

# Annual Report 2024

Belfast Community Enterprises Limited

Community Bank  
Port Fairy & District

ABN 65 161 382 832



# What community means...



## Port Fairy SES Unit

“ We feel we have a strong connection to our community, when responding to requests for assistance we do so to help keep our community safe.

Our volunteers are available 24 hours a day, 7 days a week, ready to respond at any time.”



## Directors and staff – Belfast Community Enterprises Limited

Community Bank Port Fairy & District is immensely proud of its achievements to support their local community. Since opening 10 years ago, around \$840,000 in community partnering contributions have benefitted just over 100 district not-for-profit organisations. All made possible by their customers.



## Port Fairy Urban Fire Brigade (PFUFB)

“ The PFUFB has 20 personnel, including 15 operational firefighters and are on call 24/7. Averaging over 50 call outs a year, the brigade responds to structural fires, grass fires, gas leaks, road accidents and floods. We are fortunate to live in a vibrant volunteering orientated community and very proud to be part of it.”



## Port Fairy Folk Festival

“ Community, it's what Port Fairy Folk Festival is all about, and why we do it. It's what drives us. Volunteers, community and service groups all join together and give freely of their time before, during and after the festival – working cohesively to create the wonder that is the festival, and have a lot of fun along the way.”

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# Chairman's report

For year ending 30 June 2024

At last year's Annual General Meeting you, the Shareholders, voted to allow the Board to adopt the following as our Mission Statement.

*"Belfast Community Enterprises Ltd.'s mission is to be a substantial, sustainable, community-built business that contributes to community prosperity."*

This is now the foundation on which we make all decisions moving forward. It reaffirms our commitment to continue to support local organisations and local communities.

Our focus over the past twelve months has been on governance – ensuring that we have all our policies in place to satisfy our Auditors and give Directors confidence that we are doing the right thing. It has helped us to re-align what our individual roles are so that we can get on with the job of ensuring the long-term future of Community Bank Port Fairy & District.

Without doubt, the highlight of our year was the celebration of our tenth birthday. Thank you to the committee who brought everything together on the night. It was an amazing celebration! With well over two hundred in attendance at the Reardon Theatre we were able to tell 'our story' – the trials and tribulations of establishing a Community Bank! The Port Fairy Theatre Group provided an awesome portrayal of the first years and the hurdles faced – right through to the opening of the branch. The photo competition was simply amazing, and I thank each of the participants for being a part of our celebration! We gifted over \$78,000 on the night and, as Chair, it was the simply the best thing I have been involved in as a community volunteer! It was made more special by having Peter Langley and Ralph Leutton, our previous Chairs, present to the Port Fairy SES a cheque for \$50,000 to purchase an essential vehicle. All made possible by our Shareholders and Customers. To everyone involved in the night, I extend to each of you my sincere gratitude.

That night was a significant reminder to each of us why we are committed to the Community Bank model! Over a ten-year period, Community Bank Port Fairy & District has returned around \$840,000 to more than one hundred organisations and invested \$576,784 into our Community Enterprise Foundation account. But we must continue to grow to ensure this continues! I ask that each of you challenge those around you by simply asking – 'do you bank with the Community Bank, if not, why not?' It should be an easy sell by simply relaying the stories of our tenth birthday celebrations – that their banking can do great things for Community!

Each year I thank people because it is important to do so. To Bendigo Bank, , and more particularly Stacey O'Neil, our Regional Manager, I thank you for the continued guidance and support that you provide to our staff.

To Hollie, Daniel, Ashleigh, Danny and Jade – you are amazing and each of you continue to shine as the faces of our branch. I know that each of you is so invested in our story, and you take great pride in each other's successes! Congratulations Daniel on gaining your Delegated Lending Authority. Having a lender in branch is so important and we look forward to you embracing this position. Hollie, you are an extraordinary teacher and leader – we are very lucky to have you as our Branch Manager!

To the Board, I thank you for your continued support and your willingness to challenge each other.

We certainly hold significant positions, particularly as volunteers, as we try to ensure a long and prosperous future for Community Bank Port Fairy & District. To Ashley, Company Secretary, thanks for ensuring that we are compliant, and all the boxes are ticked.

Finally, to you the Shareholders and Customers, thank you for your commitment to this wonderful organisation. Without you none of the great things we do would be possible! It is you that have allowed us to do what we do!



**Damian Gleeson,**  
**Chairman**

# Manager's report

For year ending 30 June 2024

Dear Shareholders,

As we continue our journey that will help Community Bank Port Fairy & District deliver on our vision of, a substantial, sustainable community built business that contributes to community prosperity, we reflect on the achievements we have made during the last financial year. During the year under review, we faced a new set of challenges with the conclusion of the low interest rate cycle. In spite of the challenging environment around us, we were single mindedly focused on delivering an exceptional banking experience to our customers.

We sought a deeper connection with our customers to redefine banking in both the physical space and the digital space. As our operating landscape continuously changed, Community Bank Port Fairy & District continued our growth in loans, deposits and customer numbers, with the total number of customers increasing 10.00% with 1,903 new customers.

Home lending interest rate rises have been a concerning trend for a large proportion of our customers seeing a jump in sales, pay downs and mortgage holders looking for the best deal across a very competitive market. Our team have been working tirelessly on retaining these relationships and assisting our customers to navigate this. As a result of these economic changes Bendigo Bank delivered more attractive deposit rates.


Our banking team has remained the same this year, and I would like to take this time to thank our Customer Service Officer Ashlee Heyblom, Customer Relationship Officer Danny Gastardo and Customer Relationship Manager Daniel Pritchett for everything, each one of you individually bring to the team. This financial year we have also had Jade Hancey return from maternity leave and have really loved the value and knowledge she brings to the team.

With stable and well-trained staff we are now focusing on continuous growth in lending and deposits plus providing knowledge and support to customers. Providing competitive Bendigo Bank products and educating our customers on how to protect themselves online to prevent the real threat of scams is a very important part of the banking team's role.

Over the last 12mths we have had the privilege to partner with some incredible community groups to deliver equipment, working capital, productions, scholarships and much more. It is fantastic to be a part of such an active community and help the groups achieve their goals. On a community front, we will be continuing to commit to attending events as well as more active connection to our online platforms.

A big thank you to our board of directors for their continued support and commitment to myself and all our staff. We work as an inclusive team where new ideas and diversity is encouraged. To our shareholders, customers and community stakeholders, thank you for relationships we have built over the year and we look forward to working with you as always.

Yours sincerely,



**Hollie Ciurleo**  
**Branch Manager**

# 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**

# Community partnering contributions

For year ending 30 June 2024 we proudly contributed \$157,831 in grants, sponsorships and donations to increase our total community partnering contributions since opening in 2014 to \$839,708 plus a further deposit of \$110,000 in the Community Enterprise Foundation Charitable Fund. This increases the Fund balance to \$576,758 for investment in local infrastructure projects and grants to benefit our community. All made possible by our customers.



The Board is excited to be approaching distributing a milestone of \$1,000,000 to benefit our community.

Since opening for business ten years ago the customers of the Community Bank Port Fairy & District Branch have supported the following organisations:

Port Fairy Folk Festival	Port Fairy Historical Society	Port Fairy Tennis Club Inc.
Port Fairy Sea Scouts	Koroit Lions Club	St John's Annual Strawberry Fete
Port Fairy Probus Club	Port Fairy Adventure Film Festival	St Pats Primary School Graduation Awards
Community Garden Group	Nature's Way Eco Sanctuary Group	Macarthur Music in the Vines
Yambuk Progress Group	Women on Farms Gatherings	Brophy Family & Youth Services
Port Fairy Show Society	Hawkesdale Macarthur F N Club	Port Fairy Belfast Lions Club
St Patricks Primary School Port Fairy	SES Port Fairy	Sungold Field Days
Moyneyana Festival Inc.	U3A Port Fairy	Koroit Bowls Club
Port Fairy Business Assoc.	South West Makers Assoc.	Friends of Griffiths Island
Port Fairy Community Race Day	Port Fairy – Warrnambool Rail Trail	St John's Anglican Church
Port Fairy Belfast Lions Art Show	Hawkesdale P12 College	Port Fairy Film Society
Sackville Street Streetscape	Macarthur & District Historical Society	Port Fairy Pool Management Group
Port Fairy Surf Life Saving Club	Port Fairy Spring Music Festival	Macarthur Swimming Pool
Yambuk Hall Committee	Port Fairy Soccer Club	Koroit Irish Festival
Port Fairy Marine Rescue Service	Port Fairy Literary Weekend Inc.	Warrnambool Toy Run
Macarthur Pony Club	Port Fairy Winter Weekends	South West Energy Group
Ex Libris Writing Competition	Dachshund Dash	Warrnambool Special Development School
Port Fairy Petanque Group	Port Fairy Consolidated School Council	Port Campbell Surf Life Saving Club
Port Fairy Angling Club	Child Care Action Group	Koroit Football Netball Club
Warrong All Abilities Equestrian	St Brigid's Hall Crossley	Port Fairy Biggest Morning Tea
Port Fairy Consolidated Parents & Friends	Port Fairy Hospital Auxiliary	CWA Victoria – Port Fairy
Friends of Moyneyana House	Port Fairy Football Netball Club	Moyne Shire – Love Local
Port Fairy Consolidated School Bazaar	Port Fairy Cricket Club	St Patricks Primary School Koroit
Port Fairy Consolidated School Awards	Port Fairy Bowls Club	Leadership Great South Coast (LGSC)
Port Fairy Jazz Festival	Koroit Business & Tourism Association	Port Fairy Marathon & Running Festival
Moyne Health Services	Koroit Community Race Day	Commerce Moyne Inc
Koroit & District Primary School	Koroit F N C - Tower Hill Challenge	Macarthur Cricket Club
Rotary Club of Port Fairy	Commonwealth C'ship Sheep Dog Trials	Port Fairy Soccer Club
Port Fairy Golf Club	Macarthur Men's Shed	Macarthur Bowls Club
Port Fairy Citizens Band	Fun4Kids Festival	Koroit Fire Brigade
Port Fairy SES Unit	Gourmet Port Fairy	
Port Fairy Men's Shed	ExLibris - Stories on Sackville St	
Port Fairy Heritage Boats	Port Fairy Community House	
Port Fairy Tourism Street Fair	Kirkstall Recreation Reserve	
Port Fairy Theatre Group	South West Working Equitation Club	
All Abilities Advocacy	Port Fairy Playgroup	



# 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:

### Damian John Gleeson

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Title: Non-executive director

Experience and expertise: Damian was educated at St Patrick's College in Ballarat and then attended the Australia Catholic University where he gained a Bachelor of Education. Damian taught in Portland and Geelong for 10 years before entering the hospitality industry in 1995. With wife Sue, he has been self-employed since 1997 having owned and operated six hotels. Damian returned home to Port Fairy in 2004 as licensee as the Star of the West Hotel. He served as president of the Port Fairy Football Netball Club and the Port Fairy Cricket Club for a number of years. Damian strongly supported the Steering Committee to establish the Port Fairy & District Community Bank. He is an outstanding advocate for the benefits the model brings to the community and freely gives his time to assist in numerous community events and activities. Damian was elected as a councillor of the Moyne Shire in October 2020. Founding director of Port Fairy & District Community Bank and recent member of Port Fairy U3A committee.

Special responsibilities: Board Chair, Member of the Human Resources Committee

### Nicole Louise Dwyer

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Title: Non-executive director

Experience and expertise: Nicole is an original steering committee member and former Deputy Chairman. She is a licensed real estate agent and local business manager in Port Fairy, with qualifications in Marketing and experience in Event Management. Nicole is an exceptionally active volunteer and committee member in many local groups, including the Port Fairy Surf Life Saving Club, Port Fairy Football Netball Club, Port Fairy Consolidated School, Port Fairy Netball Association, and the Southcombe Park Committee of Management. Her remarkable contributions to the community have earned her numerous awards, including the Life Saving Victoria 'Nipper Program Coordinator of the Year' in 2018, Moyne Shire Citizen of the Year in 2020, and recognition as an Inspiring Woman of Moyne.

Special responsibilities: Chair Community & Marketing Committee

## Directors' report (continued)

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### Directors (continued)

#### Margaret Donne Leutton

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Title:	Non-executive director
Experience and expertise:	Maggie has extensive experience in many roles undertaken under the auspices of her business, Direction Projects since 1989 which include coordination Woody's Murray to Moyne annual Cycle Relay for five years, Administrator for Port Fairy Tourism Inc. and Port Fairy Business Association. Having an Advanced Diploma in Business Management, contracting in rural, regional and urban areas around the Eastern Seaboard for Corporate and government clients as well as many of the rural industry bodies. Currently employed in the health industry in the areas of aged care, planned activities and further education. Maggie is also currently volunteering for several music festivals, Red Cross Emergency Services and Servas International which is committed to peace through intercultural communication. Maggie is a current director of DemoDAIRY Foundation Limited. Founding director of Port Fairy & District Community Bank and recent member of Port Fairy U3A committee.
Special responsibilities:	Member of Community and Marketing Committee

#### Thomas Newton

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Title:	Non-executive director
Experience and expertise:	Tom attained a Bachelor of Management – Farm Business from the University of Sydney. He has extensive experience working and consulting in agriculture and has been working with Brisbane based Maxum Foods for 17 years, the last 10 of which he has been as the Business Manager of MaxCare. He served on the Westvic Dairy Board for 3 years and is a member of the Australia Institute of Company Directors. In 2012 he completed the Leadership Great South Coast Program. Tom is originally from the Stanthorpe area in rural Queensland before moving to Port Fairy 14 years ago. He is married with 2 children.
Special responsibilities:	Chair of the People & Culture Committee and Member of the Finance & Risk Committee

#### Adele Lee Brown

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Title:	Non-executive director (appointed 7 July 2023)
Experience and expertise:	Adele, up until recently was the Managing Director of a local law firm for 9 years. During this time completing the Law Institute of Victoria (LIV) Trust Accounting examination, attaining her certificate. In 2021 she completed the Advance Diploma in Conveyancing at Melbourne Polytechnic. Adele has a long-standing career within the Education Department as a Business Manager, gaining extensive experience in the areas of Finance Management, Annual reporting, HR Management, Facilities Management, Leadership, Policy review, IT support and Kinder Management. During her career she has completed Cert IV in IT at Victoria University, the Bastow Institute Leadership for Business Managers program in 2012 in conjunction with Cambridge University (UK) and was selected in 2015 intake to Deakin University's Graduate Certificate Education Business Leadership, receiving a High Distinction in the Global Finance unit. In 2016 she was appointed by the Secretary of Education Department to the newly formed Integrity Leadership Group (SWV) for the recognised seconded work in schools, as a part of a team investigating misconduct, misappropriation, fraud, and theft within schools. December 2022, she was accepted into Brophy's Reading to Dogs program and now holds the qualification with her Kelpie Stef in Animal Assisted Intervention for Human – Canine Teams (AAI). She has been an active member of Emmanuel College Finance Committee since early 2021 and recently (November 2022) appointed to the newly formed Commerce Moyne Executive team. When not working, you will find Adele pottering around home on her 2.5 acres with her husband, 3 teenagers and animals in tow.
Special responsibilities:	Member Community & Marketing Committee and Education Advisory Committee

# Directors' report (continued)

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## Directors (continued)

### Breearna Ryan

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- Title:** Non-executive director (appointed 27 May 2024)
- Experience and expertise:** Bree brings significant legal and governance experience to the board, as a senior lawyer at a Melbourne based firm. Bree has previously worked as General Counsel, Strategy and Procurement at Warrnambool City Council and held senior legal roles both in-house and in private practice in Melbourne and London. Bree is a graduate of the Australian Institute of Company Directors course and was recognised by Australasian Lawyer as In-house Counsel Leader in 2020. Bree is an active volunteer in many local community groups including being a patrolling member and Grants Officers at the Port Fairy Surf Life Saving Club, the Event Director of the Port Fairy Marathon and Community Running Festival, Chair of the Port Fairy Consolidated School Grants Committee, member of the Parents and Community Group and executive member of the Southcombe Park Committee of Management. Bree was awarded an Inspiring Woman of Moyne in 2023 by Moyne Shire Council.
- Special responsibilities:** Member of the Finance and Risk subcommittee

### Peter John Langley

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- Title:** Non-executive director (resigned 7 July 2023)
- Experience and expertise:** Peter is self employed and owns a motel and holiday rental business. He has had 35 years in the public service in Victoria, and has been past Treasurer of Port Fairy Golf Club for two years and is a founding member of Warrnambool Seahawks/Mermaids Basketball Inc. He has a private pilots license and has coached representative basketball at both junior and senior levels.
- Special responsibilities:** Member of the Community and Marketing Committee

### Melissa Anne McDonald

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- Title:** Non-executive director (resigned 7 July 2023)
- Experience and expertise:** Melissa was appointed a director in October 2020. As a director and head of finance of the family owned and run dairy farm at Bessiebelle in South West Victoria she has expertise in farming operations and an understanding of rural communities. She has attained an Advanced Diploma of Agriculture, Diploma of Hospitality Management and Certificate IV in Training and Assessment. With expertise in farm management, retail, hospitality, education and fundraising, Melissa has many years of valuable experience and knowledge to contribute to supporting our community and positive change when needed. Her current activities and involvement include Educational Trainer (Cert IV and Diploma) at RIST agricultural college, Educational Trainer and Teacher of VCE VET Hospitality at The Hamilton and Alexandra College, School Council President at Macarthur Primary School and Netball Co-Ordinator at Hawkesdale Macarthur FNC.
- Special responsibilities:** Deputy Chair, Chair of the Community and Marketing Committee, Member of the Finance and Risk Committee

# Directors' report (continued)

## Company secretary

The company secretary is Ashley King. Ashley was appointed to the position of company secretary on 1 June 2018.

Experience and expertise: Ashley has been involved in the finance industry for 40 years. He established and was General Manager of the Southern Financial Group from 1990 to 2013 which provided a range of financial services to customers predominantly from South Western and Western Victoria. In 2013 he assisted the Steering Committee of the Port Fairy & District Community Bank to commence operating and was the Branch Manager from opening in June 2014 until his retirement in March 2018. He also assisted the Board with its business operations during this period.

## 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 \$147,964 (30 June 2023: \$103,794).

Operations have continued to perform in line with expectations.

## Dividends

During the financial year, the following dividends were provided for and paid. The dividends have been provided for in the financial statements.

	2024 \$	2023 \$
Fully franked dividend of 10 cents per share (2023: 5 cents)	93,867	46,934

## 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.

On 5 December 2023, the company entered into a new 5-year franchise agreement with Bendigo Bank, increasing the company's intangible assets and trade and other payables by approximately \$70,307.

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

No 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.



## Directors' report (continued)

### 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		Finance & Risk		Community & Marketing		Education Advisory		People & Culture	
	E	A	E	A	E	A	E	A	E	A
Damian John Gleeson	8	8	-	-	-	-	-	-	1	1
Nicole Louise Dwyer	8	8	-	-	9	8	-	-	-	-
Margaret Donne Leutton	8	4	-	-	9	3	-	-	-	-
Thomas Newton	8	6	11	11	-	-	-	-	1	1
Adele Lee Brown	8	8	-	-	9	9	4	4	-	-
Breearna Ryan	2	2	-	-	-	-	-	-	-	-
Peter John Langley	-	-	-	-	-	-	-	-	-	-
Melissa Anne McDonald	-	-	-	-	-	-	-	-	-	-

E = Eligible

A = Attended

### 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
Damian John Gleeson	10,000	-	10,000
Nicole Louise Dwyer	2,501	-	2,501
Margaret Donne Leutton	5,001	-	5,001
Thomas Newton	1,000	-	1,000
Adele Lee Brown	-	500	500
Breearna Ryan	-	-	-
Peter John Langley	20,001	-	20,001
Melissa Anne McDonald	3,000	-	3,000

### 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.

# Directors' report (continued)

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## 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 24 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



Damian John Gleeson  
Chair

26 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 Belfast Community Enterprises Limited

As lead auditor for the audit of Belfast Community Enterprises 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.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart'.

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo, Vic, 3550  
Dated: 26 September 2024

A handwritten signature in black ink, appearing to read 'Joshua Griffin'.

**Joshua Griffin**  
Lead Auditor

# 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	1,052,726	1,182,458
Other revenue		13,526	10,200
Finance revenue		42,919	11,734
<b>Total revenue</b>		<b>1,109,171</b>	<b>1,204,392</b>
Employee benefits expense	8	(451,817)	(422,176)
Advertising and marketing costs		(22,541)	(19,775)
Occupancy and associated costs		(10,355)	(11,938)
System costs		(26,988)	(26,730)
Depreciation and amortisation expense	8	(53,173)	(59,646)
Finance costs	8	(21,213)	(22,641)
General administration expenses		(69,979)	(64,228)
<b>Total expenses before community contributions and income tax expense</b>		<b>(656,066)</b>	<b>(627,134)</b>
<b>Profit before community contributions and income tax expense</b>		<b>453,105</b>	<b>577,258</b>
Charitable donations, sponsorships and grants expense	8	(255,396)	(436,184)
<b>Profit before income tax expense</b>		<b>197,709</b>	<b>141,074</b>
Income tax expense	9	(49,745)	(37,280)
<b>Profit after income tax expense for the year</b>		<b>147,964</b>	<b>103,794</b>
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<b>147,964</b>	<b>103,794</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	26	15.78	11.07
Diluted earnings per share	26	15.78	11.07

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



## Financial statements (continued)

### Statement of financial position As at 30 June 2024

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	486,200	381,998
Trade and other receivables	11	74,429	89,774
Investments	12	505,000	535,000
<b>Total current assets</b>		<b>1,065,629</b>	<b>1,006,772</b>
<b>Non-current assets</b>			
Property, plant and equipment	13	164,348	161,492
Right-of-use assets	14	296,312	320,075
Intangibles	15	99,077	42,555
Deferred tax assets	9	41,675	39,637
<b>Total non-current assets</b>		<b>601,412</b>	<b>563,759</b>
<b>Total assets</b>		<b>1,667,041</b>	<b>1,570,531</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	16	68,284	54,005
Lease liabilities	17	46,015	24,980
Current tax liabilities	9	20,799	26,239
Employee benefits		18,261	11,398
<b>Total current liabilities</b>		<b>153,359</b>	<b>116,622</b>
<b>Non-current liabilities</b>			
Trade and other payables	16	46,402	-
Lease liabilities	17	376,989	420,605
Employee benefits		6,638	4,583
Lease make good provision		15,670	14,835
<b>Total non-current liabilities</b>		<b>445,699</b>	<b>440,023</b>
<b>Total liabilities</b>		<b>599,058</b>	<b>556,645</b>
<b>Net assets</b>		<b>1,067,983</b>	<b>1,013,886</b>
<b>Equity</b>			
Issued capital	18	898,316	898,316
Retained earnings		169,667	115,570
<b>Total equity</b>		<b>1,067,983</b>	<b>1,013,886</b>

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

## Financial statements (continued)

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

	Note	Issued capital \$	Retained earnings \$	Total equity \$
<b>Balance at 1 July 2022</b>		<b>898,316</b>	<b>58,710</b>	<b>957,026</b>
Profit after income tax expense		-	103,794	103,794
Other comprehensive income, net of tax		-	-	-
<b>Total comprehensive income</b>		<b>-</b>	<b>103,794</b>	<b>103,794</b>
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	20	-	(46,934)	(46,934)
<b>Balance at 30 June 2023</b>		<b>898,316</b>	<b>115,570</b>	<b>1,013,886</b>
<b>Balance at 1 July 2023</b>		<b>898,316</b>	<b>115,570</b>	<b>1,013,886</b>
Profit after income tax expense		-	147,964	147,964
Other comprehensive income, net of tax		-	-	-
<b>Total comprehensive income</b>		<b>-</b>	<b>147,964</b>	<b>147,964</b>
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	20	-	(93,867)	(93,867)
<b>Balance at 30 June 2024</b>		<b>898,316</b>	<b>169,667</b>	<b>1,067,983</b>

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

## Financial statements (continued)

### Statement of cash flows For the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		1,178,653	1,279,442
Payments to suppliers and employees (inclusive of GST)		(924,946)	(1,109,231)
Interest received		42,919	12,852
Interest and other finance costs paid		-	(15)
Income taxes paid		(57,223)	(16,334)
<b>Net cash provided by operating activities</b>	<b>25</b>	<b>239,403</b>	<b>166,714</b>
<b>Cash flows from investing activities</b>			
Redemption of/(investment in) term deposits		30,000	(30,000)
Payments for property, plant and equipment		(12,480)	(755)
Payments for intangible assets		(13,184)	(13,184)
<b>Net cash provided by/(used in) investing activities</b>		<b>4,336</b>	<b>(43,939)</b>
<b>Cash flows from financing activities</b>			
Interest and other finance costs paid		(20,495)	(21,934)
Dividends paid	20	(93,867)	(46,934)
Repayment of lease liabilities		(25,175)	(22,512)
<b>Net cash used in financing activities</b>		<b>(139,537)</b>	<b>(91,380)</b>
Net increase in cash and cash equivalents		104,202	31,395
Cash and cash equivalents at the beginning of the financial year		381,998	350,603
<b>Cash and cash equivalents at the end of the financial year</b>	<b>10</b>	<b>486,200</b>	<b>381,998</b>

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 Belfast Community Enterprises 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 32a Bank Street, Port Fairy VIC 3284.

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 26 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.



# Notes to the financial statements (continued)

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## 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.

## Notes to the financial statements (continued)

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### 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.

## Notes to the financial statements (continued)

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### 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 have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in June 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 financial statements the 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 comparative 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 \$535,000 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.

## Notes to the financial statements (continued)

### Note 6. Change to comparative figures (continued)

#### *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 \$147,508.

### Note 7. Revenue from contracts with customers

	2024 \$	2023 \$
Margin income	916,683	1,049,412
Fee income	56,500	57,410
Commission income	79,543	75,636
	<b>1,052,726</b>	<b>1,182,458</b>

#### *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.

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.



## Notes to the financial statements (continued)

### Note 7. Revenue from contracts with customers (continued)

#### *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	377,814	346,174
Superannuation contributions	42,783	39,048
Expenses related to long service leave	2,055	2,399
Other expenses	29,165	34,555
	<b>451,817</b>	<b>422,176</b>

#### **Depreciation and amortisation expense**

	2024 \$	2023 \$
<i>Depreciation of non-current assets</i>		
Leasehold improvements	6,623	7,245
Plant and equipment	3,001	3,305
	<b>9,624</b>	<b>10,550</b>
<i>Depreciation of right-of-use assets</i>		
<b>Leased land and buildings</b>	<b>29,765</b>	<b>29,320</b>
<i>Amortisation of intangible assets</i>		
Franchise fee	2,197	2,197
Franchise renewal fee	10,987	10,986
Rights to revenue share	600	6,593
	<b>13,784</b>	<b>19,776</b>
	<b>53,173</b>	<b>59,646</b>

## Notes to the financial statements (continued)

### Note 8. Expenses (continued)

#### Finance costs

	2024 \$	2023 \$
Lease interest expense	20,495	21,934
Unwinding of make-good provision	718	692
Other	-	15
	<b>21,213</b>	<b>22,641</b>

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

#### Leases recognition exemption

	2024 \$	2023 \$
<b>Expenses relating to low-value leases</b>	<b>9,050</b>	<b>10,298</b>

#### Charitable donations, sponsorships and grants expense

	2024 \$	2023 \$
Direct donation, sponsorship and grant payments	105,396	86,184
Contribution to the Community Enterprise Foundation™	150,000	350,000
	<b>255,396</b>	<b>436,184</b>

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 and held by the Community Enterprise Foundation™ (CEF) 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 \$
<i>Income tax expense</i>		
Current tax	51,784	38,974
Movement in deferred tax	(2,039)	(1,694)
<b>Aggregate income tax expense</b>	<b>49,745</b>	<b>37,280</b>
<i>Prima facie income tax reconciliation</i>		
<b>Profit before income tax expense</b>	<b>197,709</b>	<b>141,074</b>
Tax at the statutory tax rate of 25%	49,427	35,269
Tax effect of:		
Non-deductible expenses	318	2,011
<b>Income tax expense</b>	<b>49,745</b>	<b>37,280</b>

## Notes to the financial statements (continued)

### Note 9. Income tax (continued)

	2024 \$	2023 \$
<i>Deferred tax assets/(liabilities)</i>		
Property, plant and equipment	(206)	(162)
Employee benefits	6,622	3,995
Provision for lease make good	3,918	3,709
Accrued expenses	-	1,050
Lease liabilities	105,751	111,396
Right-of-use assets	(74,078)	(80,019)
Prepayments	(332)	(332)
<b>Deferred tax asset</b>	<b>41,675</b>	<b>39,637</b>

	2024 \$	2023 \$
<b>Provision for income tax</b>	<b>20,799</b>	<b>26,239</b>

#### *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	76,200	51,998
Sandhurst Managed Funds	410,000	330,000
	<b>486,200</b>	<b>381,998</b>

### Note 11. Trade and other receivables

	2024 \$	2023 \$
<b>Trade receivables</b>	<b>72,349</b>	<b>87,694</b>
Other receivables and accruals	752	752
Prepayments	1,328	1,328
	<b>2,080</b>	<b>2,080</b>
	<b>74,429</b>	<b>89,774</b>

## Notes to the financial statements (continued)

### Note 11. Trade and other receivables (continued)

#### *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 \$
<i>Current assets</i>		
<b>Term deposits</b>	<b>505,000</b>	<b>535,000</b>

### Note 13. Property, plant and equipment

	2024 \$	2023 \$
Leasehold improvements - at cost	236,100	223,620
Less: Accumulated depreciation	(87,867)	(81,244)
	<b>148,233</b>	<b>142,376</b>
Plant and equipment - at cost	45,715	45,715
Less: Accumulated depreciation	(29,600)	(26,599)
	<b>16,115</b>	<b>19,116</b>
	<b>164,348</b>	<b>161,492</b>

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 \$	Total \$
Balance at 1 July 2022	149,621	21,666	171,287
Additions	-	755	755
Depreciation	(7,245)	(3,305)	(10,550)
<b>Balance at 30 June 2023</b>	<b>142,376</b>	<b>19,116</b>	<b>161,492</b>
Additions	12,480	-	12,480
Depreciation	(6,623)	(3,001)	(9,624)
<b>Balance at 30 June 2024</b>	<b>148,233</b>	<b>16,115</b>	<b>164,348</b>

#### *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 diminishing value and 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	2.5 to 40 years
Plant and equipment	1 to 40 years

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

## Notes to the financial statements (continued)

### Note 13. Property, plant and equipment (continued)

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	444,890	438,890
Less: Accumulated depreciation	(148,578)	(118,815)
	<b>296,312</b>	<b>320,075</b>

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	349,395
Depreciation expense	(29,320)
<b>Balance at 30 June 2023</b>	<b>320,075</b>
Remeasurement adjustments	6,002
Depreciation expense	(29,765)
<b>Balance at 30 June 2024</b>	<b>296,312</b>

#### 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 17 for more information on lease arrangements.

### Note 15. Intangibles

	2024 \$	2023 \$
Rights to revenue share	57,540	57,540
Less: Accumulated amortisation	(28,770)	(28,170)
	<b>28,770</b>	<b>29,370</b>
Franchise fee	32,705	20,987
Less: Accumulated amortisation	(20,987)	(18,789)
	<b>11,718</b>	<b>2,198</b>
Franchise renewal fee	113,521	54,932
Less: Accumulated amortisation	(54,932)	(43,945)
	<b>58,589</b>	<b>10,987</b>
	<b>99,077</b>	<b>42,555</b>

## Notes to the financial statements (continued)

### Note 15. Intangibles (continued)

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

	Rights to revenue share \$	Franchise fee \$	Franchise renewal fee \$	Total \$
Balance at 1 July 2022	35,963	4,395	21,973	62,331
Amortisation expense	(6,593)	(2,197)	(10,986)	(19,776)
<b>Balance at 30 June 2023</b>	<b>29,370</b>	<b>2,198</b>	<b>10,987</b>	<b>42,555</b>
Additions	-	11,717	58,589	70,306
Amortisation expense	(600)	(2,197)	(10,987)	(13,784)
<b>Balance at 30 June 2024</b>	<b>28,770</b>	<b>11,718</b>	<b>58,589</b>	<b>99,077</b>

#### Additions

During the current year the franchise fee was renewed. This is to be amortised over five years to June 2029.

#### 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. The company has also acquired a customer list from Bendigo Bank.

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 and rights to revenue share acquired 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
Rights to revenue share	Straight-line	8 years	June 2028
Franchise fee	Straight-line	Over the franchise term (5 years)	June 2029
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	June 2029

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

### Note 16. Trade and other payables

	2024 \$	2023 \$
<i>Current liabilities</i>		
Trade payables	-	9,025
Other payables and accruals	68,284	44,980
	<b>68,284</b>	<b>54,005</b>
<i>Non-current liabilities</i>		
<b>Other payables and accruals</b>	<b>46,402</b>	-
	2024 \$	2023 \$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	114,686	54,005
Less: other payables and accruals (net GST refundable from/(payable to) the ATO)	(9,665)	649
	<b>105,021</b>	<b>54,654</b>



## Notes to the financial statements (continued)

### Note 17. Lease liabilities

	2024 \$	2023 \$
<i>Current liabilities</i>		
<b>Land and buildings lease liabilities</b>	<b>46,015</b>	<b>24,980</b>
<i>Non-current liabilities</i>		
<b>Land and buildings lease liabilities</b>	<b>376,989</b>	<b>420,605</b>

#### Reconciliation of lease liabilities

	2024 \$	2023 \$
Opening balance	445,585	468,097
Remeasurement adjustments	2,594	-
Lease interest expense	20,495	21,934
Lease payments - total cash outflow	(45,670)	(44,446)
	<b>423,004</b>	<b>445,585</b>

#### 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	Reasonably certain to exercise options	Lease term end date used in calculations
Port Fairy Branch	4.79%	5 years	1 x 5 years	Yes	June 2034

### Note 18. Issued capital

	2024 Shares	2023 Shares	2024 \$	2023 \$
Ordinary shares - fully paid	937,667	937,667	937,667	937,667
Less: Equity raising costs	-	-	(39,351)	(39,351)
	<b>937,667</b>	<b>937,667</b>	<b>898,316</b>	<b>898,316</b>

#### 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.

## Notes to the financial statements (continued)

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### Note 18. Issued capital (continued)

#### ***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.

##### 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"). The base number is 248. As at the date of this report, the company had 271 shareholders (2023: 273 shareholders).

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.

## Notes to the financial statements (continued)

### Note 19. Capital management

The Board's policy is to maintain a strong capital base so as to sustain future development of the company. The Board monitor 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 or funds of the company otherwise available for distribution 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%.

The board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the company is such that amounts will be paid in the form of charitable donations and sponsorship. Charitable donations and sponsorship paid for the 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 20. Dividends

*Dividends provided for and paid during the period*

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

	2024 \$	2023 \$
<b>Fully franked dividend of 10 cents per share (2023: 5 cents)</b>	<b>93,867</b>	<b>46,934</b>

#### Franking credits

	2024 \$	2023 \$
Franking account balance at the beginning of the financial year	67,886	67,196
Franking credits (debits) arising from income taxes paid (refunded)	57,223	16,334
Franking debits from the payment of franked distributions	(31,289)	(15,644)
	<b>93,820</b>	<b>67,886</b>
<i>Franking transactions that will arise subsequent to the financial year end:</i>		
Balance at the end of the financial year	93,820	67,886
Franking credits (debits) that will arise from payment (refund) of income tax	20,799	26,238
<b>Franking credits available for future reporting periods</b>	<b>114,619</b>	<b>94,124</b>

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.

## Notes to the financial statements (continued)

### Note 21. Financial risk management

The company's financial instruments include trade receivables and payables, cash and cash equivalents, investments and lease liabilities. 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.
- The company has no borrowings.

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

	2024 \$	2023 \$
<b>Financial assets at amortised cost</b>		
Trade and other receivables	73,101	88,446
Cash and cash equivalents (note 10)	486,200	381,998
Investments (note 12)	505,000	535,000
	<b>1,064,301</b>	<b>1,005,444</b>
<b>Financial liabilities</b>		
Trade and other payables (note 16)	105,021	54,654
Lease liabilities (note 17)	423,004	445,585
	<b>528,025</b>	<b>500,239</b>

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.

Financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset.

The company's financial assets measured at amortised cost 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.

## Notes to the financial statements (continued)

### Note 21. Financial risk management (continued)

#### **Financial liabilities**

##### *Classification*

The company classifies its financial liabilities at amortised cost.

##### *Derecognition*

A financial liability is derecognised when 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 subject to movements in market interest rates. The company held cash and cash equivalents of \$486,200 and term deposits of \$505,000 at 30 June 2024 (2023: \$381,998 and \$535,000).

#### **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.

#### **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 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 \$
Trade and other payables	58,619	46,402	-	105,021
Lease liabilities	47,155	203,195	284,956	535,306
<b>Total non-derivatives</b>	<b>105,774</b>	<b>249,597</b>	<b>284,956</b>	<b>640,327</b>

2023	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Trade and other payables	54,654	-	-	54,654
Lease liabilities	45,782	197,278	338,030	581,090
<b>Total non-derivatives</b>	<b>100,436</b>	<b>197,278</b>	<b>338,030</b>	<b>635,744</b>

### Note 22. Key management personnel disclosures

The following persons were directors of Belfast Community Enterprises Limited during the financial year:

Damian John Gleeson	Adele Lee Brown
Nicole Louise Dwyer	Breearna Ryan
Margaret Donne Leutton	Peter John Langley
Thomas Newton	Melissa Anne McDonald

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.

## Notes to the financial statements (continued)

### Note 23. Related party transactions

#### Key management personnel

Disclosures relating to key management personnel are set out in note 22.

#### 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.

#### Transactions with related parties

The following transactions occurred with related parties:

	2024 \$	2023 \$
During the year a sponsorship was made to Macarthur Bowls Club of which a director has an association with. The total benefit received was:	1,500	-
During the year a sponsorship was made to Commerce Moyne Inc of which a director is a member of the executive committee. The total benefit received was:	6,250	-
During the year a grant was made to Port Fairy Surf Life Saving Club of which a director is a grants officer. The total benefit received was:	2,315	-
During the year a sponsorship was made to Port Fairy Marathon & Community Running Festival of which a director is an events coordinator. The total benefit received was:	2,000	-
During the year a sponsorship was made to Port Fairy Consolidated School of which a director is a Chair of a subcommittee. The total benefit received was:	4,600	-
During the year a sponsorship was made to Port Fairy U3A of which a director has an association with. The total benefit received was:	749	-
During the year a sponsorship was made to Hawkesdale-Macarthur Football Netball Club of which a director is a Netball Coordinator and Partner is the President. The total benefit received was:	3,000	-
During the year a sponsorship was made to Port Fairy Football Netball Club of which a director has an association with. The total benefit received was:	4,488	-

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

### Note 24. 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 \$
<i>Audit services</i>		
<b>Audit or review of the financial statements</b>	<b>6,650</b>	<b>5,400</b>
<i>Other services</i>		
General advisory services	5,470	2,950
Share registry services	4,594	4,106
	<b>10,064</b>	<b>7,056</b>
	<b>16,714</b>	<b>12,456</b>



## Notes to the financial statements (continued)

### Note 25. Reconciliation of profit after income tax to net cash provided by operating activities

	2024 \$	2023 \$
Profit after income tax expense for the year	147,964	103,794
Adjustments for:		
Depreciation and amortisation	53,173	59,646
Lease liabilities interest	20,495	21,934
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	15,345	(25,752)
Increase in deferred tax assets	(2,038)	(1,694)
Increase/(decrease) in trade and other payables	268	(11,975)
Increase/(decrease) in provision for income tax	(5,440)	22,640
Increase/(decrease) in employee benefits	8,918	(2,571)
Increase in other provisions	718	692
<b>Net cash provided by operating activities</b>	<b>239,403</b>	<b>166,714</b>

### Note 26. Earnings per share

	2024 \$	2023 \$
<b>Profit after income tax</b>	<b>147,964</b>	<b>103,794</b>

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	937,667	937,667
<b>Weighted average number of ordinary shares used in calculating diluted earnings per share</b>	<b>937,667</b>	<b>937,667</b>

	Cents	Cents
Basic earnings per share	15.78	11.07
Diluted earnings per share	15.78	11.07

#### Accounting policy for earnings per share

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

### Note 27. Commitments

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

### Note 28. Contingencies

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

### Note 29. Events after the reporting period

No 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



Damian John Gleeson  
Chair

26 September 2024

# Independent audit report



Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550  
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03 5443 0344

## Independent auditor's report to the Directors of Belfast Community Enterprises Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Belfast Community Enterprises 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 Belfast Community Enterprises 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.



Andrew Frewin Stewart  
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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.



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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.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart'.

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo, Vic, 3550  
Dated: 26 September 2024

A handwritten signature in black ink, appearing to read 'Joshua Griffin'.

**Joshua Griffin**  
Lead Auditor



Celebrating our 10th birthday.



Our wonderful branch staff.

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