Annual Report 2024

Gosnells Financial Services Limited

Community Bank
Canning Vale

ABN 11 095 764 533

Contents

Chair's report

For year ending 30 June 2024

Acknowledgement to Country

I wish to acknowledge the Traditional Owners and the Custodians of the land upon which we stand, work, and learn together.

We acknowledge the Wadjuk Noongar people as the First Nation People and their connection to the lands and the waters, as they are part of them spiritually and culturally.

We acknowledge their ancestors, Elders past and present, who have led the way for us to follow in their footsteps and may we walk together into the future.

Overview

Welcome to our 2023/24 Financial Year review for Community Bank Canning Vale and Gosnells Financial Services Limited.

I would first like to acknowledge each of our Shareholders for your continued support of Community Bank Canning Vale.

2023/24 has seen your Directors work hard to refocus our effort to drive growth in our Community Bank, looking at how we could revitalise our position and profitability. This saw our team of Directors in collaboration with our Branch Manager, Regional Manager and Bendigo Bank performance analyst managers looking at our banking operation and what needed to improve to see sustainable growth into the future and a greater impact in our community to develop more reach to provide more banking and home loan opportunities. It saw our directors develop a Strategic Plan and relevant Committees to effectively manage and drive efficiencies to deliver on growing our business.

This over the last 12 months, despite interest rates increasing and Inflationary trends not behaving, has seen a return to positive growth and an outlook for further growth driven by increasing home loan business, increasing Business Banking and very positive growth in Term Deposit funds. Our margin share through this focus has remained on track and has allowed us to preserve our cash funds. Our financial report at the Annual General Meeting will be one that shows optimism and growth for you as Shareholders into the coming year.

None of this positive focus and delivering on our commitments would be possible without the tremendous team, consisting of my fellow Directors.

- Ron Costanzo Deputy Chair, driving our Strategic Plan.
- Iggy Moro our long standing Treasurer.
- Efthalia Samaras leading on Risk Management.
- Dean Morris working in the Risk Management area.
- Steve Morrison our latest Director working in Sponsorship and Engagement area.
- Our most valued asset Claire Hurst our Company Secretary that works tirelessly for Gosnells Financial Services Limited.
- Our new Mobile Relationship Manager Shani Paget who commenced in August 2024.

Chair's report (continued)

- Michelle Lenox our Branch Manager who has completed 20 years with our Community Bank Canning Vale.

  And the team:

  Ash Arora (Customer Relationship Officer)

  Curtis Boylan (Customer Service Officer)

  Sujith Katugampalage (Customer Service Officer)

  Rish Sagoo (Customer Service Officer)

A personal thankyou to each and every one of you, it is a pleasure to work with you all.

Celebrating the 20 year anniversay of Michelle Lennox, pictured with the branch team.

Your Board of Directors and staff, continue to focus on reducing our operational expenses to ensure we are in the best possible position moving forward.

Along with other Community Banks, we work in partnership with Bendigo Bank to improve efficiencies though modernisation and the level of support offered to the network to improve our competitiveness.

In brief we have addressed the challenges we faced by:

1. Maintaining a strong focus on cost reduction.
2. Outperforming several other similar sized Community Banks in terms of business growth, reflecting on this to learn best practice.
3. Continued to grow our referral program and community initiatives to clubs and Not For Profits, schools, and other organisations to grow home loan, business banking and term deposit opportunities. To this end we have engaged a mobile lending expert to help deliver from our partners.
4. Bendigo Bank have now developed improved reporting frameworks that allow improved visibility to our performance and allows us to compare our performance to similar branches. These reports provide us with an opportunity to reconsider how the branch can adapt to the new world of in branch and digital banking.
5. Making sure we are well informed and planning for any change that may occur around interest rates, inflationary factors and other world influences.
6. Development of our Strategic Plan to clearly address our vision and relevance for the next five years that will incorporate importantly a risk profile to help guide our board. This will also cover updated portfolio roles and processes and ensure better governance.
7. Seeking out new Directors with unique skill sets to complement your existing board members and bring new and different thought processes to our community engagement.

Community sponsorships, donations and grants are a core point of difference for the Community Bank network.

Gosnells Financial Services has now contributed over $600,000 to our community.

I would like to finish this report by thanking the Shareholders again and it is great pleasure that we are able to offer a dividend which will be discussed further at the Annual General Meeting.

To our customers who have supported the Community Bank Canning Vale, thank you for your business that keeps us going and thank you for your constant encouragement of the staff and the Board which is so up lifting. By banking with our Community Bank Canning Vale, you too are investing in your community to provide better outcomes.

Geoff Wolfenden
Chair

Manager's report

For year ending 30 June 2024

Time goes by so fast. It has been 6 years since we moved from Gosnells to Canning Vale. Being the only bank in the immediate area we are seeing many customers wanting to bank with us. Over the past 12 months we have seen other banks going digital which has seen an influx of people moving to Bendigo Bank.

Community Bank Canning Vale is the only bank in the immediate area, so we do have a lot of potential to continue to grow our business.

As at the end of June 2024, our overall business had grown from $138,756,449 to $148,156,982 which is an overall year growth of $9,400,533. This was a very encouraging result given difficult environment with multiple interest rates rises, increased customer living costs and fierce competition.

Our lending book remains stable at $33,061,329 which includes $4,000,000 held via Business Banking Loans.

Deposits remain very strong via new Term Deposits, At Call Accounts & Sandhurst Products. Overall year to date growth was $5,116,009.

As at end of the Financial Year the Branch had 5,666 customers holding 2.188 products per customer. This is an increase on last year with 4,824 customers holding 1.819 products.

Our focus continues to be Home Loan growth and increasing the loan book over the next 12 months.

Gosnells Financial Services Limited has recently employed a Mobile Relationship Manager (Shani Paget) to assist the branch in home lending. Shani can visit customers where and when it suits them. Shani brings a wealth of experience in Lending and has moved from Westpac to our Community Bank.

We may be a small team at Community Bank Canning Vale, but we are family. All staff are committed to their roles and are accountable & responsible for growing the business.

Ash is a full time Customer Relationship Officer. He was originally employed by Bendigo Bank commencing in May 2022, and worked on the relief team. Ash joined our Community Bank in October 2023 and brings a wealth of knowledge to the immediate team.

Curtis is a full time Customer Service Officer and joined our team in March 2023. Our customers love Curtis's vibrant personality and his willingness to help them.

Rish is a part time Customer Service Officer and joined our team in December 2023. He is currently studying Banking & Finance at University of WA and his experience in the branch has supported his studies.

Sujith is our newest team member who commenced in May 2024. Sujith has fit in well with the team and is developing his skills as a Customer Service Officer.

And finally, me. I have been the Branch Manager for 20 years now and people do ask me why I am still here? This is an easy question to answer. I am very passionate about my role as the Branch Manager. I love my community and being able to assist our customers achieve their financial goals. It gives me great satisfaction in seeing people smile and knowing that I have been part of that journey with them.

Shani Paget
Mobile Relationship Manager

Ash Arora
Customer Relationship Officer

Curtis Boylan
Customer Service Officer

Sujith Katugampala
Customer Service Officer

Rish Sagoo
Customer Service Officer

Aims:

Our team goals for the next 12 months is to focus on lending. Our business portfolio is very "top heavy" in deposits, and we need to level this out. Having Shani as a Mobile Relationship Manager will assist in the growth of our lending portfolio.

We are excited to advise that we are still open and available to assist our customers in person. There are still many customers who prefer the ability to go into a branch and get the support they require. We also offer a full digital platform and the ability to meet at times and locations that are more convenient to our customers.

Acknowledgements:

I would like to thank my Board of Directors. Such amazing people who volunteer so much of their time. They are so active within the community and strive to see our community and business succeed. Many sponsorships have been completed during the year and to date we have put back $647,585 into local community groups. The Directors & staff have a wonderful business relationship and work tirelessly together to assist.

The Company Secretary Claire works around the clock supporting community engagements, initiatives and the Board of Directors. She is always out there supporting community groups and works very hard for the Board and Bank.

Our business partner Bendigo Bank is always there to support our business, and my Regional Manager is always available to support me. She was previously a Branch Manager at Community Bank Kwinana so understands the pressures we face on a day-to-day basis.

My team – the 4 exceptional people I have working with me. I thank them from the bottom of my heart. Without their dedication, commitment and support we would not have a team. They are all amazing and continue to work extremely hard at the branch and within the community.

Finally, a big thank you to all our customers and shareholders who continue to support our Branch. Without you we do not have a business.

Please feel free to drop in & meet the team or give us a call at the Branch on 9455 4650. We would be happy to help you with your banking needs.

Michelle Lennox
Branch Manager
Community Bank Canning Vale

Community engagement

Canning Vale Senior Football Club - Pride Round

EDO Nigeria - Annual Event.jpg

Harrisdale Mens Shed

Womens Health & Wellbeing Services

City of Gosnells - Annual Arts Awards

PWCC 1st Womens team

Willetton Basketball Association

Bendigo and Adelaide Bank report

For year ending 30 June 2024

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

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

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

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

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

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

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

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

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

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

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

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

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

Justine Minne
Bendigo and Adelaide Bank

Community Bank National Council report

For year ending 30 June 2024

OUR VOICE COMMUNITY BANK NATIONAL COUNCIL

Community Bank network: celebrating 26 years of empowering communities

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

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

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

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

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

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

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

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

Warm regards

Lauren Bean
General Manager
Community Bank National Council

Reflect Reconciliation Action Plan

As a way to commemorate the launch of the Bendigo and Adelaide Bank's inaugural Reflect Reconciliation Action Plan 2023, they engaged with Yorta Yorta and Dja Dja Wurrung artist and educator, Troy Firebrace, to create a piece of art that symbolised the importance of and the start of the Bank's journey towards reconciliation.

This Reconciliation Action Plan will support the Bank in understanding, exploring and measuring, where and how we can have the most meaningful impact, and lay firm foundations for Reconciliation across the Group in the years to come.

Learn more about the Reconciliation Action Plan and learn more about the artwork here

Artist: Troy Firebrace
Country: Yorta Yorta and Dja Dja Wurrung
Year Created: 2023

THE ARTIST
Troy Firebrace is a proud Yorta Yorta and Dja Dja Wurrung artist and educator. Born in Shepparton, Troy was always drawn to art and painting at school, but an absence of Aboriginal history and education in his schooling lead him on a path to becoming an educator too. Troy has a Bachelor in Creative Arts, Major in Fine Arts and a Masters of Teaching Secondary. He has exhibited at Kaiela Arts Shepparton, Dudley House Bendigo and Melbourne Museum. Troy lives in Bendigo with his family.

Official artist statement

The artwork focuses on three elements of Bendigo and Adelaide Bank. Community, Impact and Journey.

As an Aboriginal person, it's my interpretation of the Bank's ambitions and commitments, and feeling the truth in their words, which has let me step forward with trust in my creation.

Community is the connection the Bank is forming by learning about community and country. Ensuring the Bank's choices align with the beliefs, ambitions and respect of the community in which the Bank embeds itself. An authentic connection.

Impact is the result of the good, honest work the Bank strives for. The importance of relationships and quality service not only creates an open dialogue with the community, but also has a positive impact on the sustainability of the places they serve. The commitment of honest change for better impact.

Journey is the path of collective learning as a whole community. There is no one side benefiting from the other. The direction of the pathway is open to the whole community and that leads to prosperity. The truest form of partnership.

The Bank's ambitions are not solely of profit or just talk of finance. They are the model in which real communities are formed; where a simple "hello" becomes "how are you?" A question of investment in someone's life, free from creed, race or status. A question grounded in country.

Directors' report

For the financial year ended 30 June 2024

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

Directors

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

Geoffrey Keith Campbell Wolfenden

Title: Non-executive director

Experience and expertise: Geoffrey is a skilled General Manager, Business Development Manager, effective and able to apply change management and work with people management. Strong governance and financial skills. Confident public speaker and presenter. Geoffrey is a current member of the State Emergency Service, Chair of two committees under the Western Australian Football Commission.

Special responsibilities: Chair, Member of Finance committee & People Performance Committee

Ignazio Rocco Moro

Title: Non-executive director

Experience and expertise: Iggy is a Fellow of Chartered Accountants Australia and New Zealand (CAANZ), a Chartered Tax Advisor of the Tax Institute of Australia, a CA SMSF Specialist. Iggy is a business consultant and consulting to several businesses in a number of varying industries, roles including virtual CFO roles, business advisory and structuring, estate and succession planning, business growth, profit improvement and maximising overall business performance. Iggy holds a Bachelor of Business Degree from Edith Cowan University and a Diploma of Financial Planning through University of NSW and Kaplan. As a member of the community and the accounting profession Iggy is committed to volunteering to a number of committees and organisations.

Special responsibilities: Treasurer, Member of Finance Committee

Dean Morris

Title: Non-executive director

Experience and expertise: Dean is the founder of GOSAC - Give Our Strays A Chance - an animal rescue and awareness charity. Dean is currently completing a Bachelor of Engineering & Management.

Special responsibilities: Member of Community Engagement & Funding Committee and Audit & Risk Committee

Directors (continued)

Renaldo Mario Costanzo

Title: Non-executive director

Experience and expertise: Ron has over 30 years experience in ICT Consulting and Business Development. His clients include the largest government and health sector organisations in WA. He has a strong focus on customer experience and strong commercial and financial expertise. Ron has a strong community focus with past involvement on social sporting club committees and in junior coaching in the Canning Vale area.

Special responsibilities: Member of Audit & Risk Committee, Community Engagement & Funding Committee and Strategy & Board Development Committee

Efthalia Samaras

Title: Non-executive director

Experience and expertise: Efthalia is a member of the Chartered Accountants Australia and New Zealand (CAANZ) and a Graduate of the Australian Institute of Company Directors with over 20 years' experience in financial analysis, external audit and enhancing accountability and governance practices. A committed, high performing leader recognised for improving integrity, accountability and transparency, implementing strategic initiatives, stakeholder engagement and leading and developing teams with empathy and respect. Efthalia has been a board member since October 2022 and enjoys engaging with and giving back to the local community. Her passion and dedication to working with teams to help those in need are well aligned to the values of the board and the objectives of the Community bank.

Special responsibilities: Audit and Risk Committee member

Stephen Morrison

Title: Non-executive director (appointed 30 October 2023)

Experience and expertise: Stephen has spent over 20 years in state and national roles for NFP companies such as Lifeline and headspace, 10 of which being in the education sector. His roles have included Consultation, Training, Coordination and Project Management. He is a member of the Association of School Business Administrators, Golden Key International Honour Society, Australian HR Institute and the Australian Institute of Company Directors. Stephen has a Bachelor of Business (Management), a Master of Business Administration and is due to complete a Master of Sustainable Development in 2026. Stephen joined the Gosnells Financial Services Board in 2023 and is proud to share his skills in social, environmental and economic impact with a bank that gives 80% of its profits back to the community.

Special responsibilities: Member of Community Funding and Engagement Committee, Strategic Planning Committee, and Finance Committee

Company secretary

The company secretary is Claire Michelle Hurst. Claire was appointed to the position of secretary on 23 July 2018.

She commenced as Company Secretary with Gosnells Financial Services Limited in 2018 and maintains a role on all committees.

Experience and expertise: Claire has extensive experience within Bendigo Bank commencing with the company in 2007. Claire held various roles throughout her tenure. She has a clear understanding of the Community Model and the point of difference. Her main roles were Business Banking, Marketing, Human Resources and Branch Auditing. She has experience with developing policy & procedure and maintains a role as a National mentor for the company.

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 $186,701 (30 June 2023: $390,125).

Operations have continued to perform in line with expectations.

Dividends

No dividends were declared or paid in the current financial year.

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

Subsequent to year end it was identified pay increases in some years were in accordance with the EBA but below CPI. In the years where CPI was greater than the EBA increase the CPI rate should have been applied. Therefore, this has resulted in underpayments to some employees. GFSL in conjunction with BEN and BEN Payroll are currently reviewing historical records to identify staff affected by this and the underpayment amount. At the reporting date the amount of the underpayment cannot be measured with sufficient reliability but is not expected to be material.

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

Likely developments and expected results of operations

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

Environmental regulation

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

Meetings of directors

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

	Board	
	Eligible	Attended
Geoffrey Keith Campbell Wolfenden	11	8
Ignazio Rocco Moro	11	11
Dean Morris	11	8
Renaldo Mario Costanzo	11	10
Efthalia Samaras	11	9
Stephen Morrison	7	7

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 25 and note 26 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
Geoffrey Keith Campbell Wolfenden	-	-	-
Ignazio Rocco Moro	-	-	-
Dean Morris	-	-	-
Renaldo Mario Costanzo	-	-	-
Efthalia Samaras	-	-	-
Stephen Morrison	-	-	-

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 27 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 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

Geoffrey Keith Campbell Wolfenden
Chair

24 September 2024

Auditor's independence declaration

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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Gosnells Financial Services Limited

As lead auditor for the audit of Gosnells 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: 24 September 2024

Jessica Ritchie
Lead Auditor

Financial statements

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

	Note	2024 $	2023 $
Revenue from contracts with customers	7	1,232,891	1,241,996
Other revenue		17,515	11,388
Finance revenue		23,867	2,548
Total revenue		**1,274,273**	**1,255,932**
Employee benefits expense	8	(595,037)	(411,948)
Advertising and marketing costs		(16,098)	(11,191)
Occupancy and associated costs		(48,297)	(49,424)
System costs		(29,507)	(28,268)
Depreciation and amortisation expense	8	(63,808)	(62,403)
Finance costs		(15,032)	(17,722)
General administration expenses		(131,719)	(104,940)
Fair value losses on financial assets		-	(1,150)
Total expenses before community contributions and income tax		**(899,498)**	**(687,046)**
Profit before community contributions and income tax expense		374,775	568,886
Charitable donations and sponsorships expense		(128,229)	(49,194)
Profit before income tax expense		**246,546**	**519,692**
Income tax expense	9	(59,845)	(129,567)
Profit after income tax expense for the year		**186,701**	**390,125**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**186,701**	**390,125**
		Cents	**Cents**
Basic earnings per share	29	31.53	65.88
Diluted earnings per share	29	31.53	65.88

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

Statement of financial position
As at 30 June 2024

	Note	2024 $	2023 $
Assets			
Current assets			
Cash and cash equivalents	10	415,722	225,525
Trade and other receivables	11	128,098	124,928
Investments	12	412,318	303,175
Total current assets		**956,138**	**653,628**
Non-current assets			
Financial assets	15	28,725	21,525
Property, plant and equipment	13	6,100	8,459
Right-of-use assets	14	177,039	222,867
Intangible assets	16	33,734	46,792
Deferred tax assets	9	96,584	156,429
Total non-current assets		**342,182**	**456,072**
Total assets		**1,298,320**	**1,109,700**
Liabilities			
Current liabilities			
Trade and other payables	17	117,938	66,861
Lease liabilities	18	65,956	51,142
Employee benefits	19	86,632	74,376
Total current liabilities		**270,526**	**192,379**
Non-current liabilities			
Trade and other payables	17	14,767	29,535
Lease liabilities	18	169,917	234,313
Employee benefits	19	2,300	879
Provisions		26,695	25,180
Total non-current liabilities		**213,679**	**289,907**
Total liabilities		**484,205**	**482,286**
Net assets		**814,115**	**627,414**
Equity			
Issued capital	20	588,400	588,400
Retained earnings		225,715	39,014
Total equity		**814,115**	**627,414**

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

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

	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2022	**588,400**	**(351,111)**	**237,289**
Profit after income tax benefit	-	390,125	390,125
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	**-**	**390,125**	**390,125**
Balance at 30 June 2023	**588,400**	**39,014**	**627,414**
Balance at 1 July 2023	**588,400**	**39,014**	**627,414**
Profit after income tax expense	-	186,701	186,701
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	**-**	**186,701**	**186,701**
Balance at 30 June 2024	**588,400**	**225,715**	**814,115**

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

Statement of cash flows
For the year ended 30 June 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,372,974	1,320,179
Payments to suppliers and employees (inclusive of GST)		(1,008,443)	(770,241)
Dividends received		1,550	1,388
Interest received		11,974	129
Net cash provided by operating activities	**28**	**378,055**	**551,455**
Cash flows from investing activities			
Investment in term deposits		(109,143)	(260,129)
Payments for property, plant and equipment	13	-	(3,335)
Payments for intangible assets		(13,425)	(26,849)
Net cash used in investing activities		**(122,568)**	**(290,313)**
Cash flows from financing activities			
Interest and other finance costs paid		(13,663)	(16,403)
Repayment of lease liabilities		(51,627)	(46,677)
Net cash used in financing activities		**(65,290)**	**(63,080)**
Net increase in cash and cash equivalents		190,197	198,062
Cash and cash equivalents at the beginning of the financial year		225,525	27,463
Cash and cash equivalents at the end of the financial year	**10**	**415,722**	**225,525**

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

Notes to the financial statements

For the year ended 30 June 2024

Note 1. Reporting entity

The financial statements cover Gosnells 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 Shop 2, The Vale Shopping Centre, 271 Amherst Road Canning Vale, WA, 6155.

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.

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 September 2024. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

Adoption of new and revised accounting standards

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

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

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

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

Accounting standards issued but not yet effective

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

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

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

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

Impairment of non-financial assets

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

Timing of revenue recognition associated with trail commission

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

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.

Impairment of non-financial assets

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

Recovery of deferred tax assets

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

Lease term

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

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

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

Estimates and assumptions

Estimation of useful lives of assets

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

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

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.

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 has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in January 2027.

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

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

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

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

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

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

Note 6. Change to comparative figures

Classification of term deposits

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

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

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

- Cash and cash equivalents decreased and investments increased by $303,175 at 30 June 2023 as reported in the Statement of financial position.
- Opening and closing cash balances were reduced to exclude term deposits with initial investment periods greater than three months as reported in the Statement of cash flows.
- Investments in and redemptions of term deposits with initial investment periods greater than three months are now classified within investment activities as reported in the Statement of cash flows.

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

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

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

During the financial year the company recorded a change in accounting policy, whereby it elected to recognise the right-of-use asset net of accumulated depreciation on initial adoption of AASB 16. The change in accounting policy had no impact on the company's net profit or net asset position, however it did reduce the company's right-of-use asset cost and accumulated depreciation at 30 June 2023 by $122,250.

Note 7. Revenue from contracts with customers

	2024 $	2023 $
Margin income	1,120,696	1,124,556
Fee income	51,411	52,813
Commission income	60,784	64,627
	1,232,891	**1,241,996**

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.

Note 7. Revenue from contracts with customers (continued)

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

Revenue calculation

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

Margin income

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

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

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

Commission income

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

Fee income

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

Core banking products

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

Ability to change financial return

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

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

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

Note 8. Expenses

Employee benefits expense

	2024 $	2023 $
Wages and salaries	495,356	333,503
Superannuation contributions	57,748	45,955
Expenses related to long service leave	5,721	(1,453)
Other expenses	36,212	33,943
	595,037	**411,948**

Note 8. Expenses (continued)

Accounting policy for employee benefits

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

Depreciation and amortisation expense

	2024 $	2023 $
Depreciation of non-current assets		
Leasehold improvements	342	340
Plant and equipment	984	884
Furniture and fittings	1,033	1,724
	2,359	**2,948**
Depreciation of right-of-use assets		
Leased land and buildings	**48,391**	**46,397**
Amortisation of intangible assets		
Franchise fee	2,176	2,176
Franchise renewal fee	10,882	10,882
	13,058	**13,058**
	63,808	**62,403**

Note 9. Income tax

	2024 $	2023 $
Income tax expense		
Movement in deferred tax	1,951	2,049
Under/over adjustment	(1,845)	-
Recoupment of prior year tax losses	60,403	128,113
Net benefit of franking credits on dividends received	(664)	(595)
Aggregate income tax expense	**59,845**	**129,567**
Prima facie income tax reconciliation		
Profit before income tax expense	**246,546**	**519,692**
Tax at the statutory tax rate of 25%	61,637	129,923
Tax effect of:		
Non-deductible expenses	551	90
Other assessable income	166	149
	62,354	**130,162**
Under/over adjustment	(1,845)	-
Net benefit of franking credits on dividends received	(664)	(595)
Income tax expense	**59,845**	**129,567**

Note 9. Income tax (continued)

	2024 $	2023 $
Deferred tax assets/(liabilities)		
Carried-forward tax losses	58,724	116,617
Employee benefits	22,233	18,852
Lease liabilities	58,968	71,364
Provision for lease make good	6,674	6,295
Income accruals	(3,599)	(626)
Right-of-use assets	(44,260)	(55,717)
Net fair value gain on investment	(2,156)	(356)
Deferred tax asset	**96,584**	**156,429**

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 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	**415,722**	**225,525**

Note 11. Trade and other receivables

	2024 $	2023 $
Trade receivables	**105,894**	**117,169**
Accrued income	16,694	2,506
Prepayments	5,510	5,253
	22,204	**7,759**
	128,098	**124,928**

Accounting policy for trade and other receivables

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

Note 12. Investments

	2024 $	2023 $
Current assets		
Term deposits	**412,318**	**303,175**

Note 13. Property, plant and equipment

	2024 $	2023 $
Leasehold improvements - at cost	3,421	3,421
Less: Accumulated depreciation	(1,891)	(1,549)
	1,530	**1,872**
Plant and equipment - at cost	16,412	16,412
Less: Accumulated depreciation	(13,940)	(12,956)
	2,472	**3,456**
Fixtures and fittings - at cost	19,557	19,557
Less: Accumulated depreciation	(17,459)	(16,426)
	2,098	**3,131**
	6,100	**8,459**

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

	Leasehold improvements $	Plant and equipment $	Furniture and fittings $	Total $
Balance at 1 July 2022	2,212	1,005	4,855	8,072
Additions	-	3,335	-	3,335
Depreciation	(340)	(884)	(1,724)	(2,948)
Balance at 30 June 2023	**1,872**	**3,456**	**3,131**	**8,459**
Depreciation	(342)	(984)	(1,033)	(2,359)
Balance at 30 June 2024	**1,530**	**2,472**	**2,098**	**6,100**

Accounting policy for property, plant and equipment

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

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

Leasehold improvements	5 to 15 years
Plant and equipment	2 to 40 years
Furniture, fixtures and fittings	4 to 40 years

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

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

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

Note 14. Right-of-use assets

	2024 $	2023 $
Land and buildings - right-of-use	426,256	423,693
Less: Accumulated depreciation	(249,217)	(200,826)
	177,039	**222,867**

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	259,063
Remeasurement adjustments	10,201
Depreciation expense	(46,397)
Balance at 30 June 2023	**222,867**
Remeasurement adjustments	2,563
Depreciation expense	(48,391)
Balance at 30 June 2024	**177,039**

Accounting policy for right-of-use assets

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

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

Refer to note 18 for more information on lease arrangements.

Note 15. Financial assets

	2024 $	2023 $
Equity securities - designated at fair value through profit or loss	**28,725**	**21,525**
Reconciliation		
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:		
Opening carrying amount	21,525	22,675
Revaluation increments	7,200	-
Revaluation decrements	-	(1,150)
Closing carrying amount	**28,725**	**21,525**

Refer to note 24 for further information on fair value measurement.

Note 16. Intangible assets

	2024 $	2023 $
Franchise fee	72,401	72,401
Less: Accumulated amortisation	(66,778)	(64,602)
	5,623	**7,799**
Franchise renewal fee	54,409	54,409
Less: Accumulated amortisation	(26,298)	(15,416)
	28,111	**38,993**
	33,734	**46,792**

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	9,975	49,875	59,850
Amortisation expense	(2,176)	(10,882)	(13,058)
Balance at 30 June 2023	**7,799**	**38,993**	**46,792**
Amortisation expense	(2,176)	(10,882)	(13,058)
Balance at 30 June 2024	**5,623**	**28,111**	**33,734**

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)	January 2027
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	January 2027

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

Note 17. Trade and other payables

	2024 $	2023 $
Current liabilities		
Trade payables	26,987	3,415
Other payables and accruals	90,951	63,446
	117,938	**66,861**
Non-current liabilities		
Other payables and accruals	**14,767**	**29,535**

Note 17. Trade and other payables (continued)

	2024 $	2023 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	132,705	96,396
less GST payable to the ATO, included in trade and other payables	(23,125)	(25,654)
	109,580	**70,742**

Note 18. Lease liabilities

	2024 $	2023 $
Current liabilities		
Land and buildings lease liabilities	**65,956**	**51,142**
Non-current liabilities		
Land and buildings lease liabilities	**169,917**	**234,313**

Reconciliation of lease liabilities

	2024 $	2023 $
Opening balance	285,455	321,931
Remeasurement adjustments	2,045	10,201
Lease interest expense	13,663	16,403
Lease payments - total cash outflow	(65,290)	(63,080)
	235,873	**285,455**

Accounting policy for lease liabilities

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

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

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

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
Canning Vale branch	5.39%	5 years	N/A	N/A	February 2028

Note 19. Employee benefits

	2024 $	2023 $
Current liabilities		
Annual leave	48,836	40,880
Long service leave	37,796	33,496
	86,632	**74,376**
Non-current liabilities		
Long service leave	**2,300**	**879**

Accounting policy for short-term employee benefits

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

Accounting policy for other long-term employee benefits

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

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

Note 20. Issued capital

	2024 Shares	2023 Shares	2024 $	2023 $
Ordinary shares - fully paid	592,180	592,180	592,180	592,180
Less: Equity raising costs	-	-	(3,780)	(3,780)
	592,180	**592,180**	**588,400**	**588,400**

Accounting policy for issued capital

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

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

Note 20. Issued capital (continued)

Dividends

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

Transfer

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

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

Prohibited shareholding interest

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

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

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").

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

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

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

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

Note 21. Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board 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 22. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Franking credits

	2024 $	2023 $
Franking account balance at the beginning of the financial year	254,484	253,889
Franking credits from franked dividends received	664	595
	255,148	**254,484**
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	**255,148**	**254,484**

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

Accounting policy for dividends

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

Note 23. Financial risk management

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

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

	2024 $	2023 $
Financial assets		
Trade and other receivables (note 11)	122,588	119,675
Cash and cash equivalents (note 10)	415,722	225,525
Financial assets (note 15)	28,725	21,525
Term deposits (note 12)	412,318	303,175
	979,353	**669,900**
Financial liabilities		
Trade and other payables (note 17)	109,580	70,742
Lease liabilities (note 18)	235,873	285,455
	345,453	**356,197**

Note 23. 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 classifies its financial assets into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)

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

The company's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and investments in term deposits.

The company's financial assets measured at FVTPL comprise investments in listed entities over which the company does not have significant influence nor control.

Derecognition

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

Impairment of trade and other receivables

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

Financial liabilities

Classification

The company classifies its financial liabilities at amortised cost.

The company's financial liabilities measured at amortised cost comprise trade and other payables and lease liabilities.

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 rates. The company held cash and cash equivalents of $415,722 and term deposits of $412,318 at 30 June 2024 (2023: $225,525 and $303,175).

Equity Price risk

All of the company's listed equity investments are listed on the Australian Stock Exchange (ASX). Changes in equity securities value is recognised through profit or loss.

2024	% change increase	Effect on profit before tax	Effect on equity	% change decrease	Effect on profit before tax	Effect on equity
Equity securities	10%	**2,873**	**2,154**	(10%)	**(2,873)**	**(2,154)**

2023	% change increase	Effect on profit before tax	Effect on equity	% change decrease	Effect on profit before tax	Effect on equity
Equity securities	10%	**2,156**	**1,617**	(10%)	**(2,156)**	**(1,617)**

Note 23. Financial risk management (continued)

Liquidity risk

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

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

2024	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	94,813	14,767	-	109,580
Lease liabilities	67,575	191,699	-	259,274
Total non-derivatives	**162,388**	**206,466**	**-**	**368,854**

2023	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	41,207	29,535	-	70,742
Lease liabilities	65,290	259,274	-	324,564
Total non-derivatives	**106,497**	**288,809**	**-**	**395,306**

Note 24. Fair value measurement

2024	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Equity securities	28,725	-	-	28,725
Total assets	**28,725**	**-**	**-**	**28,725**

2023	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Equity securities	21,525	-	-	21,525
Total assets	**21,525**	**-**	**-**	**21,525**

There were no transfers between levels during the financial year.

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.

Note 25. Key management personnel disclosures

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

Geoffrey Keith Campbell Wolfenden
Ignazio Rocco Moro
Dean Morris
Renaldo Mario Costanzo
Efthalia Samaras
Stephen David Mitchinson

Compensation

Key management personnel compensation comprised the following.

	2024 $	2023 $
The directors received funds in the period to cover estimated out of pocket expenses related to performing the role as a director.	**21,400**	**14,050**

Note 26. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 25.

Receivable from and payable to related parties

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

Terms and conditions of transactions with related parties

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

Transactions with related parties

The following transactions occurred with related parties:

	2024 $	2023 $
Accounting, bookkeeping and business advisory services provided by SW Accountants and Advisors Pty Ltd, where a director is a partner of the firm:	20,370	18,135
Directors received reimbursements in the period. The total amount received was:	21,400	14,050

Note 27. 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	**7,350**	**5,400**
Other services		
Taxation advice and tax compliance services	250	660
General advisory services	3,520	3,756
Share registry services	5,300	4,190
	9,070	**8,606**
	16,420	**14,006**

Note 28. Reconciliation of profit after income tax to net cash provided by operating activities

	2024 $	2023 $
Profit after income tax expense for the year	186,701	390,125
Adjustments for:		
Depreciation and amortisation	63,808	62,403
Net fair value (gain)/loss on equity instruments designated at FVTPL	(7,200)	1,150
Lease liabilities interest	13,663	16,403
Change in operating assets and liabilities:		
Increase in trade and other receivables	(3,170)	(58,718)
Decrease in deferred tax assets	59,845	129,567
Increase in trade and other payables	49,363	16,797
Increase/(decrease) in employee benefits	13,677	(7,591)
Increase in other provisions	1,368	1,319
Net cash provided by operating activities	**378,055**	**551,455**

Note 29. Earnings per share

	2024 $	2023 $
Profit after income tax	**186,701**	**390,125**

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	592,180	592,180
Weighted average number of ordinary shares used in calculating diluted earnings per share	**592,180**	**592,180**

	Cents	Cents
Basic earnings per share	31.53	65.88
Diluted earnings per share	31.53	65.88

Note 30. Commitments

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

Note 31. Contingencies

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

Note 32. Events after the reporting period

Subsequent to year end it was identified pay increases in some years were in accordance with the EBA but below CPI. In the years where CPI was greater than the EBA increase the CPI rate should have been applied. Therefore, this has resulted in underpayments to some employees. GFSL in conjunction with BEN and BEN Payroll are currently reviewing historical records to identify staff affected by this and the underpayment amount. At the reporting date the amount of the underpayment cannot be measured with sufficient reliability but is not expected to be material.

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

Directors' declaration

For the financial year ended 30 June 2024

In the directors' opinion:

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

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

On behalf of the directors

Geoffrey Keith Campbell Wolfenden
Chair

24 September 2024

Independent audit report

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

Independent auditor's report to the Directors of Gosnells Financial Services Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Gosnells 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 Gosnells 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
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
afs@afsbendigo.com.au
03 5443 0344

Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's responsibilities for the Audit of the Financial Report

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

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

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

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

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

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

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

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

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 24 September 2024

Jessica Ritchie
Lead Auditor

Community Bank · Canning Vale
Shop 2, Vale Shopping Centre, Warton Road,
Canning Vale WA 6155
Phone: 9455 4650 Fax: 9456 4451
Email: canningvalemailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/wa/community-bank-canning-vale/

Franchisee: Gosnells Financial Services Limited
ABN: 11 095 764 533
PO Box 417
Gosnells WA 6990
Phone: 9455 4650 Fax: 9456 4451
Email: secretary@gosnellsfs.com.au

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

Community Bank Canning Vale

communitybank_canningvale

Bendigo Bank

Bendigo and Adelaide Bank Limited ABN 11 068 049 178, AFSL/Australian Credit Licence 237879 A1429506 OUT_40698240 30/09/2024