

First
15 Years
of Community
Impact

Annual Report 2024



Macedon Ranges
Community Enterprises Ltd

SUNBURY
COBAW COMMUNITY
HEALTH

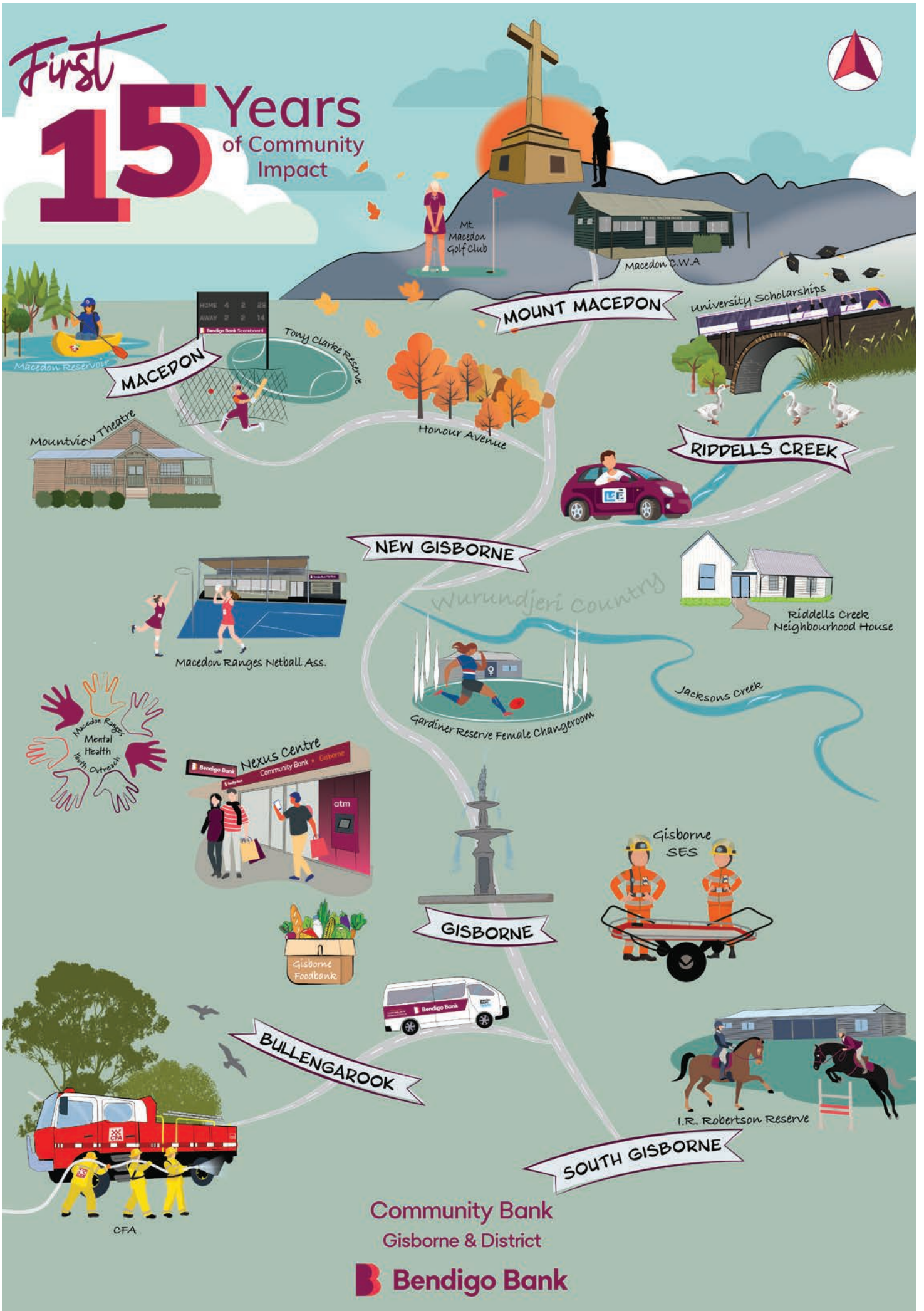


Community Bank
Gisborne & District

ABN 57 130 493 499



First 15 Years of Community Impact



Community Bank
Gisborne & District

B Bendigo Bank

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Autumn 2024 Community Investment Evening, Gisborne Sporting Association Rooms, June 2024. Photo: Rebecca Baber.

Chair's report

For year ending 30 June 2024



On behalf of the board and staff members of Macedon Ranges Community Enterprises Ltd, and the staff of Community Bank Gisborne and District, I am pleased to present

the Annual Report and audited financial statements for the financial year ended 30 June 2024.

Our banking business has again produced a very pleasing trading performance, albeit at a lower level of profitability than in 2022/23. This year's results need to be considered in the context of the favourable interest rate environment of the prior year, which helped produce a level of profit growth well above historical trends. I would also note that this year's profitability was still sufficient to allow the board to sustain a fully franked dividend of 10c per share, and to contribute more by way of community giving than we have ever done previously.

Our community giving

In terms of community giving, calls for our support have grown materially. Our Autumn Community Investment round was, in particular, heavily oversubscribed, leading to some difficult decisions for the board as to how to allocate a substantial but still limited pool of funds. We were very pleased in the past year to support the following:

- the first year of a three-year, total \$300,000 investment in a Macedon Ranges Youth mental health resource via Sunbury Cobaw Health
- a record level of \$65,000 in tertiary and TAFE scholarships
- \$20,000 in matched dollar-for-dollar funding in partnership with Macedon Ranges Shire Council for environmental grants
- lighting upgrades at both Sankey Reserve and the Macedon Ranges Regional Netball Complex with conditional grants in June 2024
- numerous grants, sponsorships and donations to Macedon Ranges Emergency Services groups, sporting groups and community organisations.

The final total of community giving was more than \$450,000 of which we should all be extremely proud.



Above from left: Mal Carter (front right) at the opening of the all weather arena at IR Robertson Reserve in Gisborne South, February 2024. MRCE contributed \$30,000 in FY23 to make the project possible; Mal Carter presents a conditional grant of \$20,000 to members of the Macedon Ranges Netball Association committee, June 2024. Photo: Rebecca Baber.



Top: Chair Mal Carter. Photo: Tiffany Warner Photography

Chair's report (continued)

Key milestones

There were several key milestones observed in the past financial year that are worthy of note:

- November 2023 was a big month in our year and our history:
 - we celebrated our 15-year anniversary;
 - we renewed our franchise agreement with Bendigo Bank for a further 5 years; and
 - we renewed our premises lease in the Nexus Centre for a further 5 years, inclusive of 2 further 5-year options.
- Strategically the board decided that our business has reached a level of maturity that requires the appointment of a Chief Executive Officer with some additional support staff. We are pleased to confirm the appointment of our Executive Officer and Company Secretary, Jo-ann Irwin, into the Chief Executive Officer role.

Challenges

Whilst it was pleasing to reinforce our commitment to providing face-to-face banking services in Gisborne and district with our new premises lease and franchise agreement, the board was faced with a difficult decision with regard to the Bendigo Bank ATM in Riddells Creek, which had a lease expiry in August 2024. Regrettably, the transaction levels post Covid have trended down dramatically, with a residual, low level of use. Commercially, the renewal of the lease could not be justified; the ongoing costs would have impacted profitability and hence our funds available for community giving. As such the ATM service has been withdrawn.

The business of banking remains highly competitive. Three key areas of consistent political and media focus in recent times include: cost of living pressures, high cost of housing and higher interest rates, with each of these directly impacting on our branch operations in some way. As a board we are focused on continuing to retain and grow our customer base by focusing on having great staff, providing great service and better leveraging our competitive advantage as a Community Bank.

As a board, we believe that being a Community Bank should be a key competitive advantage, and that we need to leverage this with a strategic focus on telling our story better. And it's a great story to tell.



Mal Carter speaks at the Autumn 2024 Community Investment Evening. Photo: Rebecca Baber.

Telling our story

We are a business owned by you our shareholders, who are members of our Macedon Ranges community. Our board of directors are all also members of this community, meaning decisions about our business and community giving are made by locals. Our staff are also, by and large, members of the same Macedon Ranges community as our customers. Perhaps most importantly, the majority share of the profits generated by our Community Bank are given directly back to the Macedon Ranges community through our community giving programs.

By telling our story better, we believe we can start to develop an even greater virtuous circle; of members of the Macedon Ranges **community**, deciding to bank with a Macedon Ranges-owned and operated Community Bank branch, sustaining our ability to give directly back to the Macedon Ranges **community**, now and into the future.

To help us tell our story, as I wrote and told you in June, the Community Bank National Council (CBNC) is encouraging Community Bank companies to consider becoming certified as a social enterprise.

Social enterprises are **businesses that trade to intentionally tackle social problems, improve communities**, provide people with access to employment and training, or help the environment. Social traders certification is focused on determining if a business is operating as a social enterprise, i.e. with primacy of social purpose.

Chair's report (continued)

The Community Bank network has earned its place as a significant contributor to the social fabric of this country. We are arguably Australia's largest social enterprise, injecting more than \$320 million into Australian communities over the past 25 years. Despite our scale and significance, we have not been able to properly tell our story – until now.

Social enterprise certification gives legitimacy to our Community Bank story. It explains our business model in a way that is readily understood by the private sector, government, our customers and the community. I look forward to updating you as our certification application process continues.

The people who contribute to our Community Bank

There are a number of people and groups who deserve our thanks:

To the Bendigo Bank for their ongoing support of the Community Bank model and, in particular, Leanne Martin, our Regional Manager, for her assistance and great support throughout the year.

To our dedicated branch staff, who not only provide consistently high levels of service to make our customers want to bank with Bendigo Bank, but also go above and beyond in the spirit of being a part of a Community Bank branch. Without them, we would not be able to engage with the community and deliver on our Community Bank goals. I would especially like to thank our long-serving Branch Manager Sarah Barton for her service and excellent collaboration with the board. Thank you also to Zoe Olive, our first employee

and a dedicated member of our branch team for nearly 15 years, whom we farewelled in October 2023.

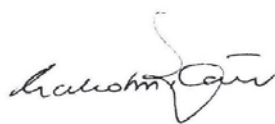
To our Macedon Ranges Community Enterprises Ltd staff, Jo-ann Irwin (Chief Executive Officer), and Corinne Shaddock (Community Engagement Officer) who have both been integral in delivering a higher level of community giving than ever before.

To you, our shareholders, many of whom have been shareholders since day one, and who had the vision and bravery to directly establish our business.

To our customers, who make all things possible, but especially our community giving.

Finally, to my fellow directors, who are true believers in what we do as a company, for their invaluable contribution by way of expertise, passion, and especially time freely given. It is not a small task. In particular, I need to thank David Gunn who retired from the Board in early 2024, and Ali Fowler who has given notice to retire at this year's Annual General Meeting.

In closing, may I ask again, where you can, please help us to tell our story by sharing it with your friends, family and colleagues. It's a great story, and one to be proud of.



Malcolm Carter
Chair

Macedon Ranges Community Enterprises Board of Directors and board staff



Macedon Ranges Community Enterprises Board of Directors and board staff at 15 Year Dinner, October 2023. From left: Corinne Shaddock (Community Engagement Officer), Ali Fowler (Director), Andrew Kincaid (Director), David Gunn (Director), Dominic Andreatchio (Chair at the time), Erin McKinnon (Director), Rebecca Thorpe (Director), Mal Carter (current Chair), Jo-ann Irwin (Chief Executive Officer). Photo: The Urban Swallow. Not pictured: David Thomas (Director).

Manager's report

For year ending 30 June 2024



On reflection of the 2023/2024 financial business performance, we continued to have a strong profitable business and increased our overall customer growth by 13% to over

4,000 customers. Deposit growth continued to stay stable and there was impact felt from the economy in the lending environment. This did affect lending growth during the first 6 months with increased activity in the second half. The home lending interest rate rises did have impact with customers selling property, looking for better deals across a competitive market and paying down of debt.

This highlighted the importance of our branch team having a strong retention strategy to take into the FY25.

Our branch team grew with motivated new staff members Kristian and Eboni, and we have continued to concentrate our focus on coaching our staff by upskilling them to provide better experiences and support to our customers with a focus on increased awareness to educate our customers on banking more safely.

Over the 12 months the branch team was proud to see investments in 23 local scholarships and the positive impact investing into the local youth brings back to our local community in the future. With a strong FY24 profit this allows for the community investment to continue to feed prosperity into the local community and to invest into the incredible community groups we have locally.

The branch team also organised its first banking safely online session and due to the positive feedback looks forward to organising additional sessions to help educate our local community.



Above: Branch lending team, November 2023: Courtney Alexander, Adriana Cardona, manager Sarah Barton and James Sheawick. Photo: Rebecca Baber.



Sarah Barton cuts the 15-year cake at the November 2023 community investment evening.

Top: Manager Sarah Barton. Photo: Rebecca Baber.

Manager's report (continued)

I'd like to personally thank the branch staff of Courtney Alexander, who continually stepped up into the Branch Manager role in my absence, James, Adriana, Michelle, Zoe, Jacqueline, Vicky, Shae, Eboni and Kristian for their passion and commitment to working tirelessly throughout the year to provide great customer experiences and working so well together as a team.

I would like to thank Mal Carter and the board members who are volunteers who contribute large amounts of their time and energy to ensuring that Macedon Ranges Community Enterprises is successful, and the profit can be distributed back into our community in a meaningful way. We appreciate the expertise you bring and all the support you provide to me and the staff.

Thank you to the board support staff Jo Irwin and Corinne Shaddock. We are very grateful for the support you provide the board, branch and community groups.

To the local shareholders and customers, on behalf of Community Bank Gisborne & District, your support is making a positive impact on your community.



Sarah Barton
Branch Manager
Community Bank Gisborne & District



Above: Staff at 15 Year Dinner, October 2023. Photo: The Urban Swallow.



Branch fundraiser for the McGrath Foundation, October 2023.

Community group support

July 2023 through June 2024

We were pleased to support grant and sponsorship applications from a wide variety of local community organisations and projects in FY24, as well as make donations to health providers and local Emergency Services. We presented our community giving at two successful community investment evenings in FY24, held in November 2023 and June 2024.

Made possible by

Community Bank
Gisborne & District

Bendigo Bank

Community Organisations Receiving Funding in 2023-24

1st Woodend Scout Group	Macedon Primary School	Riddell District Football Netball League
1st Gisborne Scout Group	Macedon Ranges Basketball Association	Riddells Creek Cool Changes
Bullengarook Fire Brigade	Macedon Ranges Bowling Club	Riddells Creek Fire Brigade
Central Highlands Rural Health	Macedon Ranges Croquet Club	Riddells Creek Junior Mixed Basketball Association
Central Ranges Local Learning & Employment Network	Macedon Ranges Music Festival	Riddells Creek Neighbourhood House
CWA Macedon	Macedon Ranges Photographic Society	Riddells Creek Neighbourhood House Food Pantry
Gisborne and District Bowling Club	Macedon Ranges Rural Australians for Refugees	Riddells Creek Primary School
Gisborne and District Lions Club	Macedon Ranges Shire Council	Riddells Creek Tennis Club
Gisborne Bulldogs Basketball Club	Macedon Ranges Suicide Prevention Action Group	Rotary Club of Gisborne
Gisborne Community Care Foodbank	Macedon Ranges Sustainability Group	SES Gisborne Unit
Gisborne Community Carols	Macedon Ranges Tennis Club	SES Woodend Unit
Gisborne Fire Brigade	Macedon Tennis Club	Sunbury and Cobaw Community Health
Gisborne Football Netball Club	Magic Moments Foundation	The Gallery Mt Macedon
Gisborne Golf Club	Mount Macedon & District Horticultural Society	The Gisborne Singers
Gisborne Little Athletics	Mount Macedon Anzac Day Dawn Service	The Mount Players
Gisborne Primary School	Mount Macedon Fire Brigade	Willowbank Primary School
Gisborne Secondary College	Mount Macedon Primary School	Woodend Fire Brigade
Gisborne Vintage Machinery Society	Mountain Festival	Woodend Hanging Rock Petanque Club
Holy Cross Primary School	Mt Macedon Petanque Club	Woodend Lifestyle Carers Group
Korus Connect (for Gisborne Community Connector)	Nelle May Pierce	Woodend Neighbourhood House
Local Landcare and Friends groups	New Gisborne Primary School	Woodend Neighbourhood House Foodbank
Loddon Murray Community Leadership Program	Peter McCallum Cancer Centre	Woodend Primary School
Macedon and Mount Macedon Carols by Candlelight	PS My Family Matters	Woodend Winter Arts Festival
Macedon Fire Brigade	Riddell Cricket Club	Young Voices of Macedon
Macedon Pony Club		



Autumn 2023 Community Investment Evening, Gisborne Golf Club, November 2023. Photo: Tiffany Warner Photography.

Community impact

July 2023 through June 2024

Scholarships

Made possible by

Community Bank
Gisborne & District

 Bendigo Bank



2024 Community Bank Gisborne & District Early Tertiary Scholarship recipients with director Rebecca Thorpe and manager Sarah Barton (fifth and sixth from left).

Early Tertiary Scholarships



Izabella Crawford speaks at the Autumn 2024 Community Investment Evening, June 2024. Photo: Rebecca Baber.

We were proud to make a major investment in local youth this year by providing 18 scholarships to local young people starting tertiary study in 2024 as well as continuing to support 2022 scholarship student Izabella Crawford for a third year.

Recipients: Renee Birkett, Sakura Butler, Yuki Butler, Izabella Crawford, Grace Hallett, Ryan Haque, Amy Keane, Charlize Lewis, Jessica Matheson, Hayley McIntosh, Blaise O'Brien, Hannah Raynor, Nixon Stuart-Higgs, Daniel Takos, Eva Vella, Anika Williams, Hunter Williams, Lara Vicente, Ezz Zarb.

"I would like to say thank you for yet another year of providing me this scholarship. It has meant that I can put more time into my studies and time on campus ... and provide board to my family, [which makes a big difference]. It's also assisted in creating a balance between all aspects of my life such as work, study and social and thus has greatly contributed to bettering my overall health. I cannot fully express how grateful I am to the whole of Community Bank Gisborne & District for providing me not only with this scholarship but also the chance to meet all the amazing people that I have through events such as the grant nights. I truly feel I am not just a scholarship student but a part of the wider Community Bank Gisborne & District community."

- Izabella Crawford, Early tertiary scholarship \$5000/year for 2022, 2023, 2024, after very successfully completing her second year at university

Scholarships

Loddon Murray Community Leadership Program Scholarship

We were delighted to see our 2023 Loddon Murray Community Leadership Program scholarship recipient Melanie Jorgensen graduate from the program in November 2023 and welcomed Fiona Lawford as our 2024 branch LCMLP scholar in February 2024. Both local women have reported getting much out of the program, including personal development, greater community connections and valuable insights and knowledge about the history, communities and First Nations people of the region.

"I'd like to say a massive thank you to the Community Bank Gisborne & District for sponsoring me to do this life changing program.

I'm looking forward to collaborating with some of my fellow LMCLP participants in their future projects. As well bringing all that I have learnt to my own Macedon Ranges Community."

- Melanie Jorgensen

"I can already see how much there is to learn from this program, and I'm excited for the journey."

- Fiona Lawford, after the first LMCLP 2024 retreat



2023 branch LMCLP scholar Melanie Jorgensen with director Rebecca Thorpe, November 2023.



2024 branch LMCLP scholar Fiona Lawford (right) with CEO Jo Irwin.

Magic Moments Scholarships

For the sixth year since 2017, we sponsored local secondary school



students to attend the five-day Magic Moments Youth Leadership & Business Summit in Sydney where they learnt new life skills, broadened their horizons and networks, and built self-confidence for their future.

2024 recipients: Sam, Alex, Tess.



"I had an absolutely amazing time at Magic Moments. Over those five days I felt an immense amount of growth as a person and developed relationships with some of the most incredible people I've ever met. I was able to learn about business, outlooks on life, leadership and most importantly it provided... a space to be authentically [yourself] It was a place that was vulnerable, you could share feelings and emotions whilst also being a place where you could just have fun with people you have never met before... I'm so grateful I got to have this experience."

- Tess

Scholarship students at grant nights



Top: Branch scholarship students at our November 2023 community investment evening. Photo: Tiffany Warner Photography.

Above: Community engagement officer Corinne Shaddock with tertiary scholarship students at our June 2024 community investment evening. Photo: Rebecca Baber.

Community Impact Stories

Our funding and support enabled a broad range of projects to benefit the local area in FY24, in the areas of Health & Wellbeing, Emergency Services & Support, Education, Heritage & Research, Environment & Animal Welfare, Community Facilities & Infrastructure, Sport & Recreation, and Arts & Culture. A selection is presented here.

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A new outreach service to support youth mental health

In an effort to help young people experiencing mental ill-health with the limited support services available in the Macedon Ranges, in FY24 we started our biggest-ever project: \$300,000 over three years to Sunbury and Cobaw Community Health to fund a new Youth Mental Health Outreach worker for the district. Mental health clinician Danielle Bell started in the role in late 2023 and 28 people benefited directly from the new service in FY24.

"My child experiences mental health and navigating services was exhausting and confusing. I referred my child to counselling with Danielle and she assisted me to understand the pathways and provided support while we waited on an outcome for Headspace. Danielle provided emotional and practical support over the phone in addition to providing additional resources and tools to assist me to understand what my child was experiencing. I am grateful to have this service in our community."

- Received via Zonka (Sunbury and Cobaw Community Health Feedback System)



Macedon Ranges Youth Outreach clinician Danielle Bell with branch manager Sarah Barton.

New partnership with Macedon Ranges Shire Council to increase projects for the environment

In FY24 we began an exciting new collaboration with Macedon Ranges Shire Council to increase the number of environmental projects in the shire by pooling our funds and leveraging the council's connections to local environmental groups. As a pilot project, we matched the council's \$20,000 allocation for its Biolink Boost Grants, doubling the funds available to \$40,000 and enabling nine projects to be supported.

Recipients: Friends of Daly Nature Reserve, Macedon and Mount Macedon Landcare Group, Woodend Landcare, Ashbourne Landcare, Newham and District Landcare Group, Tylden Landcare Group, Campaspe Valley Landcare Group, Upper Maribyrnong Catchment Group, Campaspe River and Land Management Group

"The 2023-2024 [Biolink Boost] grant round marks the beginning of a partnership that shares a strategic vision to positively impact nature and biodiversity, with a community focus... The collaboration has [allowed us] to extend support to more environmental groups, and their projects, within the six biolinks of the shire...and empowers our community to tackle larger projects in their local areas."

Whether it's engaging new residents to the region, revegetating natural areas or ensuring the future success of a local species, every step forward has been a win for our community."

- Kimberley Cook, Environmental Programs and Engagement Officer, Strategic Planning & Environment, Macedon Ranges Shire Council



Kimberley Cooke (right) and her daughter plant seedlings at Tony Clarke Reserve, May 2024.



Biolink Boost grant recipients with branch, board and Macedon Ranges Shire Council environment unit representatives at Spring 2023 Community Investment Evening, November 2023. Photo: Tiffany Warner Photography.

Community Impact Stories

Supporting our local emergency services

We continued our annual donations to CFA and SES units in Gisborne and surrounds, with Bullengarook, Gisborne, Macedon, Mt Macedon, Riddells Creek, and Woodend fire brigades and Gisborne and Woodend SES each receiving \$2000 in June 2024.

In August 2023 Gisborne SES was able to purchase a two-piece basket stretcher for its mule litter wheel (that we funded in 2016) with our June 2023 donation.

"The two-piece stretcher can be stored in our ute, moved between vehicles with ease and allows for quick assembly when responding to rescues. This is an improvement on our previous stretcher that could only be mounted on the back of one of our 4WDs."

- Gisborne SES Facebook post



Gisborne SES visit to see the foldable stretcher, August 2023.



James Sheawick presents donations to Emergency Services at Autumn 2024 Community Investment Evening, June 2024. Picture: Rebecca Baber.

Resourcing the community to help in cardiac emergencies

In FY24 we funded three new defibrillators for the local community: a portable AED for 1st Gisborne Scout Group to take on activities and two 'public' defibrillators – installed outside Riddells Creek Neighbourhood House and next to our branch ATM in Gisborne, accessible 24/7 in the case of a nearby cardiac emergency. These investments brought the total number of potentially life-saving AEDs we have funded in Gisborne and surrounds to seven. We were also pleased to fund CPR training for two local community groups as research shows training on CPR and how to use a defibrillator increases the likelihood of one being used.



1st Gisborne Scout Group members with their new portable AED, December 2023.



Riddells Creek Neighbourhood House staff and MRCE director Andrew Kincaid show off the public AED outside the House, October 2023.



Ebony by the newly installed public AED outside Community Bank Gisborne & District, May 2024.

Community Impact Stories

Building confidence and opportunities for 'at-risk' students

We continued to support Central Ranges Local Learning and Employment Network to deliver its hands-on work readiness and personal development program Project Ready to local high school students. The program has run at Gisborne Secondary College for many years and started at Sunbury and Macedon Ranges Specialist School – Bullengarook Campus in 2024. Incorporating a VET Certificate II in Active Volunteering and student projects in the community, Project Ready aims to reengage Year 10-12 students in their education and help them prepare for their future worlds of work.

"We are so grateful for the support from Community Bank Gisborne & District. While Project Ready remains as our flagship program, it really does rely on support from local partners to have the impact it does for its local participants...The \$15,000 from Community Bank Gisborne & District was used for materials (including workbooks), food costs and bus travel to and from activities... Project Ready has a significant focus on engagement with community groups to build student confidence and purpose, [which] adds to our costs to run the program."

- Nicky Leitch, CEO Central Ranges Local Learning and Employment Network



Gisborne Secondary College Project Ready students work on a community project.



Sunbury and Macedon Ranges Specialist School Project Ready students present on their program experience at Central Ranges LLEN AGM, May 2024.

Lowering the cost to play football and netball

By continuing our major naming rights' sponsorship of the Riddell District Football Netball League with our neighbours Community Bank Lancefield and Romsey in 2024, we helped create significant savings for the league which have been passed on to participating clubs. 1411 footballers and 574 netballers played in Gisborne, Macedon, Riddell and Woodend in the RDFNL in 2024.



"The Bendigo Bank sponsorship has meant a saving of 24% for RDFNL members which means less out-of-pocket expenses for players, families, coaches and clubs."

- Jordan Doyle, CEO Riddell District Football Netball League

Stocking local food security services that support those in need

In addition to monthly in-kind donations made by the branch team to Gisborne Community Care Foodbank, we donated funds to Riddells Creek Neighbourhood House and Woodend Neighbourhood House in December 2023 to increase stock in their food pantries during the Christmas period.

Branch staff Shae and Kristian make an in-kind donation to Gisborne Community Care Foodbank, March 2024.



Community Impact Stories



Gisborne Golf Club Pink Day Lunch, October 2023.

Helping raise funds for breast cancer research and care

In a year where breast cancer sadly affected members of our staff, we were glad to sponsor Gisborne Golf Club's Pink Day Lunch, donate \$1500 to the District Nursing team of Central Highlands Rural Health based at Kyneton Hospital and \$500 to the Peter McCallum Cancer Centre. The branch team also raised funds for the McGrath Foundation.



Banking Safely Online session at Macedon CWA, May 2024.

Supporting the community to bank safely online

To help educate the community, free copies of the ACCC's The Little Black Book of Scams have been distributed to customers in the branch and at community investment evenings. In May 2024 branch staff held a 'Banking Safely Online' session at Macedon CWA, and based on the positive feedback received, further sessions in the community are planned.



All abilities tennis session on South Gisborne Tennis Club's resurfaced courts.

Smoothing courts to support all-abilities tennis

Thanks to an \$18,000 grant from Community Bank Gisborne & District, South Gisborne Tennis Club was able to resurface two hard courts which are used for its all-abilities tennis program. The new, smoother surface has increased the safety and confidence of participants on court, making sessions more fun. It has also allowed more participants with mobility devices to join the program and enjoy the physical, mental and social benefits of sport.

"Wow! They are so bright I'll need my sunglasses."

- Sarah, all-abilities tennis program participant.

"The surface plays really well!"

- Dwayne, High performance coached all-abilities player



Gisborne Golf Club's driving range shelter is completed, December 2024.

An all-weather driving range for Gisborne, to benefit the community and the club

Gisborne gets its fair share of rain and the summer sun can be hot (and burn), so we were pleased to contribute \$20,000 towards a shelter for Gisborne Golf Club's new driving range. More than one million balls were hit there in FY24 – fun and practice for a variety of golfing levels, club members and visitors, and a high income generator for the club.

Community Impact Stories

Helping 1st New Gisborne Scouts get a home

We were delighted to see 1st New Gisborne Scout group open its 'Scout Hut' in Spring 2023 after many years of planning, fundraising and interruptions for COVID and other reasons. In a great example of leveraging support to get more, the group was able to use our early pledge of \$7500 to the project in 2019 to secure major commitments from Scouts Victoria, the State Government and GREAT. In 2023 we provided a further grant of \$5000 for the electrical connection. In September 2024 the group was thrilled to receive the final permit required to allow full use of the new facility by 1st New Gisborne (Church of Christ) Scout Group.



1st New Gisborne group leader John Frearson and community engagement officer Corinne Shaddock rejoice at the opening of the 1st New Gisborne Scout Hut (behind), October 2023.



The lights come on in the Scout Hut, 2024.

"There were a handful of initial grant providers and they made all the difference, including the Church of Christ who both provided a significant piece of land but also allocated funding.

It is no exaggeration to say that the Community Investment was pivotal in establishing the initial round of funds that captured the attention of later grant providers and Scouts Victoria. The reputation of the Bank's grant scheme is a seal of approval that others readily notice."

- John Frearson, Group Leader, 1st New Gisborne

Making Year 6 graduation something to remember

In Term 4 of 2023 we repeated the 'Something Special for Graduates' program we ran in 2020 which offers local primary schools up to \$20/graduating student to help students celebrate the achievement of completing primary school. Six local schools participated in the program, putting the funds towards graduation bears, graduation mugs, excursions to water parks and pools, disco decorations, fish and chips and ice creams.



A graduate of Mount Macedon Primary School shows off her graduation mug, December 2023.

Backing our local music festival for an eighth year

When the sun is out and the tunes are good, little beats the vibe at Macedon Ranges Music Festival. The event supports young local musicians, is a great day out for locals and visitors alike, and raises funds for the Cambodian Kids Foundation charity in Woodend. We were pleased to help fund the sound and stage for the 2024 festival.



2024 Macedon Ranges Music Festival, Hanging Rock, March 2024.

Community Impact Stories

Encouraging volunteering

Volunteers are the lifeblood of most local community organisations and are in increasingly short supply, so we continue to help clubs celebrate and encourage volunteering with service recognition awards.

In 2023-24 we were pleased to sponsor community builder of the month and year awards in the Riddell District Football Netball League, a community builder award at Riddells Creek Junior Mixed Basketball Association, the Gisborne Local Hero award and person of the day awards at Gisborne Masters Football Club.



Riddells Creek Junior Mixed Basketball Club president Deb Taylor presents the Bendigo Bank Community award to Aaron Farrugia, April 2024.



2023 Community Bank Gisborne & District Local Hero Award recipient Lynne Margret, manager of the Gisborne foodbank, with Vicky of the branch team.



Mario Modesti is Community Bank Gisborne & District Person of the Day at Gisborne Masters Football Club, May 2024.

Keeping the school garden green over summer

We were pleased to fund an irrigation system for Riddells Creek Primary School's kitchen garden program in late 2023, to help ensure the garden continues to thrive over the summer holidays and allow the program to run from Term 1 in 2024.



Riddells Creek Primary School's kitchen garden.

Helping Macedon Tennis Club get new, safer fences

Macedon Tennis Club's Fence Renewal Project to upgrade its 40+-year-old fences was completed in May 2024, making the courts and surrounding area safer for tennis club users and the public using that part of Tony Clarke Reserve. We were proud to provide an early pledge of \$20,000 to the project which helped the club secure major funding from the council to be able to deliver the project.



Club committee members and representatives of grantors MRSC, MRCE and GREAT at the Macedon Tennis Club Fence Renewal Project opening, May 2024.

Community Impact Stories



A Macedon Ranges L2P program participant achieves her probationary licence, April 2024.

Helping young people gain independence by driving

The Macedon Ranges TAC L2P Program, for which we donated a vehicle in late 2022, continues to help young people in Gisborne and surrounds gain mobility and independence by providing free supervised driving hours to learner drivers without access to a supervising driver or vehicle.

In FY24 the program supported 19 young learner drivers, provided 617 supervised driving hours and enabled seven local young people to achieve their probationary licence.



Sprucing up the gorgeous CWA Macedon hall

It's been a lovely home for Macedon CWA for many years, but the old hall was looking a bit tired and was hot in the summer, so we were pleased to fund repainting of the inside, new blinds and a split system in 2023. The upgrades make the hall much more comfortable – great for members and more attractive for hirers!

Branch manager Sarah Barton and director Rebecca Thorpe with CWA Macedon president Valda Laird at a visit to see the hall upgrades, October 2023.

Encouraging female participation in sport with dedicated programs

We were proud to support broader and longer participation by teen girls in community sport by sponsoring the inaugural Female Football Academy at Gisborne Football Netball Club (for teen girls showing high potential in football) and Macedon Ranges Tennis Association's new Junior Girls Tennis Academy (for teen girls keen to play tennis). Our funding helped lower the cost of participation in these programs that build skills, confidence and friendships among teen girls.



Macedon Ranges Tennis Association's Girls Tennis Academy starts Term 4, October 2023.

Community Impact Stories

Educating the community on living sustainably

We were pleased to support two grassroots education projects by Macedon Ranges Sustainability Group action groups in FY24. A grant to help promote Go Renewable Energy Group's electric bulk buys helped the program deliver \$630,000 worth of new renewable installations in the shire, and a \$5000 grant for Riddells Creek Cook Changes helped the group deliver a successful inaugural Riddells Creek Enviro Expo that attracted over 300 people and garnered much positive feedback.



Supporting our local community theatre

Our charming local theatre continues to thrive. The Mount Players presented successful comedies and dramas in FY24 and hosted visiting shows. Many local young people participated in the Mount Players Youth Theatre program. Our FY24 sponsorship was used to run a playwriting course for current and aspiring playwrights and to purchase and install CCTV cameras for the Mountview Theatre, among other things.



Upgrading yards to keep everyone safe

Thanks to a \$20,000 grant from Community Bank Gisborne & District in 2023, Riddells Creek Pony now has 80 metal, dual-rail yards to keep riders and plenty of horses safe. The old wooden yards were rough and not always horse-tight, so things are much smoother at the club now!



Riddells Creek Pony Club members feed a pony in a new metal yard, November 2023.



Business award nominee in the Young Achiever category James Gentles (second from right) with Ginkgo Yards, Gardens and Landscaping colleagues with Vicky, June 2024.



Supporting local business with the shire business awards

We were proud to sponsor the Macedon Ranges business excellence awards for a tenth year in 2024.

Local businesses are a vital part of our local community and economy, and the awards are a great opportunity to celebrate them. They can also help owners raise awareness of their business and network with other local businesspeople.

Bendigo and Adelaide Bank report

For year ending 30 June 2024

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

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

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

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

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

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

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

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

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

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

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

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

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

Justine Minne
Bendigo and Adelaide Bank

Community Bank National Council report

For year ending 30 June 2024



Community Bank network: celebrating 26 years of empowering communities

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

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

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

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

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

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

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

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

Warm regards

Lauren Bean
General Manager
Community Bank National Council

Directors' report

For the financial year ended 30 June 2024

The Directors present their report, together with the financial statements, of Macedon Ranges Community Enterprises Ltd for the financial year ended 30 June 2024.

Board of Directors

The following persons were Directors of Macedon Ranges Community Enterprises Ltd during the whole of the financial year up to the date of this report, unless otherwise stated:

Malcolm Carter

appointed 30 Oct 2023

Title: Director, Chair of the Board from 08 Feb 2024, Member of Audit & HR Committees

Qualifications: B.Bus (Economics & Finance)

Experience & Expertise: Retired. Previously bank risk executive and senior manager with the Australian Prudential Regulation Authority. Member of the Gisborne State Emergency Service.

David Thomas

Title: Director, Treasurer from 30 Oct 2023, Chair of the Audit Committee from 30 Oct 2023

Qualifications: BComm Accounting, CPA, GAICD

Experience & Expertise: Extensive experience in banking & finance and accounting in local & state governments. Member of State Emergency Service and volunteer finance officer.

Alison Fowler

Title: Director, Chair of the Marketing and Community Investment Committee

Qualifications: BEd, DipBus (Sports administration)

Experience & Expertise: Extensive project and event experience across corporate, NFP and small business sectors.

Rebecca Thorpe

Title: Director, Chair of the HR Committee from 07 Feb 2024

Qualifications: BA (Journalism)

Experience & Expertise: Decades of experience as a communications professional and journalist. Active member of the Macedon Ranges community, serving on boards of local CFA and CWA branches.

Dominic Andreacchio

Title: Director, Chair of the Board until 30 Oct 2023, Chair of the HR Committee until 07 Feb 2024

Qualifications: MBM, Post Grad. Dip. BM, Dip HR, AHRI

Experience & Expertise: Extensive public and private sector board and HR experience, including non-profits and clubs. Lecturer at Australian Institute of Management MBA Program.

Directors' report (continued)

Board of Directors (continued)

Andrew Kincaid

Title:	Director
Qualifications:	LLB
Experience & Expertise:	Barrister and Solicitor of the Supreme Court of Victoria, Member of Victorian Civil and Administrative Tribunal, President of South Melbourne Athletic Club.

Erin McKinnon

Title:	Director
Qualifications:	BA, MA, GradDipEd
Experience & Expertise:	Extensive management experience in community not-for-profit sector.

David Gunn

resigned 08 Feb 2024

Title:	Director, Treasurer until 30 Oct 2023, Chair of the Audit Committee until 30 Oct 2023, Chair of the Board from 30 Oct 2023 to 08 Feb 2024
Qualifications:	GAICD, CPA, MBA, ACMA, B Sc(Hon)
Experience & Expertise:	Extensive executive experience in COO/CFO roles in commercial, for purpose organisations globally, nationally and locally.

Amalia Chilianis

appointed 10 Jul 2023, resigned 30 Oct 2023

Title:	Director
Qualifications:	BA (Philosophy, German)
Experience & Expertise:	A strategic HR Leader and practitioner of Positive Psychology with deep expertise in organisational development, business transformation and capability development in large complex global and national corporations.

Directors were in office for this entire financial year unless otherwise stated.

No Directors have material interests other than those referenced in the Directors' Report and related party note.

Company Secretary

The following person held the position of Company Secretary during the financial year:

Jo-ann Irwin

Qualifications:	MBA, AAGM
Experience & Expertise:	Business Development and Marketing experience across the not for profit, tourism and early years education sector.

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 these activities during the year.

Directors' report (continued)

Operating results

The profit of the company for the financial year after provision for income tax was:

	30 June 2024 (\$)	30 June 2023 (\$)	Movement
Profit After Tax	76,537	183,860	-58%

Directors' interests

Director	Fully Paid Ordinary Shares		
	Balance at July 1 2023	Changes During the Year	Balance at 30 June 2024
Malcolm Carter - appointed 30 Oct 2023	-	-	-
David Thomas	-	-	-
Alison Fowler	-	-	-
Rebecca Thorpe	-	-	-
Dominic Andreacchio	-	-	-
Andrew Kincaid	-	-	-
Erin McKinnon	-	-	-
David Gunn - resigned 08 Feb 2024	13,000	-	13,000
Amalia Chilianis - appointed 10 Jul 2023, resigned 30 Oct 2023	-	-	-

Review of operations

The profit for the company after providing for income tax amounted to \$76,537 (30 June 2023: \$183,860)

Operations have continued to perform in line with expectations.

Dividends

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

	Cents per Share	Total Amount (\$)
Final fully franked dividend	15.0	108,482
Total Amount	15.0	108,482

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 that occurred during the financial year.

Matters subsequent to the end of the financial year

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

Likely developments

The company will continue its policy of facilitating banking services to the community.

Directors' report (continued)

Environmental regulation

The company is not subject to any significant environmental regulation.

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 28 to the financial statements.

Indemnity and insurance of directors and officers

The company has indemnified all directors and the managers in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or managers 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.

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.

Directors' Meetings

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

Director	Board Meetings		Finance, Audit and Risk Management Committee	
	A	B	A	B
Malcolm Carter - appointed 30 Oct 2023	8	7	2	2
David Thomas	9	9	3	3
Alison Fowler	9	6	3	3
Rebecca Thorpe	9	8	--	--
Dominic Andreatchio	9	5	--	--
Andrew Kincaid	9	8	--	--
Erin McKinnon	9	8	--	--
David Gunn - resigned 08 Feb 2024	5	4	2	1
Amalia Chilianis - appointed 10 Jul 2023, resigned 30 Oct 2023	3	1	--	--

A - The number of meetings eligible to attend.

B - The number of meetings attended.

-- Not a member of that committee.

Directors' report (continued)

Directors' Meetings (continued)

Director	Marketing and Community Investment Committee		Human Resources Committee	
	A	B	A	B
Malcolm Carter - appointed 30 Oct 2023	--	--	2	2
David Thomas	--	--	--	--
Alison Fowler	4	4	--	--
Rebecca Thorpe	4	4	1	1
Dominic Andreacchio	2	2	2	2
Andrew Kincaid	4	3	--	--
Erin McKinnon	4	4	2	1
David Gunn - resigned 08 Feb 2024	2	2	2	0
Amalia Chilianis - appointed 10 Jul 2023, resigned 30 Oct 2023	--	--	--	--

A - The number of meetings eligible to attend.

B - The number of meetings attended.

-- Not a member of that committee.

Proceedings on Behalf of the Company

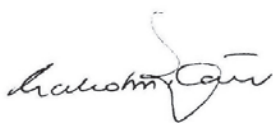
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

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*.

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 on page 20 of this financial report.

Signed in accordance with a resolution of the Board of Directors at Gisborne, Victoria, pursuant to section 298(2)(a) of the *Corporations Act 2001*.



Malcolm Carter
Chairman

Dated this 10th day of 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 Macedon Ranges Community Enterprises Ltd

As lead auditor for the audit of Macedon Ranges Community Enterprises Ltd for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart', written in a cursive style.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 10 September 2024

A handwritten signature in black ink, appearing to read 'Joshua Griffin', written in a cursive style.

Joshua Griffin
Lead Auditor

Financial statements

Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue			
Revenue from contracts with customers	6	2,132,716	2,416,170
Finance income	7	24,621	2,562
		2,157,337	2,418,732
Expenses			
Employee benefits expense	8a	(1,060,240)	(911,202)
Depreciation and amortisation expense	8b	(131,084)	(154,572)
Finance costs	8c	(18,525)	(5,082)
IT expenses		(32,193)	(32,720)
Occupancy expenses		(29,583)	(27,683)
Marketing and advertising		(43,023)	(28,123)
Insurance expense		(22,553)	(22,052)
Professional services		(38,685)	(35,425)
ATM costs		(16,570)	(15,946)
Printing and stationery		(7,631)	(9,100)
Bad debts written off		(796)	(148)
Other expenses		(83,312)	(80,597)
		(1,484,195)	(1,322,650)
Operating profit before community contributions and income tax		673,142	1,096,082
Charitable donations and sponsorship	8d	(572,038)	(854,196)
Profit before income tax		101,104	241,886
Income tax expense	9	(24,567)	(58,026)
Profit for the year after income tax		76,537	183,860
Other comprehensive income		-	-
Total comprehensive income for the year		76,537	183,860
Profit attributable to the ordinary shareholders of the company		76,537	183,860
Total comprehensive income attributable to ordinary shareholders of the company		76,537	183,860
Earnings per share			
- basic and diluted earnings per share	32	10.58	25.42

The accompanying notes form part of these financial statements

Financial statements (continued)

Statement of Financial Position For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	10	174,299	445,749
Trade and other receivables	11	175,342	175,052
Financial assets	12	492,149	292,149
Current tax asset	17	26,807	-
Other assets	13	8,828	13,200
Total current assets		877,425	926,150
Non-current assets			
Property, plant and equipment	14	123,370	106,629
Right-of-use assets	15	249,646	31,921
Intangible assets	16	61,452	5,129
Deferred tax assets	17	46,159	36,737
Total non-current assets		480,627	180,416
Total assets		1,358,052	1,106,566
Liabilities			
Current liabilities			
Trade and other payables	18	115,124	54,097
Current tax liability	17	-	46,997
Franchise fee payable	19	14,019	-
Lease liabilities	20	50,876	29,306
Employee benefits	21	41,317	58,422
Provision for dividends		3,212	1,861
Total current liabilities		224,548	190,683
Non-current liabilities			
Franchise fee payable	19	42,058	-
Lease liabilities	20	217,579	-
Employee benefits	21	7,178	4,337
Make good provision	22	34,870	47,782
Total non-current liabilities		301,685	52,119
Total liabilities		526,233	242,802
Net assets		831,819	863,764
Equity			
Issued capital	23	704,766	704,766
Retained earnings	25	127,053	158,998
Total equity		831,819	863,764

The accompanying notes form part of these financial statements

Financial statements (continued)

Statement of Changes in Equity For the year ended 30 June 2024

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2022		704,766	47,459	752,225
Comprehensive income for the year				
Profit for the year		-	183,860	183,860
<i>Transactions with owners in their capacity as owners</i>				
Dividends paid or provided	30	-	(72,321)	(72,321)
Balance at 30 June 2023		704,766	158,998	863,764
Balance at 1 July 2023		704,766	158,998	863,764
Comprehensive income for the year				
Profit for the year		-	76,537	76,537
<i>Transactions with owners in their capacity as owners</i>				
Dividends paid or provided	30	-	(108,482)	(108,482)
Balance at 30 June 2024		704,766	127,053	831,819

The accompanying notes form part of these financial statements

Financial statements (continued)

Statement of Cash Flows For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers		2,318,780	2,558,935
Payments to suppliers and employees		(2,019,537)	(2,231,020)
Interest paid		(18,525)	(5,082)
Interest received		2,315	771
Income tax paid		(107,793)	(41,316)
Net cash flows provided by operating activities	26	175,240	282,288
Cash flows from investing activities			
Purchase of property, plant and equipment		(67,009)	(6,579)
Purchase of investments		(200,000)	-
Purchase of intangible assets		(14,020)	(14,082)
Net cash flows used in investing activities		(281,029)	(20,661)
Cash flows from financing activities			
Repayment of lease liabilities		(58,530)	(65,323)
Dividends paid		(107,131)	(71,621)
Net cash flows used in financing activities		(165,661)	(136,944)
Net increase/(decrease) in cash held		(271,450)	124,683
Cash and cash equivalents at beginning of financial year		445,749	321,066
Cash and cash equivalents at end of financial year	10	174,299	445,749

The accompanying notes form part of these financial statements

Notes to the financial statements

For the year ended 30 June 2024

Note 1. Reporting entity

This is the financial report for Macedon Ranges Community Enterprises Ltd (the company). The company is a for profit entity limited by shares, and incorporated and domiciled in Australia. The registered office and principal place of business is:

Registered office:	Principal place of business:
11 Nexus Way	11 Nexus Way
GISBORNE VIC 3437	GISBORNE VIC 3437

Further information on the nature of the operations and principal activity of the company is provided in the directors' report. Information on the company's related party relationships is provided in Note 28.

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, except for certain properties, financial instruments, and equity financial assets that are measured at revalued amounts or fair values at the end of each reporting period. The financial report is presented in Australian dollars and all values are rounded to the nearest dollar, unless otherwise stated.

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.

These financial statements for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors.

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.

Notes to the financial statements (continued)

Note 3. Material accounting policy information (continued)

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.

Impairment of non-financial assets

At each reporting date, the company reviews the carrying amounts of its tangible assets and intangible asset 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 the impairment loss (if any).

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. Summary of significant accounting policies

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

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Timing of revenue recognition associated with trail commission

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

Allowance for expected credit losses on trade and other receivables

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

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

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

Notes to the financial statements (continued)

Note 4. Summary of significant accounting policies (continued)

Judgements (continued)

- 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 consolidated entity 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 reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

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

Estimates and assumptions

Estimation of useful lives of assets

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

Incremental borrowing rate

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

Notes to the financial statements (continued)

Note 4. Summary of significant accounting policies (continued)

Estimates and assumptions (continued)

Employee benefits provision

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

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

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

Lease make good provision

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

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in November 2028.

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

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

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

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

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

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

Notes to the financial statements (continued)

Note 6. Revenue from contracts with customers

	2024 \$	2023 \$
Revenue		
- Revenue from contracts with customers	2,132,716	2,416,170
	2,132,716	2,416,170
<i>Disaggregation of revenue from contracts with customers</i>		
At a point in time:		
- Margin income	1,924,365	2,195,499
- Fee income	96,375	101,931
- Commission income	110,501	118,740
- Other income	1,475	-
	2,132,716	2,416,170

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

All revenue is stated net of the amount of Goods and Services Tax (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 – 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.

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
 Deposit returns (i.e. interest return applied by Bendigo Bank for a deposit)
minus
 Any costs of funds (i.e. interest applied to fund a loan)

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

Notes to the financial statements (continued)

Note 6. Revenue from contracts with customers (continued)

Accounting policy for revenue from contracts with customers (continued)

Commission

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 and Adelaide Bank entities 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 and Adelaide Bank may change the form and amount of financial return that the company receives. The reasons it may make a change include changes in industry or economic conditions or changes in the way Bendigo and Adelaide 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. The effect of the change on the revenue earned by the company is entirely dependent on the change.

Bendigo and Adelaide 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 and Adelaide Bank's margin at that time. For other products and services, there is no restriction on the change Bendigo and Adelaide Bank may make.

Note 7. Finance income

	2024 \$	2023 \$
Finance income		
<i>At amortised cost:</i>		
- Interest from term deposits	24,621	2,562
	24,621	2,562

Accounting policy for finance income

Finance income is recognised when earned using the effective interest rate method.

Note 8. Expenses

Profit before income tax from continuing operations includes the following specific expenses:

(a) Employee benefits expense

	2024 \$	2023 \$
<i>Employee benefits expense</i>		
- Wages & salaries	861,878	694,915
- Superannuation costs	138,199	134,373
- Other expenses related to employees	60,163	81,914
	1,060,240	911,202

Notes to the financial statements (continued)

Note 8. Expenses (continued)

(a) Employee benefits expense (continued)

Accounting policy for employee benefits expense

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

(b) Depreciation and amortisation expense

	2024 \$	2023 \$
<i>Depreciation of non-current assets</i>		
- furniture and fittings	38,454	45,700
- motor vehicles	11,814	9,239
	50,268	54,939
<i>Depreciation of right-of-use assets</i>		
- leased buildings	67,042	86,449
	67,042	86,449
<i>Amortisation of intangible assets</i>		
- franchise fees	13,774	13,184
	13,774	13,184
Total depreciation & amortisation expense	131,084	154,572

(c) Finance costs

	2024 \$	2023 \$
<i>Finance costs</i>		
- Lease interest expense	16,083	2,983
- Unwinding of make-good provision	2,442	2,099
	18,525	5,082

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

(d) Charitable donations and sponsorship

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

	Note	2024 \$	2023 \$
<i>Charitable donations and sponsorship</i>			
- Direct sponsorship, grants and donations		239,538	254,196
- Contribution to the Community Enterprise Foundation™	8(e)	332,500	600,000
		572,038	854,196

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

The CEF is a donor advised foundation. While the directors are involved in the payment of grants, the funds are not refundable to the company.

Notes to the financial statements (continued)

Note 8. Expenses (continued)

(e) Community Enterprise Foundation™ Contributions

During the financial year the company contributed funds to the Community Enterprise Foundation™ (CEF), the philanthropic arm of the Bendigo Bank. These contributions paid in, form part of community investments and sponsorship expenditure included in profit or loss.

	Note	2024 \$	2023 \$
<i>Disaggregation of CEF funds</i>			
Opening balance		1,142,862	651,809
Contributions paid	8(d)	350,000	631,579
Grants paid out		(242,468)	(128,831)
Interest received		49,134	19,884
Management fees incurred	8(d)	(17,500)	(31,579)
Balance available for distribution		1,282,028	1,142,862

(f) Lease recognition exemption

The company pays for the right to use information technology equipment. The underlying assets have been assessed as low value and exempted from recognition under AASB 16 accounting. Expenses relating to low-value exempt leases are included in IT expenses.

Note 9. Income tax expense

Income tax expense comprises current and deferred tax. Attributable current and deferred tax expense is recognised in the other comprehensive income or directly in equity as appropriate.

(a) Amounts recognised in profit or loss

	2024 \$	2023 \$
Current tax expense	33,989	76,474
Movement in deferred tax	(9,422)	(18,448)
	24,567	58,026

(b) Prima facie income tax reconciliation

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2024 \$	2023 \$
Operating profit before taxation	101,104	241,886
Prima facie tax on profit before income tax at 25% (2022: 25%)	25,276	60,472
<i>Add tax effect of:</i>		
- Small business technology boost	-	(2,423)
- Small business training boost	(709)	(586)
- Non-deductible expenses	-	563
Income tax attributable to the entity	24,567	58,026
The applicable weighted average effective tax rate is:	24.30%	23.99%

Notes to the financial statements (continued)

Note 9. Income tax expense (continued)

(b) Prima facie income tax reconciliation (continued)

Accounting policy for income tax expense

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.

Note 10. Cash and cash equivalents

(a) Cash and cash equivalents

	2024 \$	2023 \$
Cash at bank and on hand	174,299	445,749
	174,299	445,749

Accounting policy for cash and cash equivalents

For the purposes of the statement of financial position and statement of cash flows, cash and cash equivalents comprise cash on hand and short-term deposits held with banks. Bank overdrafts are shown as current liabilities within loans and borrowings in the statement of financial position.

(b) Reconciliation to statement of cash flows

For the purposes of the statement of cash flows, cash includes cash on hand, cash held with financial and banking institutions, and investments in short-term money financial instruments, net of outstanding bank overdrafts. Bank overdrafts are presented with loans and borrowings.

The below figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	2024 \$	2023 \$
Cash at bank and on hand	174,299	445,749
	174,299	445,749

Note 11. Trade and other receivables

	2024 \$	2023 \$
<i>Current assets</i>		
Trade receivables	151,200	173,216
Interest due on term deposits	24,142	1,836
	175,342	175,052

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.

Notes to the financial statements (continued)

Note 12. Financial assets

	2024 \$	2023 \$
<i>At Amortised Cost</i>		
Term deposits	492,149	292,149
	492,149	292,149

Term deposits classified as financial assets include only those with a maturity period greater than three months. Where maturity periods are less than three months, these investments are recorded as cash and cash equivalents.

Accounting policy for financial assets

Financial assets are recognised at their market value. Financial assets are derecognised when the rights to receive cash flows have been transferred and the company has transferred substantially all the risks and rewards of ownership.

Note 13. Other assets

	2024 \$	2023 \$
Prepayments	8,828	13,200
	8,828	13,200

Other assets represent items that will provide the entity with future economic benefits controlled by the entity as a result of past transactions or other past events.

Note 14. Property, plant and equipment

(a) Carrying amounts

	2024			2023		
	At Cost / Valuation \$	Accumulated Depreciation \$	Written Down Value \$	At Cost / Valuation \$	Accumulated Depreciation \$	Written Down Value \$
Furniture & fittings	398,740	368,068	30,672	375,611	329,614	45,997
Motor vehicles	114,388	21,690	92,698	70,508	9,876	60,632
	513,128	389,758	123,370	446,119	339,490	106,629

The directors do not believe the carrying amount exceeds the recoverable amount of the above assets. The directors therefore believe the carrying amount is not impaired.

(b) Reconciliation of carrying amounts

2024	Furniture & Fittings \$	Motor Vehicles \$
Opening carrying value	45,997	60,632
Additions	23,129	43,880
Disposals	-	-
Depreciation expense	(38,454)	(11,814)
Closing carrying value	30,672	92,698

Notes to the financial statements (continued)

Note 14. Property, plant and equipment (continued)

(b) Reconciliation of carrying amounts (continued)

2023	Furniture & Fittings \$	Motor Vehicles \$
Opening carrying value	85,118	75,365
Additions	6,579	-
Disposals	-	(5,494)
Depreciation expense	(45,700)	(9,239)
Closing carrying value	45,997	60,632

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

Asset Class	Method	Useful Life
Furniture & Fittings	Straight line	2.5 to 10 years
Motor vehicles	Straight line	8 years

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

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.

(c) Capital expenditure commitments

The entity does not have any capital expenditure commitments as at 30 June 2024 (2023: None).

(d) Changes in estimates

During the financial year, the company assessed estimates used for property, plant and equipment including useful lives, residual values, and depreciation methods.

There were no changes in estimates for the current reporting period.

Note 15. Right-of-use assets

(a) Carrying amounts

	2024			2023		
	At Cost / Valuation \$	Accumulated depreciation \$	Written Down Value \$	At Cost / Valuation \$	Accumulated depreciation \$	Written Down Value \$
Leased land and buildings	284,767	35,121	249,646	316,807	284,886	31,921
	284,767	35,121	249,646	316,807	284,886	31,921

Notes to the financial statements (continued)

Note 15. Right-of-use assets

(b) Reconciliation of carrying amounts

2024	Leased Buildings \$	Total ROU Asset \$
Opening carrying value	31,921	31,921
Additional right-of-use assets upon commencement of new lease	284,767	284,767
Depreciation expense	(67,042)	(67,042)
Net carrying amount	249,646	249,646

2023	Leased Buildings \$	Total ROU Asset \$
Opening carrying value	118,370	118,370
Depreciation expense	(86,449)	(86,449)
Net carrying amount	31,921	31,921

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 20 for more information on lease arrangements.

Note 16. Intangible assets

(a) Carrying amounts

	2024			2023		
	At Cost / Valuation \$	Accumulated Amortisation \$	Written Down Value \$	At Cost / Valuation \$	Accumulated Amortisation \$	Written Down Value \$
Franchise fee	70,097	8,645	61,452	65,919	60,790	5,129
	70,097	8,645	61,452	65,919	60,790	5,129

(b) Reconciliation of carrying amounts

2024	Franchise Fee \$
Opening carrying value	5,129
Additions	70,097
Disposals	-
Amortisation expense	(13,774)
Closing carrying value	61,452

Notes to the financial statements (continued)

Note 16. Intangible assets (continued)

(b) Reconciliation of carrying amounts (continued)

2023	Franchise Fee \$
Opening carrying value	18,313
Additions	-
Disposals	-
Amortisation expense	(13,184)
Closing carrying value	5,129

(c) 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
Franchise fee	Straight line	Franchise term (5 years)

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

(d) Changes in estimates

During the financial year, the company assessed estimates used for intangible assets including useful lives, residual values, and amortisation methods.

There were no changes in estimates for the current reporting period.

Note 17. Tax assets and liabilities

(a) Current tax

	2024 \$	2023 \$
Income tax payable/(refund)	(26,807)	46,997

(b) Deferred tax

Movement in the company's deferred tax balances for the year ended 30 June 2024:

	30 June 2023 \$	Recognised in P & L \$	30 June 2024 \$
<i>Deferred tax assets</i>			
- Expense accruals	12,230	11,083	23,313
- Lease liability & Right of use asset	11,291	2,128	13,419
- Property, plant & equipment	2,567	4,321	6,888
- Employee provisions	15,690	(3,566)	12,124
Total deferred tax assets	41,778	13,966	55,744

Notes to the financial statements (continued)

Note 17. Tax assets and liabilities (continued)

(b) Deferred tax (continued)

	30 June 2023 \$	Recognised in P & L \$	30 June 2024 \$
<i>Deferred tax liabilities</i>			
- Prepayments	(3,299)	1,093	(2,206)
- Accrued income	(459)	(5,576)	(6,035)
- Franchise fee	(1,283)	(61)	(1,344)
Total deferred tax liabilities	(5,041)	(4,544)	(9,585)
Net deferred tax assets	36,737	9,422	46,159

Movement in the company's deferred tax balances for the year ended 30 June 2023:

	30 June 2022 \$	Recognised in P & L \$	30 June 2023 \$
<i>Deferred tax assets</i>			
- Expense accruals	10,801	1,429	12,230
- Lease liability & Right of use asset	6,010	5,281	11,291
- Property, plant & equipment	-	2,567	2,567
- Employee provisions	14,491	1,199	15,690
Total deferred tax assets	31,302	10,476	41,778
<i>Deferred tax liabilities</i>			
- Prepayments	(1,865)	(1,434)	(3,299)
- Accrued income	(11)	(448)	(459)
- Franchise fee	(1,058)	(225)	(1,283)
- Property, plant & equipment	(10,079)	10,079	-
Total deferred tax liabilities	(13,013)	7,972	(5,041)
Net deferred tax assets	18,289	18,448	36,737

Accounting policy for current tax

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

Accounting policy for deferred tax

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

Notes to the financial statements (continued)

Note 18. Trade and other payables

	2024 \$	2023 \$
<i>Current liabilities</i>		
Trade creditors	448	3,216
Salary & wages payable	25,351	17,618
GST payable/(receivable)	9,893	(4,037)
PAYG withheld from wages	11,532	5,998
Community investments accrued	57,400	21,046
Accounting & audit fees accrued	10,500	10,256
	115,124	54,097

Accounting policy for trade and other payables

Where the company is liable to settle an amount within 12 months of reporting date, the liability is classified as current. All other obligations are classified as non-current.

Note 19. Franchise fee payable

	2024 \$	2023 \$
<i>Current liabilities</i>		
Franchise fee payable within 12 months	14,019	-
	14,019	-
<i>Non-current liabilities</i>		
Franchise fee payable after 12 months	42,058	-
	42,058	-
Total franchise fee payable	56,077	-

The initial franchise fee payment was deducted from the revenue share for November 2023. This was the first payment under the current franchise agreement which runs until 18 November 2028.

Note 20. Lease liabilities

	2024 \$	2023 \$
<i>Current liabilities</i>		
Property lease liabilities payable within 12 months	50,876	29,306
	50,876	29,306
<i>Non-current liabilities</i>		
Property lease liabilities payable after 12 months	217,579	-
	217,579	-
Total lease liabilities payable	268,455	29,306

Notes to the financial statements (continued)

Note 20. Lease liabilities (continued)

	2024 \$	2023 \$
<i>Reconciliation of lease liabilities</i>		
Balance at the beginning	29,306	96,728
Additional lease liabilities recognised	300,121	-
Remeasurement adjustments	-	-
Lease interest expense	16,083	2,983
Lease payments - total cash outflow	(77,055)	(70,405)
Rent concessions	-	-
	268,455	29,306

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.

Lease	Discount rate	Non-cancellable term	Renewal options	Reasonably certain to exercise options	Lease term end date used in calculations
Gisborne Branch	8.25%	5 years	3 x 5 years	No	18 November 2028

Note 21. Employee benefits

	2024 \$	2023 \$
<i>Current liabilities</i>		
Provision for annual leave	37,521	42,300
Provision for long service leave	3,796	16,122
	41,317	58,422
<i>Non-current liabilities</i>		
Provision for long service leave	7,178	4,337
	7,178	4,337

Accounting policy for current 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 expected when the leave is taken and is measured at the rates paid or payable.

Accounting policy for non-current 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.

Notes to the financial statements (continued)

Note 22. Make good provision

	2024 \$	2023 \$
<i>Non-current liabilities</i>		
Make-good on leased premises	34,870	47,782
	34,870	47,782

In accordance with the branch lease agreements, the company must restore the leased premises to their original condition before the expiry of the lease term. The company has estimated the provision based on experience and consideration of the expected future costs to remove all fittings and the ATM as well as the cost to remedy any damages caused during the removal process. The lease is due to expire on 18 November 2028 at which time it is expected the face-value costs to restore the premises will fall due.

Note 23. Issued capital

(a) Issued capital

	2024		2023	
	Number	\$	Number	\$
Ordinary shares - fully paid	723,214	723,214	723,214	723,214
Less: equity raising costs	(18,448)	(18,448)		
	723,214	704,766	723,214	704,766

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.

(b) Rights attached to issued capital

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.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

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*.

Notes to the financial statements (continued)

Note 23. Issued capital (continued)

(b) Rights attached to issued capital (continued)

Prohibited shareholding interest

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

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

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). The base number is 208. As at the date of this report, the company had 210 shareholders (2023: 213 shareholders).

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

Where a person has a prohibited shareholding interest, the voting and dividend rights attaching to the shares in which the person (and his or her associates) have a prohibited shareholding interest, 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 24. Capital management

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

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

The distribution limit is the greater of:

- 20% of the profit or funds of the company otherwise available for distribution to shareholders in that 12 month period; and
- subject to the availability of distributable profits, the relevant rate of return multiplied by the average level of share capital of the company over that 12 month period where the relevant rate of return is equal to the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%.

The board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the company is such that amounts will be paid in the form of charitable donations and sponsorship. Charitable donations and sponsorship paid for the year ended 30 June 2024 can be seen in the statement of profit or loss and other comprehensive income.

Notes to the financial statements (continued)

Note 25. Retained earnings

	Note	2024 \$	2023 \$
Balance at the beginning of the reporting period		158,998	47,459
Profit for the year after income tax		76,537	183,860
Dividends paid	30	(108,482)	(72,321)
Balance at the end of the reporting period		127,053	158,998

Note 26. Cash flow information

Reconciliation of cash flows from operating activities

	2024 \$	2023 \$
Profit for the year after income tax	76,537	183,860
<i>Non-cash flows in profit</i>		
- Depreciation	50,268	54,939
- Amortisation	80,816	99,633
- Net loss on disposal of property, plant & equipment	-	5,494
<i>Changes in assets and liabilities</i>		
- (Increase) / decrease in trade and other receivables	(290)	(49,032)
- (Increase) / decrease in prepayments and other assets	4,372	(5,740)
- (Increase) / decrease in current tax asset	(26,807)	-
- (Increase) / decrease in deferred tax assets	(9,422)	(18,448)
- Increase / (decrease) in trade and other payables	61,027	(28,372)
- Increase / (decrease) in current tax liability	(46,997)	35,158
- Increase / (decrease) in employee benefits	(14,264)	4,796
Net cash flows provided by operating activities	175,240	282,288

Note 27. Financial risk management

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

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

The directors have identified that the only significant financial risk exposures of the consolidated entity are liquidity and market (price) risk. Other financial risks are not significant to the company due to the following factors:

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

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

Notes to the financial statements (continued)

Note 27. Financial risk management (continued)

	Note	2024 \$	2023 \$
<i>Financial assets</i>			
Trade and other receivables	11	175,342	175,052
Cash and cash equivalents	10	174,299	445,749
Term deposits	12	492,149	292,149
		841,790	912,950
<i>Financial liabilities</i>			
Trade and other payables	18	115,124	54,097
Franchise fee payable	19	56,077	-
Lease liabilities	20	268,455	29,306
		439,656	83,403

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

Accounting policy for financial instruments

Financial assets

Classification

The company classifies its financial assets into the following categories:

- Amortised cost

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

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

Derecognition

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

Impairment of trade and other receivables

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

Financial liabilities

Classification

The company classifies its financial liabilities at amortised cost.

Derecognition

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

Market Risk

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

Interest-bearing assets and liabilities are held with Bendigo Bank and subject to movements in market interest. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the company to cash flow interest-rate risk.

Equity Price risk

All of the company's listed equity investments are listed on the Australian Stock Exchange (ASX) or the National Stock Exchange (NSX). Changes in equity securities value is recognise through profit or loss or other comprehensive income.

Notes to the financial statements (continued)

Note 27. 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.

30 June 2024		Contractual Cash Flows		
Financial Liability	Carrying Amount \$	< 12 Months \$	1 - 5 Years \$	> 5 Years \$
Lease liabilities	268,455	71,127	250,155	-
Trade and other payables	115,124	115,124	-	-
Franchise fee payable	56,077	14,019	42,058	-

30 June 2023		Contractual Cash Flows		
Financial Liability	Carrying Amount \$	< 12 Months \$	1 - 5 Years \$	> 5 Years \$
Lease liabilities	29,306	29,636	-	-
Trade and other payables	54,097	54,097	-	-
Franchise fee payable	-	-	-	-

Note 28. Key management personnel disclosures

(a) Details of key management personnel

Key management personnel includes any person having authority or responsibility for planning, directing or controlling the activities of the entity, directly or indirectly including any Director (whether executive or otherwise) of that company. The only key management personnel identified for the company are the Board of Directors, the members of which are listed in the Directors' report.

(b) Key management personnel compensation

No Director of the company receives remuneration for services as a company director or committee member. These positions are held on a voluntary basis.

(c) Transactions with key management personnel and other related parties

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

	2024 \$	2023 \$
<i>Graphic design for MRCE strategy</i>		
Alison Fowler	1,100	-
Total transactions with key management personnel	1,100	-

(d) Key management personnel shareholdings

The number of ordinary shares in the company held by each key management personnel during the financial year has been disclosed in the Director's Report.

Notes to the financial statements (continued)

Note 28. Key management personnel disclosures

(e) Other key management transactions (continued)

Transactions with organisations that are affiliated with Directors:

		2024 \$	2023 \$
Malcolm Carter & David Thomas	Provisional allocation to VIC SES Gisborne	30,000	-
Rebecca Thorpe	Donation to Mount Macedon CFA	2,000	-
Total transactions with organisations affiliated with Directors		32,000	-

Wherever it was possible, the affiliated Directors did not participate in the decisions for the fundings mentioned above.

Note 29. Auditor's remuneration

The appointed auditor of Macedon Ranges Community Enterprises Ltd for the year ended 30 June 2024 is Andrew Frewin Stewart. Amounts paid or due and payable to the auditor are outlined below.

		2024 \$	2023 \$
<i>Audit and review services</i>			
Audit and review of financial statements - Andrew Frewin Stewart		6,950	6,962
Total auditor's remuneration		6,950	6,962

Note 30. Dividends provided for or paid

The following dividends were provided for and paid to shareholders during the reporting period as presented in the statement of changes in equity and statement of cash flows.

	2024		2023	
	Cents	\$	Cents	\$
Fully franked dividend	10.00	72,321	10.00	72,321
Fully franked special dividend for 15th anniversary	5.00	36,161	-	-
Dividends provided for and paid during the year	15.00	108,482	10.00	72,321

The tax rate at which dividends have been franked is 25% (2023: 25%).

Accounting policy for dividends

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

Note 31. Franking account balance

		2024 \$	2023 \$
<i>Franking credits available for subsequent reporting periods</i>			
Franking account balance at the beginning of the financial year		109,297	92,088
Franking transactions during the financial year:			
-	Franking credits arising from income taxes paid	107,793	41,316
-	Franking debits from the payment of franked distributions	(36,161)	(24,107)
Franking credits available for future reporting periods		180,929	109,297

The ability to utilise franking credits is dependent upon the company's ability to declare dividends.

Notes to the financial statements (continued)

Note 32. Earnings per share

	2024 \$	2023 \$
Profit attributable to ordinary shareholders	76,537	183,860
	Number	Number
Weighted average number of ordinary shares	723,214	723,214
	¢	¢
Basic and diluted earnings per share	10.58	25.42

Accounting policy for earnings per share

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

Note 33. Events after the reporting period

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

Note 34. Commitments and contingencies

Any commitments for future expenditure associated with leases are recorded in Note 20. Details about any capital commitments are detailed in Note 14(c).

There were no contingent assets or liabilities at the date of this report that would have an impact on the financial statements.

Commitments at reporting date

Not otherwise provided for or disclosed in the financial statements:

	2024 \$	2023 \$
<i>Sponsorships and Grants approved by the Board:</i>		
Branded Marquees	7,700	-
Macedon Ranges Netball Association	13,000	-
Macedon Tennis Club - Fencing	-	20,000
Cobaw Youth Space Project	-	96,893
Macedon Ranges Shire Council - Biolink Boost Grant	-	20,000
Macedon Ranges Music Festival	-	4,800
Gisborne Lions Club	-	6,000
Sponsorships	-	10,000
	20,700	157,693

Directors' declaration

For the financial year ended 30 June 2024

In the opinion of the directors:

- 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*.



Malcolm Carter
Chairman

Dated this 10th day of September, 2024

Independent audit report



Andrew Frewin Stewart
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Independent auditor's report to the Directors of Macedon Ranges Community Enterprises Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Macedon Ranges Community Enterprises Ltd (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 Macedon Ranges Community Enterprises Ltd, 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.



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Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's responsibilities for the Audit of the Financial Report

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



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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 10 September 2024

Joshua Griffin
Lead Auditor

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