to engage in strategic planning that delivers positive outcomes for our business and our communities.

The 2024 - 2026 Community Bank National Council Strategic Plan has four key focus areas:

- Impact – a planned, deliberate approach with investments that enhance community prosperity.
- Leadership and advocacy – to ensure the long-term sustainability of our enterprises.
- Network alignment – enabling us to develop and nurture partnerships that align with our defined areas of social impact.
- Commercial prosperity – supporting the commercial success of our enterprises.

It is through this strategic plan, which has a foundation built on connection and collaboration, that we will deliver a strong, and secure future for our directors, shareholders, staff and the communities we serve.

Warm regards

Lauren Bean
General Manager
Community Bank National Council

Carbon neutral operations

Our Community Bank operations are certified carbon neutral.

We are proud to have been certified carbon neutral as an organisation since 2021. This means that we purchase and retire carbon offsets against emissions from our operations as part of Bendigo and Adelaide Bank.

We are certified through Climate Active which is a partnership between the Australian Government and Australian businesses to drive voluntary climate action. The certification is awarded to businesses that have achieved a state of carbon neutrality – just like ours.

Our certification empowers the community to support organisations taking positive action on climate change. While we know that offsetting won't solve climate change, it is an important step as we continue work to reduce our own emissions.

For more information, please refer to our most recent Climate Active Public Disclosure Statement or Bendigo and Adelaide Bank's Climate & Nature Action Plan.

Climate Active
Carbon Neutral
ORGANISATION

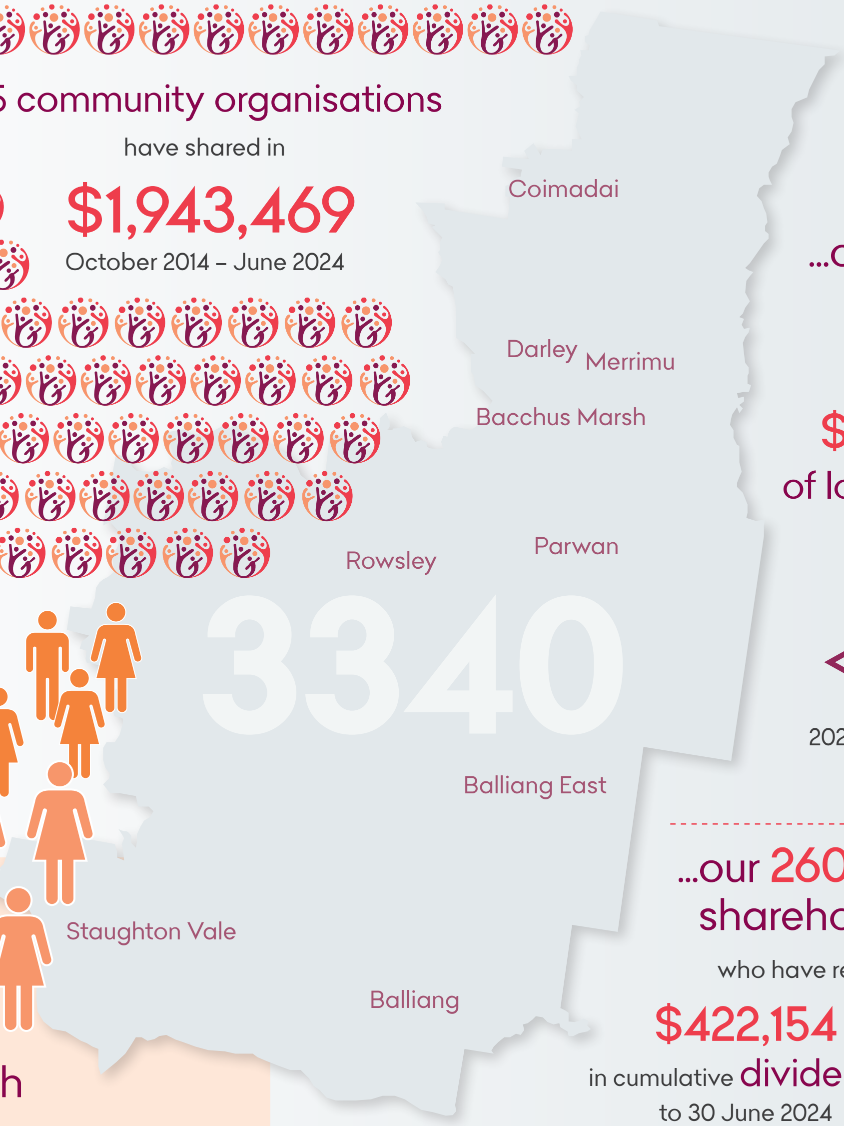
What is Carbon Offsetting?

Carbon offsetting is a way for organisations to cancel out carbon emissions they are not able to eliminate, by investing in projects that reduce or remove emissions.For more information, please refer to our most recent Climate Active Public Disclosure Statement or Bendigo and Adelaide Bank's Climate & Nature Action Plan.

Investing in our community...

...our local community organisations

115 community organisations
have shared in
$1,943,469
October 2014 – June 2024



...our local youth

24 university scholarship/ bursary recipients

Thanks to...

...our 4,950 local customers

at 30 June 2024
with
$327.7 million
of loans and deposits

2023-24: $9.65 million, 3% growth

...our 260 local shareholders

who have received
$422,154
in cumulative dividends
to 30 June 2024

2022-23: 14 cents fully franked dividend

...our local and expanding team

116,603 hours local employment
since opening 30 October 2014 - 30 June 2024

Left to right: Branch Team: Simran Kaur, Michelle Molenkamp, Janine Payne, Veronica Mayne, Melissa Fellows, Craig Fraser, Jess Watkins, Sarah Rhoads, Ian Prince, Teresa Jacobsen.

Directors' report

For the financial year ended 30 June 2024

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

Directors

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

Claire Therese Sutherland

Title:	Non-executive director
Experience and expertise:	30 years experience in the hospitality industry. Former Director and Chair of Djerriwarrh Health Services, Ronald McDonald House Parkville Inc. and former Director of Ronald McDonald House Charities. Current Chair of Bacchus Marsh Community Unlimited Inc.
Special responsibilities:	Chair; Finance, Audit and Risk Review Committee; Employee Relations Committee; Community Investment Committee (Ex-officio)

Ian Colin Barnett

Title:	Non-executive director
Experience and expertise:	Bacchus Marsh Community Enterprise Ltd Director and Treasurer, CFA Volunteer 43 years, Bacchus Marsh Fire Brigade Treasurer & Past Treasurer, Pentland Fire Brigades Group, Bacchus Marsh Community Unlimited Inc. Treasurer, Regional Tyre Service and Regional Ringtread Director 40 years, Committee Member for the Victorian Tyre Dealers Association – a division of the Victorian, Automobile Chamber of Commerce, Bacchus Marsh and District Holden Car Club Inc. Member.
Special responsibilities:	Treasurer; Finance, Audit and Risk Review Committee

Heather Jean Steegstra

Title:	Non-executive director
Experience and expertise:	Reception & Clerical Local Government – 8 years, Integration Aide with Education Department – 8 years, Bookkeeping for privately run businesses, Certificate of Financial Management in Schools. Business Manager, Department of Education – 16 years, Bacchus Marsh Golf Club Ladies Committee Secretary – 10 years.
Special responsibilities:	Community Investment Committee

Travis Ashley Bawden

Title:	Non-executive director
Experience and expertise:	Over 20 years in the Information Technology industry within Management, Project Management and Consultancy. Master of Management, Member of CFA for 20 years including Volunteer & former office bearer.
Special responsibilities:	Deputy Chair; Community Investment Committee

Directors (continued)

Simon Maynard Hooper

Title:	Non-executive director
Experience and expertise:	In 2018-2019 Simon was Head of Product - Precision Autonomy and is currently Head of Underwriting - Precision Autonomy. Since 2015 he has been a Director of Australian Association for Unmanned Systems. Simon holds a Bachelor of Aviation, Cert IV in General Insurance and Cert IV in Accounting and Bookkeeping.
Special responsibilities:	Finance, Audit and Risk Review Committee

Paula Elizabeth McMillan

Title:	Non-executive director
Experience and expertise:	Various roles including Management and Project Management in Australia Post for 26 years. Ward Clerk, Bacchus Marsh Hospital, Board Member Bacchus Marsh Community College and Member of the Bacchus Marsh Urban Fire Brigade.
Special responsibilities:	Community Investment Committee; Employee Relations Committee

Keith Walter Currie

Title:	Non-executive director
Experience and expertise:	Keith is a Mathematics and Science teacher. He has been Vice Principal of The Scots College (Sydney), Foundation Principal of Trinity Anglican College-Albury, Assistant Principal at Bacchus Marsh Grammar. Keith holds B.Sc (ANU), Dip. Ed. (CCAE), B.Bus. (Accounting) (CSU) and M. Ed. (U Syd). A member of Rotary Club of Bacchus Marsh. Chairman - Moorabool Light Orchestra, Board Member - Western Emergency Relief Network, Board Member - Bacchus Marsh Public Hall Committee of Management, Past President - Rotary Bacchus Marsh.
Special responsibilities:	Secretary; Employee Relations Committee; Community Investment Committee

John Payne

Title:	Non-executive director
Experience and expertise:	Certified Practising Accountant 1986 - 2021 Qualifications - FCPA (fellow CPA Aus.), Community Care Worker (New Aged Care 2023, Intereach 2023). Director DPH Property Investments Pty Ltd.
Special responsibilities:	Finance, Audit and Risk Review Committee; Employee Relations Committee

Karen Patricia Hapgood

Title:	Non-executive director (resigned 14 November 2023)
Experience and expertise:	Karen Hapgood is a Professor of Engineering and Deputy Vice Chancellor for Research at Swinburne University of Technology. She holds a Bachelor and PhD in Chemical Engineering, Graduate Certificate in Higher Education, and is a Graduate of the Australian Institute of Company Directors. She is a also a director at Swinburne Ventures Limited.
Special responsibilities:	Employee Relations Committee

Directors (continued)

Peter George Tonks

Title:	Non-executive director (resigned 17 July 2023)
Experience and expertise:	Peter has experience in accounting, management and contracting. He is a member of the Tourism Association, Abbeyfield Community House and Probus.
Special responsibilities:	Community Investment Committee

Company secretary

The Company secretary is Keith Walter Currie. Keith was appointed to the position of company secretary on 16 November 2021.

Principal activity

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

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

Review of operations

The profit for the company after providing for income tax amounted to $68,691 (30 June 2023: $121,228).

Operations have continued to perform in line with expectations.

Dividends

During the financial year, the following dividends were declared.

	2024 $	2023 $
Fully franked dividend of 14 cents per share (2023: 8 cents)	129,893	74,225

Significant changes in the state of affairs

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

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

Matters subsequent to the end of the financial year

The company has entered into a new five-year franchise agreement with Bendigo Bank with effect from 30 October 2024. Consequently, the company will record a material increase to its intangible assets and trade and other payables disclosed in the Statement of financial position of $70,763.

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

Likely developments and expected results of operations

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

Environmental regulation

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

Meetings of directors

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

	Board		Community Investment Committee		Finance, Audit and Risk Review Committee		Employee Relations Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Claire Therese Sutherland	11	10	1	1	4	4	1	1
Ian Colin Barnett	11	10	1	1	4	4	-	-
Heather Jean Steegstra	11	11	1	-	-	-	-	-
Travis Ashley Bawden	11	8	1	1	-	-	-	-
Simon Maynard Hooper	11	5	-	-	4	3	-	-
Paula Elizabeth McMillan	11	11	1	1	-	-	1	1
Keith Walter Currie	11	7	1	-	-	-	-	-
John Payne	11	8	-	-	4	4	1	-
Karen Patricia Hapgood	4	4	-	-	-	-	1	-
Peter George Tonks	-	-	-	-	-	-	-	-

Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Directors' interests

The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Claire Therese Sutherland	25,001	-	25,001
Ian Colin Barnett	25,001	-	25,001
Heather Jean Steegstra	4,001	-	4,001
Travis Ashley Bawden	1	-	1
Simon Maynard Hooper	2,000	-	2,000
Paula Elizabeth McMillan	1,001	-	1,001
Keith Walter Currie	-	-	-
John Payne	10,001	-	10,001
Karen Patricia Hapgood	2,000	-	2,000
Peter George Tonks	2,000	-	2,000

Shares under option

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

Shares issued on the exercise of options

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

Indemnity and insurance of directors and officers

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

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

Proceedings on behalf of the company

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

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

Indemnity and insurance of auditor

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

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

Non-audit services

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

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

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

Auditor's independence declaration

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

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

On behalf of the directors

Claire Therese Sutherland
Chair

16 September 2024

Auditor's independence declaration

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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Bacchus Marsh Community Enterprise Limited

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 16 September 2024

Lachlan Tatt
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation.

Financial statements

Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 $	2023 $
Revenue from contracts with customers	7	2,010,133	2,276,161
Finance revenue		31,523	10,868
Total revenue		**2,041,656**	**2,287,029**
Employee benefits expense	8	(932,255)	(815,891)
Advertising and marketing costs		(11,339)	(8,770)
Occupancy and associated costs		(29,909)	(28,908)
System costs		(31,909)	(33,722)
Depreciation and amortisation expense	8	(112,861)	(111,914)
Finance costs	8	(29,553)	(32,416)
General administration expenses		(112,434)	(102,859)
Total expenses before community contributions and income tax		**(1,260,260)**	**(1,134,480)**
Profit before community contributions and income tax expense		781,396	1,152,549
Charitable donations, sponsorships and grants expense	8	(691,243)	(989,258)
Profit before income tax expense		**90,153**	**163,291**
Income tax expense	9	(21,462)	(42,063)
Profit after income tax expense for the year		**68,691**	**121,228**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**68,691**	**121,228**
		Cents	**Cents**
Basic earnings per share	28	7.40	13.07
Diluted earnings per share	28	7.40	13.07

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

Statement of financial position
As at 30 June 2024

	Note	2024 $	2023 $
Assets			
Current assets			
Cash and cash equivalents	10	128,509	159,898
Trade and other receivables	11	184,404	211,021
Investments	12	649,010	630,037
Total current assets		**961,923**	**1,000,956**
Non-current assets			
Property, plant and equipment	13	124,829	155,654
Right-of-use assets	14	665,385	675,674
Intangible assets	15	4,356	17,424
Deferred tax assets	9	67,521	53,257
Total non-current assets		**862,091**	**902,009**
Total assets		**1,824,014**	**1,902,965**
Liabilities			
Current liabilities			
Trade and other payables	16	22,116	15,827
Borrowings	17	4,463	14,602
Lease liabilities	18	84,141	55,833
Current tax liabilities	9	2,320	29,994
Employee benefits	19	107,643	84,294
Total current liabilities		**220,683**	**200,550**
Non-current liabilities			
Borrowings	17	-	4,871
Lease liabilities	18	750,858	791,931
Employee benefits	19	22,245	14,639
Provisions		12,014	11,558
Total non-current liabilities		**785,117**	**822,999**
Total liabilities		**1,005,800**	**1,023,549**
Net assets		**818,214**	**879,416**
Equity			
Issued capital	20	898,544	898,544
Accumulated losses		(80,330)	(19,128)
Total equity		**818,214**	**879,416**

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

Statement of changes in equity
For the year ended 30 June 2024

	Note	Issued capital $	Accumulated losses $	Total equity $
Balance at 1 July 2022		**898,544**	**(66,131)**	**832,413**
Profit after income tax expense		-	121,228	121,228
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		**-**	**121,228**	**121,228**
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	22	-	(74,225)	(74,225)
Balance at 30 June 2023		**898,544**	**(19,128)**	**879,416**
Balance at 1 July 2023		**898,544**	**(19,128)**	**879,416**
Profit after income tax expense		-	68,691	68,691
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		**-**	**68,691**	**68,691**
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	22	-	(129,893)	(129,893)
Balance at 30 June 2024		**898,544**	**(80,330)**	**818,214**

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

Statement of cash flows
For the year ended 30 June 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,238,166	2,446,475
Payments to suppliers and employees (inclusive of GST)		(1,968,156)	(2,233,859)
Interest received		31,523	10,868
Interest and other finance costs paid		(129)	(860)
Income taxes paid		(63,401)	(22,314)
Net cash provided by operating activities	**27**	**238,003**	**200,310**
Cash flows from investing activities			
Redemption of/(investment in) term deposits		(18,973)	109,132
Payments for property, plant and equipment		(5,870)	(36,204)
Payments for intangible assets		(14,095)	(14,095)
Net cash provided by/(used in) investing activities		**(38,938)**	**58,833**
Cash flows from financing activities			
Interest and other finance costs paid		(29,012)	(31,155)
Repayment of borrowings		(15,010)	(14,150)
Dividends paid	22	(129,893)	(74,225)
Repayment of lease liabilities		(56,539)	(51,901)
Net cash used in financing activities		**(230,454)**	**(171,431)**
Net increase/(decrease) in cash and cash equivalents		(31,389)	87,712
Cash and cash equivalents at the beginning of the financial year		159,898	72,186
Cash and cash equivalents at the end of the financial year	**10**	**128,509**	**159,898**

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

Notes to the financial statements

For the year ended 30 June 2024

Note 1. Reporting entity

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

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 2/137A Main Street, Bacchus Marsh VIC 3340.

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

Note 2. Basis of preparation and statement of compliance

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

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 16 September 2024. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

Adoption of new and revised accounting standards

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

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

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

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

Accounting standards issued but not yet effective

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

Note 3. Material accounting policy information (continued)

Current and non-current classification

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

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Impairment of non-financial assets

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

Timing of revenue recognition associated with trail commission

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

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

Allowance for expected credit losses on trade and other receivables

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

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

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

Impairment of non-financial assets

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

Recovery of deferred tax assets

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

Lease term

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

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

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

Estimates and assumptions

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives or assets that have been abandoned or sold will be written off or written down.

Incremental borrowing rate

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

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

Employee benefits provision

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

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

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

Lease make good provision

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

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors entered into a new franchise agreement subsequent to 30 June 2024 expiring in October 2029.

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

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

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

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

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

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

Note 6. Change to comparative figures

Classification of term deposits

During the year the directors reviewed the requirements of AASB 107 Statement of Cash Flows and noted term deposits normally qualify as a cash and cash equivalent only when they have initial investment periods of three months or less. In previous financial years the company classified all term deposits as cash and cash equivalents in the preparation of the financial statements even if they had initial investment periods greater than three months.

In the preparation of the financial statements for the current financial year, the directors updated its accounting policy to align to the requirements of AASB 107, restating comparatives figures to reclassify term deposits with initial investment periods greater than three months as current investments instead of cash and cash equivalents in the Statement of financial position.

The change in classification had the following impacts on comparative figures:

- Cash and cash equivalents decreased and investments increased by $630,037 at 30 June 2023 as reported in the Statement of financial position.
- Opening and closing cash balances were reduced to exclude term deposits with initial investment periods greater than three months as reported in the Statement of cash flows.
- Investments in and redemptions of term deposits with initial investment periods greater than three months are now classified within investment activities as reported in the Statement of cash flows.

The change in classification had no impact on the company's net profit or net asset position.

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

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

During the financial year the company recorded a change in accounting policy, whereby it elected to recognise the right-of-use asset net of accumulated depreciation on initial adoption of AASB 16. The change in accounting policy had no impact on the company's net profit or net asset position, however it did reduce the company's right-of-use asset cost and accumulated depreciation at 30 June 2023 by $204,206.

Note 7. Revenue from contracts with customers

	2024 $	2023 $
Margin income	1,812,863	2,100,016
Fee income	94,232	85,631
Commission income	103,038	90,514
	2,010,133	**2,276,161**

Accounting policy for revenue from contracts with customers

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

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

Note 7. Revenue from contracts with customers (continued)

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

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

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

Revenue calculation

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

Margin income

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

Interest paid by customers on loans less interest paid to customers on deposits

plus: any deposit returns i.e. interest return applied by Bendigo Bank for a deposit

minus: any costs of funds i.e. interest applied by Bendigo Bank to fund a loan.

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

Commission income

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

Fee income

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

Core banking products

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

Ability to change financial return

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

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

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

Note 8. Expenses

Employee benefits expense

	2024 $	2023 $
Wages and salaries	782,093	683,230
Non-cash benefits	10,536	10,683
Superannuation contributions	86,609	75,336
Expenses related to long service leave	15,288	13,453
Other expenses	37,729	33,189
	932,255	**815,891**

Depreciation and amortisation expense

	2024 $	2023 $
Depreciation of non-current assets		
Leasehold improvements	15,408	15,351
Plant and equipment	5,136	5,358
Furniture and fittings	3,440	3,187
Motor vehicles	12,711	12,709
	36,695	**36,605**
Depreciation of right-of-use assets		
Leased land and buildings	**63,098**	**62,241**
Amortisation of intangible assets		
Franchise fee	2,178	2,178
Franchise renewal process fee	10,890	10,890
	13,068	**13,068**
	112,861	**111,914**

Finance costs

	2024 $	2023 $
Bank loan interest paid or accrued	129	860
Lease interest expense	29,012	31,155
Unwinding of make-good provision	412	401
	29,553	**32,416**

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

Leases recognition exemption

	2024 $	2023 $
Expenses relating to low-value leases	**10,882**	**14,489**

Note 8. Expenses (continued)

Charitable donations, sponsorships and grants expense

	2024 $	2023 $
Direct donation, sponsorship and grant payments	291,243	389,258
Contribution to the Community Enterprise Foundation™	400,000	600,000
	691,243	**989,258**

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

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

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

Note 9. Income tax

	2024 $	2023 $
Income tax expense		
Current tax	38,087	47,352
Movement in deferred tax	(14,264)	(5,289)
Under/over adjustment	(2,361)	-
Aggregate income tax expense	**21,462**	**42,063**
Prima facie income tax reconciliation		
Profit before income tax expense	**90,153**	**163,291**
Tax at the statutory tax rate of 25%	22,538	40,823
Tax effect of:		
Non-deductible expenses	1,285	1,240
Under/over adjustment	(2,361)	-
Income tax expense	**21,462**	**42,063**

	2024 $	2023 $
Deferred tax assets/(liabilities)		
Property, plant and equipment	(10,339)	(17,368)
Employee benefits	32,473	24,733
Provision for lease make good	3,003	2,890
Accrued expenses	700	700
Lease liabilities	208,750	211,941
Right-of-use assets	(166,346)	(168,919)
Accrued income	(720)	(720)
Deferred tax asset	**67,521**	**53,257**

Note 9. Income tax (continued)

	2024 $	2023 $
Current tax liabilities	**2,320**	**29,994**

Accounting policy for income tax

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

Accounting policy for current tax

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

Accounting policy for deferred tax

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

Note 10. Cash and cash equivalents

	2024 $	2023 $
Cash at bank and on hand	**128,509**	**159,898**

Note 11. Trade and other receivables

	2024 $	2023 $
Trade receivables	**167,548**	**193,919**
Accrued income	2,880	2,880
Prepayments	13,976	14,222
	16,856	**17,102**
	184,404	**211,021**

Accounting policy for trade and other receivables

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

Note 12. Investments

	2024 $	2023 $
Current assets		
Term deposits	**649,010**	**630,037**

Note 13. Property, plant and equipment

	2024 $	2023 $
Leasehold improvements - at cost	216,894	215,822
Less: Accumulated depreciation	(116,193)	(104,622)
	100,701	**111,200**
Plant and equipment - at cost	61,551	61,551
Less: Accumulated depreciation	(54,577)	(49,441)
	6,974	**12,110**
Furniture and fittings - at cost	27,391	26,430
Less: Accumulated depreciation	(14,869)	(11,429)
	12,522	**15,001**
Motor vehicles - at cost	50,841	50,841
Less: Accumulated depreciation	(46,209)	(33,498)
	4,632	**17,343**
	124,829	**155,654**

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

	Leasehold improvements $	Plant and equipment $	Furniture and fittings $	Motor vehicle $	Total $
Balance at 1 July 2022	102,711	15,278	8,014	30,052	156,055
Additions	23,840	2,190	10,174	-	36,204
Depreciation	(15,351)	(5,358)	(3,187)	(12,709)	(36,605)
Balance at 30 June 2023	**111,200**	**12,110**	**15,001**	**17,343**	**155,654**
Additions	4,909	-	961	-	5,870
Depreciation	(15,408)	(5,136)	(3,440)	(12,711)	(36,695)
Balance at 30 June 2024	**100,701**	**6,974**	**12,522**	**4,632**	**124,829**

Accounting policy for property, plant and equipment

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

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

Leasehold improvements	1 to 17 years
Plant and equipment	1 to 20 years
Furniture and fittings	1 to 10 years
Motor vehicles	4 years

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

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

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

Note 14. Right-of-use assets

	2024 $	2023 $
Land and buildings - right-of-use	977,701	924,892
Less: Accumulated depreciation	(312,316)	(249,218)
	665,385	**675,674**

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

	Land and buildings $
Balance at 1 July 2022	742,297
Remeasurement adjustments	(4,382)
Depreciation expense	(62,241)
Balance at 30 June 2023	**675,674**
Remeasurement adjustments	52,809
Depreciation expense	(63,098)
Balance at 30 June 2024	**665,385**

Accounting policy for right-of-use assets

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

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

Refer to note 18 for more information on lease arrangements.

Note 15. Intangible assets

	2024 $	2023 $
Franchise fee	20,890	20,890
Less: Accumulated amortisation	(20,164)	(17,986)
	726	**2,904**
Franchise renewal fee	54,450	54,450
Less: Accumulated amortisation	(50,820)	(39,930)
	3,630	**14,520**
	4,356	**17,424**

Note 15. Intangible assets (continued)

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

	Franchise fee $	Franchise renewal fee $	Total $
Balance at 1 July 2022	5,082	25,410	30,492
Amortisation expense	(2,178)	(10,890)	(13,068)
Balance at 30 June 2023	**2,904**	**14,520**	**17,424**
Amortisation expense	(2,178)	(10,890)	(13,068)
Balance at 30 June 2024	**726**	**3,630**	**4,356**

Accounting policy for intangible assets

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

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

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

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

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

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

Change in estimates

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

Events after the reporting period

The company entered into a new franchise agreement subsequent to year-end. Refer to note 31 for further information.

Note 16. Trade and other payables

	2024 $	2023 $
Current liabilities		
Trade payables	1,078	4,206
Other payables and accruals	21,038	11,621
	22,116	**15,827**

	2024 $	2023 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	22,116	15,827
Less: other payables and accruals - net GST (payable to)/receivable from the ATO	(659)	25,426
	21,457	**41,253**

Note 17. Borrowings

	2024 $	2023 $
Current liabilities		
Chattel mortgages	**4,463**	**14,602**
Non-current liabilities		
Chattel mortgages	**-**	**4,871**

Chattel mortgages

Chattel mortgages are repayable monthly with the final instalment due on October 2024. Interest is recognised at fixed rate of 3.15%. Upon the last payment the registered security over the motor vehicle is removed.

Note 18. Lease liabilities

	2024 $	2023 $
Current liabilities		
Land and buildings lease liabilities	**84,141**	**55,833**
Non-current liabilities		
Land and buildings lease liabilities	**750,858**	**791,931**

Reconciliation of lease liabilities

	2024 $	2023 $
Opening balance	847,764	904,047
Remeasurement adjustments	43,774	(4,382)
Lease interest expense	29,012	31,155
Lease payments - total cash outflow	(85,551)	(83,056)
	834,999	**847,764**

Accounting policy for lease liabilities

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

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

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

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Renewal options available	Estimated term based on hold over clause and likely forthcoming renewal	Reasonably certain to exercise options	Lease term end date used in calculations
Branch - Shop 1	3.54%	5 years	N/A	1 x 5 years	N/A	22 June 2034
Branch - Shop 2	3.54%	5 years	1 x 5 years	N/A	Yes	22 June 2034

Note 19. Employee benefits

	2024 $	2023 $
Current liabilities		
Annual leave	58,341	42,674
Long service leave	49,302	41,620
	107,643	**84,294**
Non-current liabilities		
Long service leave	**22,245**	**14,639**

Accounting policy for short-term employee benefits

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

Accounting policy for other long-term employee benefits

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

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

Note 20. Issued capital

	2024 Shares	2023 Shares	2024 $	2023 $
Ordinary shares - fully paid	927,810	927,810	927,810	927,810
Less: Equity raising costs	-	-	(29,266)	(29,266)
	927,810	**927,810**	**898,544**	**898,544**

Accounting policy for issued capital

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

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

Note 20. Issued capital (continued)

Dividends

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

Transfer

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

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

Prohibited shareholding interest

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

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

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). As at the date of this report, the company had 261 shareholders (2023: 261 shareholders). The base number is 198.

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

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

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

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

Note 21. Capital management

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

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

The distribution limit is the greater of:

- 20% of the profit before tax or funds of the company otherwise available for distribution (calculated as profit before tax plus accumulated profits/(losses) plus charitable donations, sponsorships and grants) to shareholders in that 12 month period; and
- subject to the availability of distributable profits, the relevant rate of return multiplied by the average level of share capital of the company over that 12 month period where the relevant rate of return is equal to the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%.

Note 21. Capital management (continued)

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, sponsorships and grants. Charitable donations, sponsorships and grants paid for the financial year can be seen in the statement of profit or loss and other comprehensive income.

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

Note 22. Dividends

The following dividends were declared to shareholders during the financial year as presented in the statement of changes in equity and statement of cash flows.

	2024 $	2023 $
Fully franked dividend of 14 cents per share (2023: 8 cents)	**129,893**	**74,225**

Franking credits

	2024 $	2023 $
Franking account balance at the beginning of the financial year	45,286	47,714
Franking credits arising from income taxes paid	63,401	22,314
Franking debits from the payment of franked distributions	(43,298)	(24,742)
	65,389	**45,286**
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	65,389	45,286
Franking credits that will arise from payment of income tax	2,320	29,994
Franking credits available for future reporting periods	**67,709**	**75,280**

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

Accounting policy for dividends

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

Note 23. Financial risk management

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

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

The directors have identified that the only significant financial risk exposures of the company are liquidity and market (price) risk.

Other financial risks are not significant to the company due to the following factors:

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

Note 23. Financial risk management (continued)

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

	2024 $	2023 $
Financial assets at amortised cost		
Trade and other receivables (note 11)	170,428	196,799
Cash and cash equivalents (note 10)	128,509	159,898
Term deposits (note 12)	649,010	630,037
	947,947	**986,734**
Financial liabilities		
Trade and other payables (note 16)	21,457	41,253
Lease liabilities (note 18)	834,999	847,764
Chattel mortgages (note 17)	4,463	19,473
	860,919	**908,490**

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

Accounting policy for financial instruments

Financial assets

Classification

The company classifies its financial assets at amortised cost.

Which comprise trade and other receivables, cash and cash equivalents and investments in term deposits.

Derecognition

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

Impairment of trade and other receivables

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

Financial liabilities

Classification

The company classifies its financial liabilities at amortised cost.

Derecognition

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

Market risk

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

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of $128,509 at 30 June 2024 (2023: $159,898) and term deposits of $649,010 at 30 June 2024 (2023: $630,037).

Price risk

The company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. The company is not exposed to commodity price risk.

Note 23. Financial risk management (continued)

Liquidity risk

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

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

2024	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Chattel mortgages	4,463	-	-	4,463
Trade and other payables	21,457	-	-	21,457
Lease liabilities	89,505	385,191	524,872	999,568
Total non-derivatives	**115,425**	**385,191**	**524,872**	**1,025,488**

2023	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Chattel mortgages	14,602	4,871	-	19,473
Trade and other payables	41,253	-	-	41,253
Lease liabilities	84,946	357,593	434,338	876,877
Total non-derivatives	**140,801**	**362,464**	**434,338**	**937,603**

Note 24. Key management personnel disclosures

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

Claire Therese Sutherland
Simon Maynard Hooper
Ian Colin Barnett
Paula Elizabeth McMillan
Heather Jean Steegstra
Keith Walter Currie
Travis Ashley Bawden
John Payne
Karen Patricia Hapgood
Peter George Tonks

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

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

Note 25. Related party transactions

Key management personnel

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

Receivable from and payable to related parties

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

Terms and conditions of transactions with related parties

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

Note 25. Related party transactions (continued)

Transactions with related parties

The company made $73,784 donations and grants to local community groups where directors or their close family members are on the committee or part of management.

Note 26. Remuneration of auditors

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

	2024 $	2023 $
Audit services		
Audit or review of the financial statements	**6,450**	**5,400**
Other services		
Taxation advice and tax compliance services	1,514	1,433
General advisory services	3,660	2,535
Share registry services	4,523	3,779
	9,697	**7,747**
	16,147	**13,147**

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

	2024 $	2023 $
Profit after income tax expense for the year	68,691	121,228
Adjustments for:		
Depreciation and amortisation	112,861	111,914
Lease liabilities interest	29,012	31,155
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	26,617	(55,431)
Increase in deferred tax assets	(14,264)	(5,289)
Increase/(decrease) in trade and other payables	11,392	(41,426)
Increase/(decrease) in provision for income tax	(27,674)	25,038
Increase in employee benefits	30,955	12,720
Increase in other provisions	413	401
Net cash provided by operating activities	**238,003**	**200,310**

Note 28. Earnings per share

	2024 $	2023 $
Profit after income tax	**68,691**	**121,228**

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	927,810	927,810
Weighted average number of ordinary shares used in calculating diluted earnings per share	**927,810**	**927,810**

	Cents	Cents
Basic earnings per share	7.40	13.07
Diluted earnings per share	7.40	13.07

Accounting policy for earnings per share

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

Note 29. Commitments

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

Note 30. Contingencies

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

Note 31. Events after the reporting period

The company has entered into a new five-year franchise agreement with Bendigo Bank with effect from 30 October 2024. Consequently, the company will record a material increase to its intangible assets and trade and other payables disclosed in the Statement of financial position of $70,763.

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

Directors' declaration

For the financial year ended 30 June 2024

In the directors' opinion:

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

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

On behalf of the directors

Claire Therese Sutherland
Chair

16 September 2024

Independent audit report

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

Independent auditor's report to the Directors of Bacchus Marsh Community Enterprise Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Bacchus Marsh Community Enterprise Limited (the company), which comprises:

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

In our opinion, the accompanying financial report of Bacchus Marsh Community Enterprise Limited, is in accordance with the *Corporations Act 2001*, including:

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

Basis for Opinion

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

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

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

Liability limited by a scheme approved under Professional Standards Legislation.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's responsibilities for the Audit of the Financial Report

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

Liability limited by a scheme approved under Professional Standards Legislation.

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 16 September 2024

Lachlan Tatt
Lead Auditor

afsbendigo.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

Community Bank · Bacchus Marsh
2/137A Main Street,
Bacchus Marsh VIC 3340
Phone: 03 5367 4660 Fax: 03 5367 4506
Email: bacchusmarshmailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/bacchus-marsh

Franchisee: Bacchus Marsh Community Enterprise Limited
ABN: 11 164 574 832
2/137A Main Street Bacchus Marsh VIC 3340
Email: bacchusmarshcelsecretary@gmail.com

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

/communitybankbacchusmarsh

/communitybankbacchusmarsh

This Annual Report has been printed on 100% Recycled Paper

Bendigo Bank

Bendigo and Adelaide Bank Limited ABN 11 068 049 178, AFSL/Australian Credit Licence 237879 A1429506 OUT_40224398 09/09/2024