Annual Report 2024

Corangamite Financial Services Limited

Community Bank Surf Coast

ABN 80 105 703 099

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Chairperson's report

For year ending 30 June 2024

It is with great pleasure that I present the Chairperson's Report for the 2023/24 financial year on behalf of Corangamite Financial Services Ltd. Following the celebrations of our 20th anniversary, this year has been an exciting time of reflection, strategic planning, and a continued commitment to our local communities, all of which have contributed to another successful year for our banking business.

Throughout the year, we proudly contributed to 60 community groups and organisations. These partnerships exemplify what our Community Bank model stands for: feeding into the community prosperity, not off it. We've been able to fund initiatives and programs that create real impact—investments that reflect our ongoing focus on strengthening the fabric of our community. From grassroots initiatives to larger-scale projects, these contributions have helped build resilience, foster innovation, and improve social wellbeing.

As we move forward from our 20th year, the Board and management have been working diligently on the next three-year strategic plan, a roadmap that ensures the long-term viability of our business. This plan is not just about navigating the next few years, but looking ahead to the next 20 years. Our aim is to stay relevant, competitive, and integral to the community as we adapt to an ever-changing banking landscape. A large portion of our strategic planning has involved redefining how we contribute to the community. In 2023/24, we shifted from being reactive – responding to immediate needs – to a more proactive approach, with a focus on building resilient, rather than dependent, communities. Our vision is to ensure that our contributions leave a lasting legacy in the form of community assets that will endure and provide value for generations to come.

We have also identified key focus areas for our future investments, which will ensure that our contributions are targeted and effective. These categories include:

- Community Resilience & Development
- Health & Social Wellbeing
- Economy & Innovation
- Environment
- Digital Empowerment

By concentrating on these areas, we are aligning our efforts with the needs of the community while making sure that our investments contribute to sustainable growth and development.

None of this would be possible without our loyal customers. The Community Bank model works because of the people who choose to bank with us, whether in branch or online. It is your support that enables us to continue investing in the community and giving back in meaningful ways. Every account, every loan, every deposit directly contributes to the outcomes we see in our local communities.

I'd like to extend my gratitude to our Senior Branch Manager, Jeremy Morris, whose leadership and strategic insight continue to drive our business forward. Jeremy, along with Matilda Pink, Julie Dunkley, and Daniel Norris, has been instrumental in ensuring that we continue to adapt and grow in an ever-changing banking environment. In addition to the management team our Executive Officer Michelle Stocks plays a critical background role that supports the smooth daily operations of the company. The dedication of our entire team, has been critical to the success of the past year.

Bendigo and Adelaide Bank Limited continues to be a valued franchise partner and I would like to thank our Regional Manager David Tudor, Mark Nolan from Community Banking and outgoing Managing Director Marnie Baker who has been a pillar of support in all major projects Corangamite Financial Services has undertaken.

I would also like to recognise the contribution and dedication of all of my fellow Directors of whom are volunteers, for their continued commitment, time, and expertise in ensuring the growth and success of our bank. I would like to personally thank our retiring Directors Pamela Sandlant, Garry Fenton and Paul Nigro who have each made significant impact to their respective communities over the years and welcome Lesley Thornton to the Board as a representative for the Lorne Community. Lesley brings significant experience from the community, health, aged care and government sectors and has strong ties to the Lorne community making her an excellent addition to our diverse Board.

Our Board and staffs combined passion for community outcomes and business success is unparalleled, and together we look forward to building on the achievements of this year. As we continue to serve and invest in our community, I'm confident that our proactive, strategic approach will ensure that our contributions, both financial and social have a lasting, positive impact. Thank you to all our shareholders, customers, staff, and community partners for your ongoing support. Together, we are building a stronger future for the Winchelsea, Anglesea & Lorne greater community.

Sincerely,

John Knuckey Chairperson
Corangamite Financial Services Ltd.

Managers' report

For year ending 30 June 2024

It is with great pleasure that we present the 2023/24 Management Report, highlighting another year of achievements and growth for our business.

This financial year saw us navigate an increasingly competitive banking environment, with interest rates stabilising after the significant rises of the previous year. Despite these challenges, our team's focus and commitment resulted in steady outcomes across all our branches. We had varying results across our business with the branches collectively growing the consumer portfolio by $15.4 million, conversely our business portfolio suffered losses totalling $12.6 million. We also successfully onboarded over 400 new customers and opened nearly 1500 new accounts, figures that have been increasing year-on-year demonstrating an growing marketshare and the impact we have with our customers and communities.

A standout achievement this year was the redevelopment of Community Bank Winchelsea , which has now been transformed into a state-of-the-art facility. This upgrade reflects our commitment to both our customers and staff, ensuring that the branch is future-ready and can accommodate the evolving needs of our community. The new branch is a modern, welcoming space that enhances both the customer experience and our operational efficiency. With this redevelopment, we are not only investing in our physical infrastructure but also reinforcing our dedication to delivering personalised, face-to-face banking in an increasingly digital world.

Our staffing position remained stable throughout the year, a testament to the strong culture and positive environment we've cultivated across our three branches. We are proud to report that there were no new staff changes this year, reflecting a consistent and happy workplace. This stability has allowed our team to continue delivering outstanding service to our customers without interruption. We extend our sincere gratitude to all our staff for their continued commitment and dedication.

In terms of financial performance, we made significant strides. We increased our community contributions for the year totalled $127,000, benefiting over 120 local community groups and organisations. We are proud to support a wide range of initiatives that make a real difference to the communities we serve. We also invested $275,000 into the Community Enterprise Foundation, which is provisioned for future community projects, ensuring that we can continue to make meaningful contributions in the years to come.

On the financial side, we achieved a pre-tax profit of $216,000. While this is a softer result compared to last year, it is a solid outcome considering the stabilisation of interest rates and increased competition in the banking sector. We anticipate our post-tax profit will be in line with expectations, reflecting prudent financial management and ongoing focus on growing our business sustainably.

Looking ahead to 2024, we remain focused on maintaining our strong community connections and continuing to provide a local, personalised banking experience that sets us apart in an evolving industry. We are confident that with the Community Bank Winchelsea redevelopment, a stable and engaged team, and our commitment to giving back to the community, we are well positioned for another successful year.

We would like to extend our sincere thanks to our dedicated voluntary Directors, who continue to provide invaluable support and guidance. Their countless hours of contribution to the betterment of our communities and the success of our business do not go unnoticed. In the same vein, we cannot overstate the importance of our incredible staff across all three branches. Their dedication, passion, and commitment to both our customers and the broader community have been instrumental in achieving the results we've seen this year. Whether it's through providing personalised service, adapting to new challenges, or working collaboratively to support community initiatives, our team's efforts continue to make a profound difference. We are fortunate to have such a hardworking and cohesive team, and we are deeply grateful for their ongoing contributions to the success and growth of our Community Banks. Together, our staff and Directors embody the spirit of community banking, ensuring that we remain a trusted and valued institution within the communities we serve.

As we reflect on the year that was, we are incredibly proud of what we have achieved and are excited for the future. Thank you to our staff, Directors, and community for your ongoing support in what has been another rewarding and successful year for our Community Banks.

We look forward to building on these successes in 2024 and beyond.

Management Team Winchelsea, Anglesea and Lorne Community Bank branches

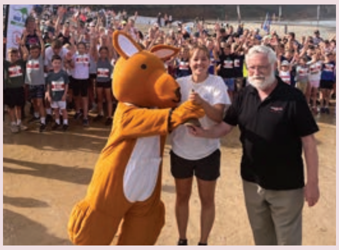
Jeremy Morris, Manager – Community/Company Treasurer
Matilda Pink, Manager – Business
Julie Dunkley, Manager – Lending
Daniel Norris, Manager - People

Community contributions

Community Bank Surf Coast takes immense pride over our ability to give back to the community groups and organisations. During 2023/24 we contributed to 60 groups across different sectors.

The Community Bank Lorne and the Lorne Men's Shed collaborated to build new timber seating for the Lorne Hospital.

The Anglesea Football Senior Girls proudly showcased the new digital scoreboard provided by the Community Bank.



The ringing of the start bell by Director, Andrew Jones for the Community Bank Anglesea Grommet Gallop.

The Anglesea Football Netball Club taking full advantage of the Community Bank BBQ Trailer.

The Winchelsea Community was proudly nominated for Heart Safe Australia program supported by Ambulance Victoria.

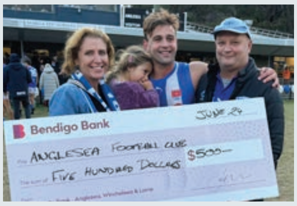
Jordan was our lucky 1000th 'like' on Community Bank Surf Coast Facebook page.

The Inverleigh Golf Ladies received a free CPR and defib lifesaving presentation from Ambulance Victoria.

Branch Managers Dan, Matilda and Jeremy showing the presents customers have gifted for Elf Squad for local families in need for Christmas.

The running of the Anglesea Rock2Ramp hosted at Point Roadknight as part of the Anglesea Surf Life Saving Club annual fundraisers.

The volunteers of the Lorne Hospital were treated to lunch and a movie at the iconic Lorne Cinema.

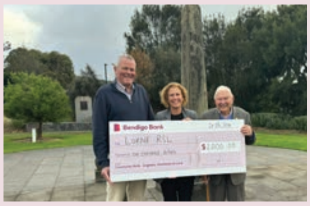


The Anglesea Football Netball Club president Paul, was happy to receive $500 for winning the Community Bank Cup, Anglesea vs Barwon Heads.

The running of the Annual Community Bank Anglesea Grommet Gallop as part of the Anglesea Roo Run.

Senior Branch Manager Jeremy Morris and Community Engagement Advisor Kelly love the Bendigo Bank mascot, Piggy.

The Lorne Men's Shed enjoyed a free presentation & information session on online banking safety and scam awareness.



The Lorne RSL committee members Clive & Doug were proud of their new watering system they had installed for the Anzac gardens in Lorne.

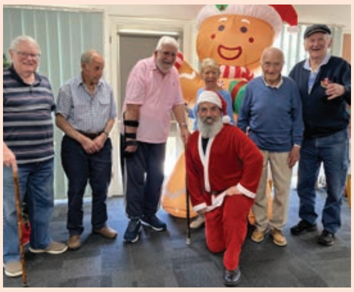
The men at the Lorne Men's Shed were honoured to receive funds to purchase new tools for use in the Community Shed.

The Committee members Modewarre Football Netball Club are enjoying their new digital scoreboard.

The Modewarre Football Netball Club held their annual sponsorship lunch which both staff and Directors attended for a thrilling game of football.

The Winchelsea Primary School received support to help with incursions and excursions.

Inverleigh Hawks and Winchelsea Blues competed in the Community Bank Cup.



Our very own staff member, Rod visited the **Anglesea Lions Village** to spread Christmas cheer and gifts.

Showing our support for **Barwon Health**, Critical Care Appeal Geelong.

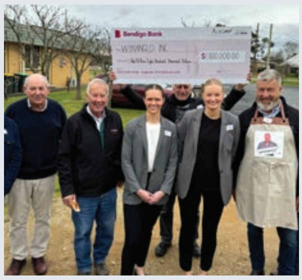
Directors and Staff celebrating a successful Community Investment streagy meeting.

Excited entrants ready to run the 2024 **Community Bank Anglesea Grommet Gallop**.

The **Winchelsea Pickle Ball Club** was proud to receive support to purchase equipment in partnership with the Winchelsea Lions.

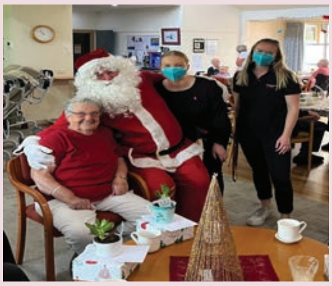
The **Winchelsea Netball** Juniors were thrilled to have won 3rd place in the Surf Coast Times Footy Tipping Competition

Volunteers of the **Winchelsea Blues Bistro Catering** team at the Winchelsea football Netball Club.



Winanglo celebrating a BBQ for the building stage of framing by staff, committee, builders and locals.

The **Winchelsea Playgroup** are celebrating support for further play equipment to entertain all.



Director Charlie Earl and staff members visit the local **Hesse Health Aged Care** to deliver Christmas cheer and presents for all.

The **Winchelsea Op Shop** enjoyed an Online banking safety and scam information session hosted by Branch Manager Daniel Norris and Customer Service Officer Zsofia.

Community Bank Winchelsea, along with other local organisations, co-funded a huge new mural on the back of the local childcare centre as part of the town beautification project.

All Aboard Torquay hired the Community Bus to head to Melbourne for the weekend and visited science works along the way.

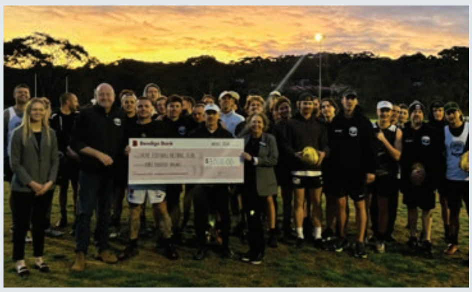
The Anglesea Community benefited from a CPR and defibrator training session run by Ambulance Victoria.

The **Lorne P-12** are in the process of producing a presentation on the Lorne School to encourage and showcase their school to encourage new students.

The **Anglesea Men's Shed** and Director Andrew showcased their new LED lighting in their workshop.

The **Anglesea Men's Shed** were delighted to make toys for the Elf Squad Christmas Appeal.

The **Annual Anglesea International Women's Day** business breakfast inviting all women locally involved in business.



The **Lorne Football Netball Club** received $3,000 as part of the partnership with the Surf Coast Times and the footy tipping competition.

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

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 McKenzie Knuckey
Title:	Non-executive director
Experience and expertise:	Business Proprietor - Engineering. Self employed in the agricultural retail and manufacturing industry for 40 years. Past executive of local sporting clubs. Long time local resident.
Special responsibilities:	Chair. Assets and Finance Committee, Executive Committee, Governance Committee, Marketing and Community Investment Committee.

Name:	Robert John Earl
Title:	Non-executive director
Experience and expertise:	Civil Contactor. Qualified Diesel Fitter and holds a Diploma of Occupational Health and Safety. Managed own business and staff since May 1988, ten years in heavy construction and mining. Former president of the Civil Contractors Federation for ten years, founding member of the Winchelsea Tourist and Traders, former member of the SES and Landcare and former mentor at the Winchelsea Primary School.
Special responsibilities:	Marketing and Community Investment Committee.

Name:	Kenneth Ian McDonald
Title:	Non-executive director
Experience and expertise:	Real Estate Consultant. Self-employed Real Estate Agent/extensive experience in agriculture. Long time local resident and community volunteer.
Special responsibilities:	Executive Committee.

Name:	John Hubert Tebbutt
Title:	Non-executive director
Experience and expertise:	Retired Barrister at Law. Barrister at Law for 43 years. Licensed Legal Practitioner and Accredited Mediator (Bond University). President Growing Winchelsea Inc. Former Member Strategic Advisory Board, Bendigo Bank. Volunteer of Geelong RSL. Former President of the Torquay Golf Club. Part time Farmer.
Special responsibilities:	Governance Committee.

Name:	Andrew Lindsay Jones
Title:	Non-executive director
Experience and expertise:	Management Consultant. Bachelor of Science, Graduate Diploma of Polymer Science & Graduate Diploma of Marketing. Founder and chair of a national business advisory business. Twenty years experience as General Manager of large manufacturing businesses on glass, packaging and building products industries. Director of Rotary Club of Belmont and APCO Foundation.
Special responsibilities:	Chair of Marketing and Community Investment Committees.

Name:	Gerard William Kelly
Title:	Non-executive director
Experience and expertise:	Retired Accountant. Bachelor of Commerce, 8 years with a major international accounting firm in Melbourne followed by 30 years in public practice in Colac, specialising in rural and small business. 30 years involvement with scouting in Colac. Strong family connections with Winchelsea and district.
Special responsibilities:	Company Secretary, Chair of Executive Committee

Name:	Moira Louise Thomson
Title:	Non-executive director
Experience and expertise:	Farmer and business owner. Bachelor of Commerce (Economics). Involved community member of Winchelsea.
Special responsibilities:	Marketing and Community Investment Committee and Executive Committee.

Name:	Lesley Therese Thornton
Title:	Non-executive director (appointed 30 January 2024)
Experience and expertise:	Evaluator and organisational development consultant with significant experience working with clients across community, health, mental health, and aged care, to support organisational, service and system improvement. Is an active member of the Lorne community.
Special responsibilities:	Community Investment Committee

Name:	Robert Cameron
Title:	Non-executive director (appointed 27 August 2024)
Experience and expertise:	Experience and expertise: Radio host, Sporting Commentator and Journalist. Worked across many sectors in the Agricultural industry over 40 years. Long time local resident, community volunteer and strong community focus over his lifetime
Special responsibilities:	Community Investment Committee

Name:	Paul Leonard Nigro
Title:	Non-executive director (resigned 8 April 2024)
Experience and expertise:	Business Owner. Former Lending and Corporate Services Manager in a financial institution. 20 years as a self-employed business owner. Currently the Senior Coach of the Anglesea Football Netball Club senior football team. Has been actively involved as a coach of local football since 2000.
Special responsibilities:	Governance Committee and Executive Committee.

Name:	Pamela Margaret Sandlant
Title:	Non-executive director (resigned 4 December 2023)
Experience and expertise:	Farmer, Business Manager, Retired School Principal. Bachelor of Education. (B.Ed.) Diploma of Teaching - Primary (Dip.T) Reading Recovery - Tutor. Emotional Literacy through Visual Arts (ELVA) - Tutor. Various Professional Certificates in Educational Leadership, Teaching & Learning, Mentoring, Coaching etc. Educational and School Leadership and Management as School Principal in Self Managing Schools - 22 years. Teacher/Unit Leader/Coordinator – 18 years. Farm management - 45 years. Administration, business management, accounting, HR, OH&S, marketing, bank liaison etc. Committee of Management Anglesea Community House - Board Member and minute secretary - 15 years. Anglesea, Winchelsea and Lorne Community Bank - Director -7 years. Member of the Governance Committee - 7 years. Various Project Management positions for the Victorian Department of Education - 4 years. Current – Director Community Bank Beaufort (Beaufort Financial Services). Current - Director and Secretary - RW&PM Sandlant Pty Ltd.
Special responsibilities:	Governance Committee.

Name:	Garrick Charles Fenton
Title:	Non-executive director (resigned 4 December 2023)
Experience and expertise:	Retired. Farmer, member of Lorne Hospital Board, Lorne Men's Shed Committee and Ballarat Sports Museum.
Special responsibilities:	Marketing and Community Investment Committee.

Company secretary
The Company secretary is Gerard William Kelly. Gerard was appointed to the position of Company secretary on 1 February 2022.

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 $167,225 (30 June 2023: $209,086).

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 8 cents per share (2023: 6 cents)	113,696	85,272

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

	Board		Executive and Finance Committee	
	Eligible	Attended	Eligible	Attended
John McKenzie Knuckey	11	10	7	7
Robert John Earl	11	10	-	-
Kenneth Ian McDonald	11	9	7	6
John Hubert Tebbutt	11	6	-	-
Andrew Lindsay Jones	11	10	-	-
Gerard William Kelly	11	7	7	6
Moira Louise Thomson	11	8	7	4
Lesley Therese Thornton	5	5	-	-
Robert Cameron	-	-	-	-
Paul Leonard Nigro	8	8	3	2
Pamela Margaret Sandlant	5	-	-	-
Garrick Charles Fenton	5	4	-	-

	Community Investment Committee		Marketing Committee	
	Eligible	Attended	Eligible	Attended
John McKenzie Knuckey	5	2	-	-
Robert John Earl	5	2	-	-
Kenneth Ian McDonald	-	-	-	-
John Hubert Tebbutt	-	-	-	-
Andrew Lindsay Jones	5	4	-	-
Gerard William Kelly	-	-	-	-
Moira Louise Thomson	4	2	4	4
Lesley Therese Thornton	1	1	-	-
Robert Cameron	-	-	-	-
Paul Leonard Nigro	-	-	-	-
Pamela Margaret Sandlant	4	1	-	-
Garrick Charles Fenton	5	3	-	-

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 except as disclosed in note 24 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

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 McKenzie Knuckey	4,700	-	4,700
Robert John Earl	28,200	-	28,200
Kenneth Ian McDonald	1,800	-	1,800
John Hubert Tebbutt	-	-	-
Andrew Lindsay Jones	-	-	-
Gerard William Kelly	-	-	-
Lesley Therese Thornton	-	-	-
Robert Cameron	-	-	-
Moira Louise Thomson	-	-	-
Paul Leonard Nigro	-	-	-
Pamela Margaret Sandlant	-	-	-
Garrick Charles Fenton	14,400	-	14,400

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

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

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

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

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

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

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

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

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

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

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

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

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

On behalf of the directors

John McKenzie Knuckey
Chair

25 October 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 Corangamite Financial Services Limited

As lead auditor for the audit of Corangamite Financial 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.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 25 October 2024

Jessica Ritchie
Lead Auditor

afsbendigo.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

Financial statements

Corangamite Financial 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	3,241,542	3,775,989
Other revenue		27,262	56,259
Finance revenue		226	126
Total revenue		3,269,030	3,832,374
Employee benefits expense	8	(1,868,252)	(1,542,424)
Advertising and marketing costs		(47,743)	(55,510)
Occupancy and associated costs		(120,720)	(70,113)
System costs		(88,294)	(71,413)
Depreciation and amortisation expense	8	(223,270)	(194,052)
Finance costs	8	(52,741)	(36,571)
General administration expenses		(248,872)	(199,889)
Loss on disposal of assets	7	-	(176,323)
Total expenses before community contributions and income tax		(2,649,892)	(2,346,295)
Profit before community contributions and income tax expense		619,138	1,486,079
Charitable donations, sponsorships and grants expense	8	(402,801)	(1,204,340)
Profit before income tax expense		216,337	281,739
Income tax expense	9	(49,112)	(72,653)
Profit after income tax expense for the year		167,225	209,086
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain on the revaluation of land and buildings, net of tax		190,806	-
Other comprehensive income for the year, net of tax		190,806	-
Total comprehensive income for the year		358,031	209,086
		Cents	**Cents**
Basic earnings per share	28	11.77	14.71
Diluted earnings per share	28	11.77	14.71

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

Corangamite Financial Services Limited
Statement of financial position
As at 30 June 2024

	Note	2024 $	2023 $
Assets			
Current assets			
Cash and cash equivalents	10	31,752	160,218
Trade and other receivables	11	263,913	316,173
Total current assets		295,665	476,391
Non-current assets			
Investment properties		4,224	4,448
Property, plant and equipment	12	2,928,074	2,461,021
Right-of-use assets	13	256,872	290,573
Intangible assets	14	140,139	180,178
Total non-current assets		3,329,309	2,936,220
Total assets		3,624,974	3,412,611
Liabilities			
Current liabilities			
Trade and other payables	15	109,349	48,085
Borrowings	16	121,168	123,419
Lease liabilities	17	47,965	34,830
Current tax liabilities	9	37,061	28,826
Employee benefits	18	212,806	199,580
Total current liabilities		528,349	434,740
Non-current liabilities			
Trade and other payables	15	88,087	132,129
Borrowings	16	452,303	553,023
Lease liabilities	17	255,886	303,796
Deferred tax liabilities	9	189,662	133,918
Employee benefits	18	21,589	10,420
Provisions		3,661	3,483
Total non-current liabilities		1,011,188	1,136,769
Total liabilities		1,539,537	1,571,509
Net assets		2,085,437	1,841,102
Equity			
Issued capital	19	966,000	966,000
Revaluation reserve		372,794	181,988
Retained earnings		746,643	693,114
Total equity		2,085,437	1,841,102

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

Corangamite Financial Services Limited
Statement of changes in equity
For the year ended 30 June 2024

	Note	Issued capital $	Revaluation reserve	Retained earnings $	Total equity $
Balance at 1 July 2022		966,000	181,988	569,300	1,717,288
Profit after income tax expense		-	-	209,086	209,086
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	209,086	209,086
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	21	-	-	(85,272)	(85,272)
Balance at 30 June 2023		966,000	181,988	693,114	1,841,102

	Note	Issued capital $	Revaluation reserve $	Retained earnings $	Total equity $
Balance at 1 July 2023		966,000	181,988	693,114	1,841,102
Profit after income tax expense		-	-	167,225	167,225
Other comprehensive income, net of tax		-	190,806	-	190,806
Total comprehensive income		-	190,806	167,225	358,031
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	21	-	-	(113,696)	(113,696)
Balance at 30 June 2024		966,000	372,794	746,643	2,085,437

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

Corangamite Financial Services Limited
Statement of cash flows
For the year ended 30 June 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,561,623	4,178,368
Payments to suppliers and employees (inclusive of GST)		(2,937,346)	(3,687,839)
Interest received		226	126
Interest and other finance costs paid		(38,737)	(20,758)
Income taxes paid		(48,736)	(33,693)
Net cash provided by operating activities	27	537,030	436,204
Cash flows from investing activities			
Payments for property, plant and equipment	12	(359,788)	(215,864)
Payments for intangible assets		(40,040)	(40,040)
Net cash used in investing activities		(399,828)	(255,904)
Cash flows from financing activities			
Proceeds from borrowings		230,000	-
Repayment of lease liabilities		(35,152)	(33,337)
Interest and other finance costs paid		(13,849)	(15,663)
Dividends paid	21	(113,696)	(85,272)
Repayment of borrowings		(332,971)	(235,101)
Net cash used in financing activities		(265,668)	(369,373)
Net decrease in cash and cash equivalents		(128,466)	(189,073)
Cash and cash equivalents at the beginning of the financial year		160,218	349,291
Cash and cash equivalents at the end of the financial year	10	31,752	160,218

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 Corangamite Financial 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 11 Main Street, Winchelsea, VIC 3241.

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 25 October 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 2021-6 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and other Australian Accounting Standards* 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 2021-6 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 2021-6 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.

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

Note 3. Material accounting policy information (continued)

Impairment of financial assets
The company recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. 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.

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.

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

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.

Fair value measurement hierarchy
The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: inputs are based on the quoted market price at the close of business at the end of the reporting period
Level 2: inputs are based on a valuation performed by a third party qualified valuer using quoted prices for similar assets in an active market
Level 3: unobservable inputs for the asset or liability.

Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

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

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

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.

Sublease classification
Judgement is required to determine the classification of the sublease as either an operating or a finance sublease.

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

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

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

Note 5. Economic dependency

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 December 2027.

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank.

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.

Note 5. Economic dependency (continued)

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. Revenue from contracts with customers

	2024 $	2023 $
Margin income	2,855,648	3,373,374
Fee income	151,463	156,380
Commission income	234,431	246,235
	3,241,542	3,775,989

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.

Note 6. Revenue from contracts with customers (continued)

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

	Interest paid by customers on loans less interest paid to customers on deposits
plus:	any deposit returns i.e. interest return applied by Bendigo Bank for a deposit
minus:	any costs of funds i.e. interest applied by Bendigo Bank to fund a loan.

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

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

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

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

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

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

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

Note 7. Loss on disposal of assets

	2024 $	2023 $
Loss on disposal of non-current assets	-	176,323

During the previous year the company completed a re-fit of the Winchelsea Branch. As a result, the assets associated with the previous fit out have been disposed of. This disposal has resulted in a loss on disposal expense for the financial year which was the carrying value of the assets at the time of disposal.

Note 8. Expenses

Employee benefits expense

	2024 $	2023 $
Wages and salaries	1,581,376	1,338,906
Contributions to defined contribution plans	183,012	140,245
Expenses related to long service leave	22,820	(6,719)
Other expenses	81,044	69,992
	1,868,252	1,542,424

Depreciation and amortisation expense

	2024 $	2023 $
Depreciation of non-current assets		
Buildings	43,017	43,005
Leasehold improvements	49,044	26,781
Furniture and fittings	31,251	22,921
Motor vehicles	23,831	23,831
	147,143	116,538
Depreciation of right-of-use assets		
Leased land and buildings	36,088	35,760
Amortisation of intangible assets		
Franchise fee	6,672	14,354
Franchise renewal fee	33,367	27,400
	40,039	41,754
	223,270	194,052

Finance costs

	2024 $	2023 $
Bank loan interest paid or accrued	38,738	19,140
Lease interest expense	13,849	15,663
Unwinding of make-good provision	154	149
Chattel mortgage interest expense	-	1,619
	52,741	36,571

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

Charitable donations, sponsorships and grants expense

	2024 $	2023 $
Direct donation, sponsorship and grant payments	117,801	520,129
Contribution to the Community Enterprise Foundation™	285,000	684,211
	402,801	1,204,340

Note 8. Expenses (continued)

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 $
Income tax expense		
Current tax	61,969	42,209
Movement in deferred tax	55,745	30,444
Under/over provision in respect to prior years	(5,000)	-
Deferred tax on revaluation increment recognised at FVTOCI	(63,602)	-
Aggregate income tax expense	49,112	72,653
Prima facie income tax reconciliation		
Profit before income tax expense	216,337	281,739
Tax at the statutory tax rate of 25%	54,084	70,435
Tax effect of:		
Non-deductible expenses	28	2,218
	54,112	72,653
Under/over provision in respect to prior years	(5,000)	-
Income tax expense	49,112	72,653

	2024 $	2023 $
Deferred tax liabilities / (assets)		
Property, plant and equipment	259,865	198,190
Right-of-use assets	65,274	73,755
Lease liabilities	(75,963)	(84,657)
Employee benefits	(58,599)	(52,500)
Provision for lease make good	(915)	(870)
Deferred tax liability	189,662	133,918

	2024 $	2023 $
Provision for income tax	37,061	28,826

Note 9. 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 10. Cash and cash equivalents

	2024 $	2023 $
Cash at bank and on hand	31,752	160,218

Note 11. Trade and other receivables

	2024 $	2023 $
Trade receivables	254,369	305,075
Prepayments	9,544	11,098
	263,913	316,173

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. Property, plant and equipment

	2024 $	2023 $
Winchelsea land - at fair value	257,178	257,178
Anglesea land - at fair value	600,000	284,597
	857,178	541,775
Winchelsea building - at fair value	348,707	348,707
Anglesea building - at fair value	1,000,000	1,164,191
Less: Accumulated depreciation	(62,439)	(122,618)
	1,286,268	1,390,280
Leasehold improvements - at cost	736,429	405,376
Less: Accumulated depreciation	(141,638)	(92,594)
	594,791	312,782
Plant and equipment - at cost	13,377	13,377
Less: Accumulated depreciation	(13,377)	(13,377)
	-	-
Furniture and fittings - at cost	317,342	288,607
Less: Accumulated depreciation	(191,121)	(159,870)
	126,221	128,737
Motor vehicles - at cost	228,461	228,461
Less: Accumulated depreciation	(164,845)	(141,014)
	63,616	87,447
	2,928,074	2,461,021

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

	Land $	Buildings $	Leasehold improvements $	Furniture and fittings $	Motor vehicles $	Total $
Balance at 1 July 2022	541,775	1,433,285	345,961	105,719	111,278	2,538,018
Additions	-	-	169,699	46,165	-	215,864
Disposals	-	-	(176,097)	(226)	-	(176,323)
Depreciation	-	(43,005)	(26,781)	(22,921)	(23,831)	(116,538)
Balance at 30 June 2023	541,775	1,390,280	312,782	128,737	87,447	2,461,021
Additions	-	-	331,053	28,735	-	359,788
Revaluation increments	315,403	-	-	-	-	315,403
Revaluation decrements	-	(60,995)	-	-	-	(60,995)
Depreciation	-	(43,017)	(49,044)	(31,251)	(23,831)	(147,143)
Balance at 30 June 2024	857,178	1,286,268	594,791	126,221	63,616	2,928,074

Additions and disposals
During the current and previous financial year the company completed a re-fit for the Winchelsea branch which also included disposing of old assets that were either replaced or no longer in use.

Note 12. Property, plant and equipment (continued)

Fair value
The fair value of property was determined by external, independent property valuers, having recognised professional qualifications and recent experience in the location and category of the property being valued. Independent valuers provide the fair value of the company's investment property portfolio every 3 to 5 years.

The company's Anglesea property was independently valued effective 17 May 2024 by Hendry Consulting.

The company's Winchelsea property was independently valued effective 28 March 2022 by Hendry Consulting.

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:

Building	20 to 40 years
Leasehold improvements	5 to 40 years
Furniture and fittings	1 to 40 years
Motor Vehicles	8 years

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

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Note 13. Right-of-use assets

	2024 **$**	**2023** **$**
Land and buildings - right-of-use	401,512	394,458
Less: Accumulated depreciation	(144,640)	(103,885)
	256,872	290,573

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	323,525
Remeasurement adjustments	2,808
Depreciation expense	(35,760)
Balance at 30 June 2023	290,573
Remeasurement adjustments	2,387
Depreciation expense	(36,088)
Balance at 30 June 2024	256,872

Note 13. Right-of-use assets (continued)

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 14. Intangible assets

	2024 **$**	**2023** **$**
Franchise fee	289,426	289,426
Less: Accumulated amortisation	(266,069)	(259,397)
	23,357	30,029
Franchise renewal fee	336,448	336,448
Less: Accumulated amortisation	(219,666)	(186,299)
	116,782	150,149
	140,139	180,178

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	11,016	10,717	21,733
Additions	33,367	166,832	200,199
Amortisation expense	(14,354)	(27,400)	(41,754)
Balance at 30 June 2023	30,029	150,149	180,178
Amortisation expense	(6,672)	(33,367)	(40,039)
Balance at 30 June 2024	23,357	116,782	140,139

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

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

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

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

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

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

Note 15. Trade and other payables

	2024 $	2023 $
Current liabilities		
Other payables and accruals	109,349	48,085
Non-current liabilities		
Other payables and accruals	88,087	132,129

	2024 $	2023 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	197,436	180,214
Less GST Payable to the ATO, included in trade and other payables	(29,944)	25,345
	167,492	205,559

Note 16. Borrowings

	2024 $	2023 $
Current liabilities		
Bank loans	121,168	123,419
Non-current liabilities		
Bank loans	452,303	553,023

Bank loans
A bank loan was taken out to fund the fitout of the Anglesea branch building. Interest is recognised at rate of 7.10% (2023: 6.88%). The loans are secured by a fixed and floating charge over the company's assets.

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 17. Lease liabilities

	2024 $	2023 $
Current liabilities		
Property lease liabilities	47,965	34,830
Non-current liabilities		
Property lease liabilities	255,886	303,796

Note 17. Lease liabilities (continued)

Reconciliation of lease liabilities

	2024 $	2023 $
Opening balance	338,626	371,963
Remeasurement adjustments	377	-
Lease interest expense	13,849	15,663
Lease payments - total cash outflow	(49,001)	(49,000)
	303,851	338,626

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
Lorne Branch	4.39%	5 years	1 x 5 years	Yes	September 2031

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.

Note 18. Employee benefits

	2024 $	2023 $
Current liabilities		
Annual leave	113,952	109,353
Long service leave	98,854	90,227
	212,806	199,580
Non-current liabilities		
Long service leave	21,589	10,420

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

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

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

Note 19. Issued capital

	2024 Shares	2023 Shares	2024 $	2023 $
Ordinary shares - fully paid	966,000	966,000	966,000	966,000

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

Rights attached to issued capital

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

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

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

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 303. As at the date of this report, the company had 459 shareholders (2023: 463 shareholders).

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

Note 19. Issued capital (continued)

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

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

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

Note 20. Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board of directors monitor the return on capital and the level of 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 21. Dividends

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 8 cents per share (2023: 6 cents)	113,696	85,272

Note 21. Dividends (continued)

Franking credits

	2024 $	2023 $
Franking account balance at the beginning of the financial year	265,620	260,351
Franking credits (debits) arising from income taxes paid (refunded)	48,736	33,693
Franking debits from the payment of franked distributions	(37,899)	(28,424)
	276,457	265,620
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	276,457	265,620
Franking credits (debits) that will arise from payment (refund) of income tax	37,061	28,826
Franking credits available for future reporting periods	313,518	294,446

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

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

Note 22. Financial risk management

The company's financial instruments include trade receivables and payables, cash and cash equivalents 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 A- 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 $
Financial assets		
Trade and other receivables excluding prepayments (note 11)	254,369	305,075
Cash and cash equivalents (note 10)	31,752	160,218
	286,121	465,293
Financial liabilities		
Trade and other payables (note 15)	167,492	205,559
Lease liabilities (note 17)	303,851	338,626
Bank loans (note 16)	573,471	676,442
	1,044,814	1,220,627

Note 22. Financial risk management (continued)

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

Accounting policy for financial instruments

Financial assets

Classification
The company measures its financial assets at amortised cost.

The company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents.

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

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

Financial liabilities

Classification
The company measures 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 earnings on those are subject to movements in market interest. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the company to cash flow interest-rate risk.

The company held cash and cash equivalents of $31,752 at 30 June 2024 (2023: $160,218).

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

	2024		2023	
	Nominal interest rate %	**Balance $**	**Nominal interest rate %**	**Balance $**
Bank loans	7.10%	573,471	6.88%	676,442
Net exposure to cash flow interest rate risk		573,471		676,442

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.

Note 22. Financial risk management (continued)

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

The following are the 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 $
Bank loans	121,168	452,303	-	573,471
Trade and other payables	79,405	88,087	-	167,492
Lease liabilities	49,000	196,001	108,345	353,346
Total non-derivatives	249,573	736,391	108,345	1,094,309

2023	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Bank loans	123,419	553,023	-	676,442
Trade and other payables	73,430	132,129	-	205,559
Lease liabilities	49,000	196,001	159,251	404,252
Total non-derivatives	245,849	881,153	159,251	1,286,253

Note 23. Fair value measurement

The following tables detail the company's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2024	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Land and buildings	-	2,205,885	-	2,205,885
Total assets	-	2,205,885	-	2,205,885

2023	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Land and buildings	-	2,054,672	-	2,054,672
Total assets	-	2,054,672	-	2,054,672

There were no transfers between levels during the financial year.

Note 23. Fair value measurement (continued)

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 24. Key management personnel disclosures

The following persons were directors of Corangamite Financial Services Limited during the financial year and/or up to the date of signing of these Financial Statements.

John McKenzie Knuckey
Robert John Earl
Kenneth Ian McDonald
John Hubert Tebbutt
Andrew Lindsay Jones
Gerard William Kelly
Moira Louise Thomson
Lesley Therese Thornton
Robert Cameron
Paul Leonard Nigro
Pamela Margaret Sandlant
Garrick Charles Fenton

Key management personnel compensation comprised the following.

	2024 $	2023 $
Short-term employee benefits	3,000	4,750

Compensation of the company's key management personnel includes fuel reimbursements.

Note 25. Related party transactions

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

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 $
The company made a sponsorship to a local business where a company director is on the committee	9,000	-
The company made sponsorship to a local business where a company director is the partner of board member	3,040	-

Note 26. Remuneration of auditors

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

	2024 $	2023 $
Audit services		
Audit or review of the financial statements	8,650	6,400
Other services		
Taxation advice and tax compliance services	3,150	1,720
General advisory services	6,477	5,610
	9,627	7,330
	18,277	13,730

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

	2024 $	2023 $
Profit after income tax expense for the year	167,225	209,086
Adjustments for:		
Depreciation and amortisation	223,270	194,053
Loss on disposal of assets	-	176,323
Lease liabilities interest	13,849	15,664
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	52,260	(77,299)
Increase/(decrease) in trade and other payables	55,500	(116,146)
Increase in provision for income tax	8,235	8,516
Increase/(decrease) in deferred tax liabilities	(7,858)	30,444
Increase/(decrease) in employee benefits	24,395	(4,586)
Increase in other provisions	154	149
Net cash provided by operating activities	537,030	436,204

Note 28. Earnings per share

	2024 $	2023 $
Profit after income tax	167,225	209,086
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	1,421,200	1,421,200
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,421,200	1,421,200
	Cents	**Cents**
Basic earnings per share	11.77	14.71
Diluted earnings per share	11.77	14.71

Note 29. Commitments

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

Note 30. Contingencies

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

Note 31. Events after the reporting period

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

John McKenzie Knuckey
Chair

25 October 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 Corangamite Financial Services Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Corangamite Financial 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 Corangamite Financial 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
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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.

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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.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 25 October 2024

Jessica Ritchie
Lead Auditor

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