

# Annual Report 2024

Caloundra City Community Support Services Limited

Community Bank  
Caloundra  
ABN 76 122 651 969

We ♥ community



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# Chairman's report

For year ending 30 June 2024

In this year's Annual Report, I am pleased to highlight our ongoing commitment to delivering exceptional service to our local community through our franchise relationship with Bendigo Bank with customer safety being a top priority.

We are grateful for our dedicated staff and are pleased to announce a recent change. We said goodbye to Customer Service Officer, Maria Jary, who left after many years with us, as we were unable to provide the additional hours she needed. In October 2023, Kayla Barr joined us part-time in this role. Our team continues to work hard to support our customers through the ongoing economic challenges.

Caloundra City Community Support Services Limited continue to sponsor a range of sporting, community and cultural organisations in the local community. Our Marketing and Sponsorship Committee are very diligent in assessing and leveraging each opportunity to ensure we are providing a broad range of support in our community, whilst also reinforcing the reciprocity of the agreements in place.

Our Branch Manager, Pip Fawcett, will provide further details on some of these community contributions. She will also share her insights regarding where and how we continue to grow our business.

Once again, the board would like to express our thanks to those who are shareholders with the company. Many have been shareholders since early 2007. Several share parcels are available if you are interested in investing further in the company

Our Community Bank Caloundra is here to support you. That's why we invest funds each year directly into our Caloundra and surrounding community. We're small enough to service grassroots community groups, schools and organisations, at the same time as being big enough to consider larger community building projects and infrastructure.

We know successful communities mean successful businesses and we're all about our region thriving so everyone benefits.

We're committed to developing partnerships that assist in achieving positive community outcomes. We are particularly interested in the legacy we can create, by partnering with organisations that build and strengthen our community.

To date, our Community Investment Program has returned over \$600,000 to Caloundra local community groups and organisations. We agree... it's impressive, but we're only getting started.

Our community investment funding is made possible by the profit generated from the banking services we provide at our Bulcock Street branch.

Community banking is a "profit-for-purpose model", meaning profits are returned directly to the community that has generated them, in our case, the beautiful Caloundra and surrounding region.

Again, thank you for your loyalty.

Yours sincerely,



**Colin Rose**  
**Chair**

# Manager's report

For year ending 30 June 2024

I am delighted to share this financial year has been another terrific one for our Community Bank Caloundra. Thanks to our collective efforts, we have continued to meet the financial needs of our valued customers while also making a positive impact in our local community.

Throughout the year, we have actively engaged with numerous sponsored groups, schools, and clubs – both longstanding and new. This engagement reflects our commitment to building strong community ties.

I'm proud to announce that we have achieved all our financial targets for the year, a testament to our hard work and dedication. As we know, success breeds success.

We also acknowledge the loss of Bendigo and Adelaide Bank Managing Director and CEO, Marnie Baker, at the end of August. Marnie's 30+ years with Bendigo and Adelaide Bank were marked by her inspiring leadership and dedication which will be greatly missed. We welcome Richard Fennell into the role and are confident he will continue to keep community at the heart of the franchise partnership.

In ongoing good news, Roy Morgan research has announced Bendigo Bank has earned the title of the most trusted bank in Australia for the tenth consecutive year. This accolade speaks volumes about the commitment and integrity of our entire team.

I am passionate about the values that guide our work and would like to share the principles that shape our actions and decisions:

- **Make a Difference:** We strive to create a positive impact for our customers, communities, and each other because we genuinely care.
- **Be Better Together:** We empower each other to speak up, continuously improve, learn, and grow as a cohesive team.
- **Own It:** We take initiative and commit to our decisions, delivering better outcomes for all.
- **Find the Right Way:** We make balanced decisions by carefully considering risks and rewards while embracing diverse perspectives.

I want to extend my heartfelt thanks to our dedicated branch team: Angela, Roxanne, Casey, and Kayla. While we miss Maria, who left us last November for a new opportunity, we remain in touch and wish her all the best. We were fortunate to welcome Kayla to our team in April 2023; she completed her training in Caloundra, and we're thrilled to have her on board.

I'd also like to express my gratitude to our board of directors for your invaluable guidance and support. Your trust in our team has been instrumental in achieving our results.

This year, thanks to the board's steadfast commitment to community, we made significant contributions to the Aura Farmers Markets. Operated by the Caloundra Chamber of Commerce, these new markets, launched in June in partnership with Stockland. I encourage everyone to visit, enjoy fresh local produce, gourmet take-home delicacies, and live entertainment. These markets empower local producers and support home-based businesses, all while promoting sustainability.

Finally, thank you to our shareholders for your continued investment in us, and to our Regional Manager, Rohan Quirey, for your ongoing encouragement and support.

Wishing everyone a safe and prosperous year ahead.



**Pip Fawcett**  
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**

# Directors' report

**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:

Name:	John Colin Rose
Title:	Non-executive director
Experience and expertise:	Following 22 years service in the Australian Defence Force (RAAF), Colin spent 14 years in Victoria growing vegetables in Yan Yean and Warragul followed by 10 years in the role of Operations Manager for a large flower and bulb farming business. On retiring in October 2004, Colin and his wife Jennifer moved to Caloundra and immediately joined a steering committee for the establishment of the Bendigo Community Bank Caloundra. Caloundra City Community Support Services Ltd was established in 2006 with Colin as Treasurer of the inaugural Board. The company has a franchise agreement with Bendigo Bank to operate the Community Bank Caloundra which opened in May 2007. Colin became Chair in 2014 and deeply appreciates the directors who all serve the company voluntarily. After leasing our premises for the past fifteen years we purchased 89B Bulcock Street and opened the updated branch on 27 April 2022. Colin also maintains leadership roles in community organisations with voluntary service for the past 18 years including assisting with administrative and financial responsibilities of Caloundra CityLife Baptist Church. He also serves on the Board of Caloundra Baptist Church Property Trust and is Chair of Eden Point Creekside Body Corp Committee. Eden Point Creekside complex comprises 22 residential residences & 2 commercial businesses.
Special responsibilities:	Chair, Secretary
Name:	Edward John Hall
Title:	Non-executive director
Experience and expertise:	John has lived at Golden Beach with his wife Helen since 2003. On his retirement in 2013, John had been a chief executive in both the public and private sectors for over 25 years (Queensland Treasury, a major Queensland law firm and Queensland's economic regulator). John has also been a company director for over 30 years, in listed public companies, unlisted public companies, government business enterprises, government public authorities and private businesses (in sand mining, tourism and events, superannuation, investment and funds management and overseas and domestic debt raising and management). John has degrees in Economics and Commerce and a Masters degree in Business Administration. John now works part time as a company director. In addition to his role with the Caloundra Community Bank, he is on the board of Visit Sunshine Coast (the regional tourism body for the Sunshine Coast). John is a Fellow of the Australian Institute of Company Directors.
Special responsibilities:	Chair of Finance Committee
Name:	Robert Bruce Campbell
Title:	Non-executive director
Experience and expertise:	Prior to his retirement Robert was Commercial Director of the Australian and New Zealand operations of a large international engineering company. He was previously involved in management positions of engineering companies servicing Oil & Gas, Mining, and major Infrastructure projects both domestically and internationally. Formal qualifications in business management, project management, materials science and marketing as well as Occupational Health and Safety and Risk Management. Current member of the Dicky Beach Surf Life Saving Club : Member: Finance. Strategic planning and Honors and Awards Committees. Treasurer Dicky Beach Supporters Club, Surf Life Saving Queensland Sunshine Coast Branch Life Member and Deputy Director Junior Activities: Surf Life Saving Queensland Life Member and Membership Services Officer and Member of Meritorious Awards and Lifesaving Panel (all volunteer positions).
Special responsibilities:	Chair Marketing & Sponsorship Committee

## Directors' report (continued)

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Name: Amanda Louise Drake  
Title: Non-executive director  
Experience and expertise: Amanda is a professional Executive Assistant with over 30 years' experience, working in high level roles with Boards and committees in both the public and private sector. Appointed to the Board in 2016, Amanda has served as the Chair of the governance committee and is now the Company Secretary. Amanda has a passion for good governance and for serving the community. Amanda holds a Diploma of Business Administration, Diploma of Leadership and Management, Cert IV in Government (Statutory Compliance & Investigations). Amanda has completed the AICD Director and Company Secretary course through Governance Institute of Australia. Amanda is Vice President of the Caloundra Chorale and Theatre Company, Board Director of Sunshine Coast Independent Living Services and previous Secretary of the Eisteddfod Council of Queensland. Amanda is now working for the State Government.  
Special responsibilities: Member of Governance Committee

Name: Ann Elizabeth Sutherland  
Title: Non-executive director  
Experience and expertise: Ann is a lawyer with extensive international experience covering litigation and rule of law in senior legal and management roles. Ann worked for the United Nations (UN) from 1995 – 2017 investigating and prosecuting senior leaders accused of war crimes, genocide and crimes against humanity. Prior to working for the UN, Ann lived and worked in South Australia. Ann holds Bachelor's degrees in Commerce and Law and a Master in Public International Law, specialising in International Criminal Law. Ann is also an accredited mediator. Since moving to the Caloundra area in September 2018, Ann has integrated in local community through sport and volunteer work, joining the Community Bank Company Board. Ann is a keen golfer and is a member of the Pelican Waters and Caloundra Golf Clubs.  
Special responsibilities: Chair of Governance Committee

Name: Jason Anthony Marquenie  
Title: Non-executive director  
Experience and expertise: Jason has been working for 20 years in commercial aviation and Defence industries. He is an experienced airline pilot, flight operations and safety management systems adviser, and safety & quality auditor. He has also been heavily involved in the general administrative, business and accounting aspects of his family's occupational therapy clinic. Jason holds a Bachelor of Business and Commerce (Management / Accounting), Safety and Lead Auditor qualifications, and a Certificate IV in Training and Assessment. Dedicated father of three young boys, he is involved in various primary school and kids sporting activities in the Caloundra community.  
Special responsibilities: Treasurer

Name: Sian McNamara  
Title: Non-executive director (resigned 10 April 2024)  
Experience and expertise: Sian is a Lawyer and also a Volunteer and Ambassador with Red Nose Australia.  
Special responsibilities: Secretary until 10 April 2024

### Company secretary

There have been two company secretaries holding the position during the financial year:

- John Colin Rose was appointed company secretary on 10 April 2024.
- Sian Erin McNamara was appointed company secretary on 13 December 2022 and ceased on 10 April 2024.

### 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.

# Directors' report (continued)

## Review of operations

The profit for the company after providing for income tax amounted to \$356,668 (30 June 2023: \$474,485).

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 \$
Fully franked dividend of 5 cents per share (2023: nil)	39,109
Fully franked special dividend of 12 cents per share (2023: nil)	93,860
	<u>132,969</u>

## Significant changes in the state of affairs

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

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

## Matters subsequent to the end of the financial year

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.

## Meetings of directors

The number of directors meetings attended by each of the directors of the company during the financial year were:

	Board	
	Eligible	Attended
John Colin Rose	11	11
Edward John Hall	11	10
Robert Bruce Campbell	11	10
Amanda Louise Drake	11	6
Ann Elizabeth Sutherland	11	10
Jason Anthony Marquenie	11	6
Sian McNamara	8	5

## 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' report (continued)

## 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
John Colin Rose	17,501	-	17,501
Edward John Hall	40,000	-	40,000
Robert Bruce Campbell	25,000	-	25,000
Amanda Louise Drake	-	-	-
Ann Elizabeth Sutherland	3,800	-	3,800
Jason Anthony Marquenie	500	-	500
Sian McNamara	-	-	-
	-	-	-

## Shares under option

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

## Shares issued on the exercise of options

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

## Indemnity and insurance of directors and officers

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

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

## Proceedings on behalf of the company

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

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

## Indemnity and insurance of auditor

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

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

## Non-audit services

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 21 to the accounts.

## Directors' report (continued)

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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

DocuSigned by:  
  
D376EF9D0009412

Colin John Rose  
Chair

24 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 Caloundra City Community Support Services Limited

As lead auditor for the audit of Caloundra City Community Support Services 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: 24 September 2024

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

**Joshua Griffin**  
Lead Auditor

# Financial statements

## Caloundra City Community Support Services Limited Statement of profit or loss and other comprehensive income For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue from contracts with customers	6	1,244,412	1,360,904
Other income		18,360	-
Total revenue		<u>1,262,772</u>	<u>1,360,904</u>
Employee benefits expense	7	(454,318)	(428,785)
Advertising and marketing costs		(24,793)	(28,934)
Occupancy and associated costs		(27,396)	(29,458)
System costs		(27,810)	(28,528)
Depreciation and amortisation expense	7	(49,018)	(47,941)
Finance costs	7	(12,066)	(19,951)
General administration expenses		(83,111)	(81,292)
Total expenses before community contributions and income tax expense		<u>(678,512)</u>	<u>(664,889)</u>
<b>Profit before community contributions and income tax expense</b>		584,260	696,015
Charitable donations and sponsorships expense		<u>(108,723)</u>	<u>(60,202)</u>
<b>Profit before income tax expense</b>		475,537	635,813
Income tax expense	8	<u>(118,869)</u>	<u>(161,328)</u>
<b>Profit after income tax expense for the year</b>		356,668	474,485
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<u><u>356,668</u></u>	<u><u>474,485</u></u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	23	45.60	60.66
Diluted earnings per share	23	45.60	60.66

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

## Financial statements (continued)

### Caloundra City Community Support Services Limited Statement of financial position As at 30 June 2024

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	507,159	359,623
Trade and other receivables	10	80,025	84,765
Total current assets		<u>587,184</u>	<u>444,388</u>
<b>Non-current assets</b>			
Property, plant and equipment	11	984,502	993,236
Intangible assets	12	37,914	50,914
Total non-current assets		<u>1,022,416</u>	<u>1,044,150</u>
<b>Total assets</b>		<u>1,609,600</u>	<u>1,488,538</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13	24,519	33,000
Borrowings	14	25,938	32,160
Current tax liabilities	8	76,898	138,618
Total current liabilities		<u>127,355</u>	<u>203,778</u>
<b>Non-current liabilities</b>			
Trade and other payables	13	14,400	28,800
Borrowings	14	310,550	324,254
Deferred tax liabilities	8	19,016	17,126
Total non-current liabilities		<u>343,966</u>	<u>370,180</u>
<b>Total liabilities</b>		<u>471,321</u>	<u>573,958</u>
<b>Net assets</b>		<u>1,138,279</u>	<u>914,580</u>
<b>Equity</b>			
Issued capital	15	751,177	751,177
Retained earnings		387,102	163,403
<b>Total equity</b>		<u>1,138,279</u>	<u>914,580</u>

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

## Financial statements (continued)

### Caloundra City Community Support Services Limited 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>		751,177	(283,706)	467,471
Profit after income tax expense		-	474,485	474,485
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	474,485	474,485
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	17	-	(27,376)	(27,376)
<b>Balance at 30 June 2023</b>		<u>751,177</u>	<u>163,403</u>	<u>914,580</u>
<b>Balance at 1 July 2023</b>		751,177	163,403	914,580
Profit after income tax expense		-	356,668	356,668
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	356,668	356,668
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	17	-	(132,969)	(132,969)
<b>Balance at 30 June 2024</b>		<u>751,177</u>	<u>387,102</u>	<u>1,138,279</u>

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

## Financial statements (continued)

### Caloundra City Community Support Services Limited 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)		1,392,280	1,461,278
Payments to suppliers and employees (inclusive of GST)		(860,709)	(751,382)
Interest and other finance costs paid		(12,066)	(19,951)
Income taxes refunded/(paid)		(178,699)	7,329
Net cash provided by operating activities	22	<u>340,806</u>	<u>697,274</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(27,284)	(12,899)
Payments for intangible assets		(13,091)	(26,182)
Net cash used in investing activities		<u>(40,375)</u>	<u>(39,081)</u>
<b>Cash flows from financing activities</b>			
Dividends paid	17	(132,969)	(27,376)
Repayment of borrowings		(19,926)	(392,988)
Net cash used in financing activities		<u>(152,895)</u>	<u>(420,364)</u>
Net increase in cash and cash equivalents		147,536	237,829
Cash and cash equivalents at the beginning of the financial year		<u>359,623</u>	<u>121,794</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>507,159</u></u>	<u><u>359,623</u></u>

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

# Notes to the financial statements

## 30 June 2024

### Note 1. Reporting entity

The financial statements cover Caloundra City Community Support Services 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 Unit 2, 89 Bulcock Street, Caloundra QLD 4551.

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 24 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.

The financial statements are presented in Australian dollars, which is Caloundra City Community Support Services Limited's functional and presentation currency.

#### Current and non-current classification

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



## Notes to the financial statements (continued)

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### Note 3. Material accounting policy information (continued)

#### 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.

##### *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.

## Notes to the financial statements (continued)

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

#### *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.

#### **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.

### 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 May 2027.

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.

## Notes to the financial statements (continued)

### Note 6. Revenue from contracts with customers

	2024 \$	2023 \$
Margin income	1,138,104	1,243,982
Fee income	47,879	53,562
Commission income	58,429	63,360
	1,244,412	1,360,904

#### *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:

<u>Revenue stream</u>	<u>Includes</u>	<u>Performance obligation</u>	<u>Timing of recognition</u>
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
<b>plus:</b>	any deposit returns i.e. interest return applied by Bendigo Bank for a deposit
<b>minus:</b>	any costs of funds i.e. interest applied by Bendigo Bank to fund a loan.

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

#### *Commission income*

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

#### *Fee income*

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

## Notes to the financial statements (continued)

### Note 6. Revenue from contracts with customers (continued)

#### 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 7. Expenses

#### Employee benefits expense

	2024 \$	2023 \$
Wages and salaries	370,357	345,516
Superannuation contributions	41,744	38,611
Expenses related to long service leave	410	5,008
Other expenses	41,807	39,650
	<u>454,318</u>	<u>428,785</u>

#### Accounting policy for employee benefits

The company seconded employees from Bendigo and Adelaide Bank Limited. The total cost of these employees, including an allowance for accrued annual and long service leave, is charged to the company by Bendigo and Adelaide Bank Limited by offsetting against the monthly profit share arrangement. The company recognises these costs as an expense on a monthly basis.

#### Depreciation and amortisation expense

	2024 \$	2023 \$
<i>Depreciation of non-current assets</i>		
Buildings	13,506	13,506
Improvements	19,483	18,306
Plant and equipment	3,029	3,131
	<u>36,018</u>	<u>34,943</u>
<i>Amortisation of intangible assets</i>		
Franchise fee	2,167	2,166
Franchise renewal fee	10,833	10,832
	<u>13,000</u>	<u>12,998</u>
	<u>49,018</u>	<u>47,941</u>

## Notes to the financial statements (continued)

### Note 7. Expenses (continued)

#### Finance costs

	2024 \$	2023 \$
Bank loan interest paid or accrued	12,066	19,951

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

#### Leases recognition exemption

	2024 \$	2023 \$
Expenses relating to low-value leases	8,604	9,816

### Note 8. Income tax

	2024 \$	2023 \$
<i>Income tax expense</i>		
Current tax	119,564	146,247
Movement in deferred tax	1,889	(2,263)
Under/over adjustment	(2,584)	-
Recoupment of prior year tax losses	-	17,344
Aggregate income tax expense	118,869	161,328

#### *Prima facie income tax reconciliation*

Profit before income tax expense	475,537	635,813
Tax at the statutory tax rate of 25%	118,884	158,953
Tax effect of:		
Non-deductible expenses	2,569	2,375
Under/over adjustment	121,453	161,328
	(2,584)	-
Income tax expense	118,869	161,328

	2024 \$	2023 \$
<i>Deferred tax attributable to:</i>		
expense accruals	406	650
property, plant and equipment	(19,422)	(17,776)
Deferred tax liability	(19,016)	(17,126)

	2024 \$	2023 \$
Provision for income tax	76,898	138,618

## Notes to the financial statements (continued)

### Note 8. Income tax (continued)

#### *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 9. Cash and cash equivalents

	2024 \$	2023 \$
Cash at bank and on hand	507,159	359,623

### Note 10. Trade and other receivables

	2024 \$	2023 \$
Trade receivables	71,561	74,763
Prepayments	8,464	10,002
	<u>80,025</u>	<u>84,765</u>

#### *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 11. Property, plant and equipment

	2024 \$	2023 \$
Land - at cost	330,000	330,000
Buildings - at cost	442,979	442,979
Less: Accumulated depreciation	<u>(32,563)</u>	<u>(19,057)</u>
	410,416	423,922
Improvements - at cost	266,752	240,210
Less: Accumulated depreciation	<u>(40,947)</u>	<u>(21,464)</u>
	225,805	218,746
Plant and equipment - at cost	96,728	95,736
Less: Accumulated depreciation	<u>(78,447)</u>	<u>(75,168)</u>
	18,281	20,568
	<u>984,502</u>	<u>993,236</u>

## Notes to the financial statements (continued)

### Note 11. Property, plant and equipment (continued)

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

	Land \$	Buildings \$	Improvements \$	Plant and equipment \$	Total \$
Balance at 1 July 2022	330,000	437,428	230,045	19,276	1,016,749
Additions	-	-	7,007	5,892	12,899
Disposals	-	-	-	(1,469)	(1,469)
Depreciation	-	(13,506)	(18,306)	(3,131)	(34,943)
Balance at 30 June 2023	330,000	423,922	218,746	20,568	993,236
Additions	-	-	26,542	742	27,284
Depreciation	-	(13,506)	(19,483)	(3,029)	(36,018)
Balance at 30 June 2024	<u>330,000</u>	<u>410,416</u>	<u>225,805</u>	<u>18,281</u>	<u>984,502</u>

#### Accounting policy for property, plant and equipment

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

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

Improvements	5 to 50 years
Plant and equipment	1 to 40 years
Buildings	10 to 40 years

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

Improvements are depreciated over the estimated useful life of the assets. Land is not depreciated.

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 12. Intangible assets

	2024 \$	2023 \$
Franchise fee	43,579	43,579
Less: Accumulated amortisation	(37,260)	(35,093)
	<u>6,319</u>	<u>8,486</u>
Franchise renewal fee	167,892	167,892
Less: Accumulated amortisation	(136,297)	(125,464)
	<u>31,595</u>	<u>42,428</u>
	<u>37,914</u>	<u>50,914</u>

## Notes to the financial statements (continued)

### Note 12. Intangible assets (continued)

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

	Franchise fee \$	Franchise renewal fee \$	Total \$
Balance at 1 July 2022	10,652	53,260	63,912
Amortisation expense	<u>(2,166)</u>	<u>(10,832)</u>	<u>(12,998)</u>
Balance at 30 June 2023	8,486	42,428	50,914
Amortisation expense	<u>(2,167)</u>	<u>(10,833)</u>	<u>(13,000)</u>
Balance at 30 June 2024	<u><u>6,319</u></u>	<u><u>31,595</u></u>	<u><u>37,914</u></u>

#### Accounting policy for intangible assets

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

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

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

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

<u>Asset class</u>	<u>Method</u>	<u>Useful life</u>	<u>Expiry/renewal date</u>
Franchise fee	Straight-line	Over the franchise term (5 years)	May 2027
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	May 2027

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

#### Change in estimates

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

### Note 13. Trade and other payables

	2024 \$	2023 \$
<i>Current liabilities</i>		
Trade payables	-	912
Other payables and accruals	<u>24,519</u>	<u>32,088</u>
	<u><u>24,519</u></u>	<u><u>33,000</u></u>
<i>Non-current liabilities</i>		
Other payables and accruals	<u><u>14,400</u></u>	<u><u>28,800</u></u>



## Notes to the financial statements (continued)

### Note 13. Trade and other payables (continued)

	2024 \$	2023 \$
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	38,919	61,800
less other payables and accruals (net GST payable to the ATO)	<u>(8,494)</u>	<u>(15,089)</u>
	<u>30,425</u>	<u>46,711</u>

### Note 14. Borrowings

	2024 \$	2023 \$
<i>Current liabilities</i>		
Bank loans	<u>25,938</u>	<u>32,160</u>
<i>Non-current liabilities</i>		
Bank loans	<u>310,550</u>	<u>324,254</u>

#### *Bank loans*

All three bank loans are repayable monthly with the final instalments due March 2032, November 2041 and January 2042. Interest is recognised at rate of 3.48% (2023: 3.48%). The loans are secured by a fixed and floating charge over the company's assets.

Bank loans were taken out during the 2022 financial year to partly fund the purchase and fit out of the new branch.

#### *Accounting policy for borrowings*

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

### Note 15. Issued capital

	2024 Shares	2023 Shares	2024 \$	2023 \$
Ordinary shares - fully paid	782,171	782,171	782,171	782,171
Less: Equity raising costs	<u>-</u>	<u>-</u>	<u>(30,994)</u>	<u>(30,994)</u>
	<u>782,171</u>	<u>782,171</u>	<u>751,177</u>	<u>751,177</u>

#### *Accounting policy for issued capital*

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

### Rights attached to issued capital

#### *Ordinary shares*

#### Voting rights

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

## Notes to the financial statements (continued)

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### Note 15. Issued capital (continued)

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 247. As at the date of this report, the company had 256 shareholders (2023: 259 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 16. 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 17. 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 \$
Fully franked dividend of 5 cents per share (2023: nil)	39,109	-
Fully franked special dividend of 12 cents per share (2023: nil)	93,860	-
Unfranked dividend of nil cents per share (2023: 3.5 cents)	-	27,376
	<u>132,969</u>	<u>27,376</u>

### Franking credits

	2024 \$	2023 \$
Franking account balance at the beginning of the financial year	7,629	14,958
Franking credits (debits) arising from income taxes paid (refunded)	178,699	(7,329)
Franking debits from the payment of franked distributions	(44,323)	-
	<u>142,005</u>	<u>7,629</u>

### *Franking transactions that will arise subsequent to the financial year end:*

Balance at the end of the financial year	142,005	7,629
Franking credits (debits) that will arise from payment (refund) of income tax	76,898	138,618
Franking credits available for future reporting periods	<u>218,903</u>	<u>146,247</u>

### *Accounting policy for dividends*

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

## Note 18. 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.

## Notes to the financial statements (continued)

### Note 18. Financial risk management (continued)

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.

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

	2024 \$	2023 \$
<b>Financial assets</b>		
Trade and other receivables (note 10)	71,561	74,763
Cash and cash equivalents (note 9)	507,159	359,623
	<u>578,720</u>	<u>434,386</u>
<b>Financial liabilities</b>		
Trade and other payables (note 13)	30,425	46,711
Bank loans (note 14)	336,488	356,414
	<u>366,913</u>	<u>403,125</u>

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 into the following categories:

- 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 18. 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 earning on those are subject to movements in market interest rates. The company held cash and cash equivalents of \$507,159 at 30 June 2024 (2023: \$359,623)

As at the reporting date, the company had the following variable rate borrowings outstanding:

	2024		2023	
	Weighted average interest rate %	Balance \$	Nominal interest rate %	Balance \$
Bank loans	3.48%	<u>336,488</u>	5.81%	<u>356,414</u>
Net exposure to cash flow interest rate risk		<u><u>336,488</u></u>		<u><u>356,414</u></u>

An analysis by remaining contractual maturities is shown in 'liquidity risk' below.

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

2024	1 year or less	Between 1	Over 5 years	Remaining contractual maturities
	\$	and 5 years	\$	\$
Bank loans	25,938	103,752	206,798	336,488
Trade and other payables	16,025	14,400	-	30,425
Total non-derivatives	<u>41,963</u>	<u>118,152</u>	<u>206,798</u>	<u>366,913</u>

## Notes to the financial statements (continued)

### Note 18. Financial risk management (continued)

2023	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Bank loans	32,160	160,860	163,394	356,414
Trade and other payables	17,911	28,800	-	46,711
Total non-derivatives	<u>50,071</u>	<u>189,660</u>	<u>163,394</u>	<u>403,125</u>

### Note 19. Key management personnel disclosures

The following persons were directors of Caloundra City Community Support Services Limited during the financial year or up to the date of signing of these Financial Statements

John Colin Rose	Ann Elizabeth Sutherland
Edward John Hall	Jason Anthony Marquenie
Robert Bruce Campbell	Sian McNamara
Amanda Louise Drake	

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

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

### Note 20. Related party transactions

#### *Key management personnel*

Disclosures relating to key management personnel are set out in note 19.

#### *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*

There were no transactions with related parties during the current and previous financial year.

### Note 21. 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>		
Audit or review of the financial statements	<u>6,650</u>	<u>5,400</u>
<i>Other services</i>		
Taxation advice and tax compliance services	700	660
General advisory services	1,910	3,860
Share registry services	<u>3,724</u>	<u>3,519</u>
	<u>6,334</u>	<u>8,039</u>
	<u><u>12,984</u></u>	<u><u>13,439</u></u>

## Notes to the financial statements (continued)

### Note 22. Reconciliation of profit after income tax to net cash provided by operating activities

	2024 \$	2023 \$
Profit after income tax expense for the year	356,668	474,485
Adjustments for:		
Depreciation and amortisation	49,018	47,941
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	4,740	(34,349)
Decrease in income tax refund due	-	14,958
Decrease in other operating assets	-	1,469
Increase/(decrease) in trade and other payables	(9,790)	39,071
Increase/(decrease) in provision for income tax	(61,720)	138,618
Increase in deferred tax liabilities	1,890	15,081
Net cash provided by operating activities	<u>340,806</u>	<u>697,274</u>

### Note 23. Earnings per share

	2024 \$	2023 \$
Profit after income tax	<u>356,668</u>	<u>474,485</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>782,171</u>	<u>782,171</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>782,171</u>	<u>782,171</u>
	Cents	Cents
Basic earnings per share	45.60	60.66
Diluted earnings per share	45.60	60.66

#### *Accounting policy for earnings per share*

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

### Note 24. Commitments

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

### Note 25. Contingencies

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

### Note 26. 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

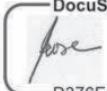
**30 June 2024**

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

DocuSigned by:  
  
D376EF9D0009412...  
Colin John Rose  
Chair

24 September 2024



# Independent audit report



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

## Independent auditor's report to the Directors of Caloundra City Community Support Services Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Caloundra City Community Support Services 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 Caloundra City Community Support Services 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  
61 Bull Street Bendigo VIC 3550  
ABN: 65 684 604 390  
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## 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.



Andrew Frewin Stewart  
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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: 24 September 2024

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

**Joshua Griffin**  
Lead Auditor

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