

Annual Report 2024

Mundaring Community
Financial Services Limited

Community Bank
Mundaring

ABN 63 097 289 677



I ❤️ MY COMMUNITY



Bendigo Bank

Community Bank
Mundaring

Community Bank
Mundaring

Bendigo Bank

Out and about in the Community at A Whim Festival
Lyndall Wills, Aleks Kuzet, Andrea Southam, Meagan Wise

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Chairperson's report

For the year ending 30 June 2024

To Our Valued Shareholders, Directors, Staff and Customers

We are delighted to share the exciting developments and achievements of Mundaring Community Financial Services Limited operating as Community Bank Mundaring over the past year. Your continued support has been instrumental in our success, and we are thrilled to report on several significant milestones:

- Our business has grown by nearly **\$46 million** which is a growth of **15%** from the previous year.
- Customer numbers have grown by **456** from last year which is a **5.75%** increase.

Community Impact

This year, our commitment to supporting and uplifting our local community has been demonstrated through our substantial financial contributions. We are proud to announce that we returned nearly \$900,000 to various local initiatives and organizations by way of grants, sponsorships and other community outlays. This effort underscores our dedication to enhancing the quality of life within our community and reinforces our role as a pillar of support and growth.

Recognition and Awards

Our dedication to excellence has not gone unnoticed. At the recent Swan Chamber of Commerce Business Awards event, our Community Bank was honoured with three prestigious awards:

1. **Business of the Year**
2. **Businessperson of the Year – Andrea Southam**
3. **Community Spirit Award**

These accolades are a testament to the hard work and unwavering commitment of our staff. They reflect our continuous efforts to provide exceptional service and to foster a positive impact in our community.

Commitment to Customer Service

In an era where digital banking is becoming increasingly prevalent, we take immense pride in maintaining a high level of face-to-face customer service. Our approach ensures that our clients receive personalized attention and support, which is a hallmark of our banking philosophy. The dedication and professionalism of our staff are central to delivering the exceptional service our customers have come to expect.



Swan Chamber of Commerce Business Awards

Left to Right: Shalinder Beri, Vanessa Saunders, Ashleigh Southam, Ben Wheeler, Kerry Hort Rowe, Rob French, Andrea Southam, Mervy Badawy, Rochelle Werrett, Alex Rimmer, Heidi Turnbull, Hannah Dyer

Chairperson's report (continued)

Staffing

One of our amazing MCFS staff members, Andrea, has been a driving force behind everything we do at MCFS. She's everywhere, knows everyone, and can turn an idea into an event—sometimes even coming up with ideas at 2 a.m.! This year marks Andrea's 10th anniversary with us, and we couldn't be more grateful for her dedication to our Company and our community. Andrea lives and breathes our Company and our community which is why we love her.

To support Andrea, we've brought on an assistant this year. After interviewing seven candidates, two stood out, and we ultimately chose Ashleigh, who had prior experience helping Andrea and no major commitments. Ashleigh, who is also Andrea's daughter, has embraced the role wholeheartedly, lightened the load for Andrea and has brought a fresh perspective and energy to the role.

Welcome to the team, Ashleigh! We're excited to see the impact you'll make alongside Andrea.

We've had some Community Bank staff changes recently for various reasons, and we wish everyone moving on all the best. We'd especially like to thank our Branch Manager, Mervy Badawy, for her leadership, training, and the wealth of knowledge she brings to both the branch and the team. Mervy is excited about the future of our company and where our branch is headed.

I'd like to extend a huge thank you to our dedicated team members: Vanessa, Lauren, Taryn, Alex, Penny, Lesley, Lyndall, Cassie, Ashleigh and Andrea. Your hard work and excellent customer service are truly appreciated by all of us and our valued customers.



Looking Ahead

This year, we expanded our outreach to the Wheatbelt town of Bruce Rock, which was previously home to a Community Bank branch. With many Bruce Rock community members passing by our door, we decided to reach out to them. Andrea, who previously lived in the area and has strong ties to the community, led the way. We've visited Bruce Rock twice, and their participation in our raffle raised nearly \$30,000 for their local community. We're excited to see how this connection evolves moving forward.

While we have some other exciting plans in the pipeline, we are not yet in a position to disclose specific details. Rest assured, these forthcoming initiatives will further enhance our services and strengthen our position within the community.

In conclusion, we are immensely proud of our achievements and the positive impact we continue to make. Thank you for your ongoing trust and support. Together, we will continue to build on our successes and contributing to the prosperity of our community.

A special thank you to our directors for their dedication and commitment to MCFS. Your valuable time, tireless efforts at events, and participation in sub-committees and board meetings make all the difference. Your contributions, knowledge, and thoughtful discussions are genuinely appreciated. Thank you to each and every one of you.

Warmest regards,

Kerry Hort Rowe

Chair

Mundaring Community Financial
Services

A handwritten signature in black ink that reads "Kerry Hort Rowe". The signature is fluid and cursive, written over a light grey circular background.

Bendigo & Adelaide Bank report

For the 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.

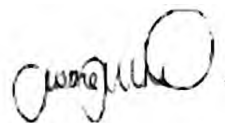
On behalf of Bendigo Bank, thank you for being a shareholder in your local Community Bank. Your contribution helps foster economic growth, creates employment opportunities, and provides essential financial services to the members of your community.

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

Warmest regards,

Justine Minne

Head of Community Banking





Community Bank Mundaring staff with Swan Chamber of Commerce awards
 Left to Right: Mervy Badawy, Natalie Veale, Ben Wheeler, Andrea Southam,
 Penny Frost, Alex Rimmer, Lesley Byrne, Vanessa Saunders.



We LOVE Community
 Ashleigh Southam, Lyndall Wills, Andrea Southam, Aleks Kuzet, Lesley Byrne, Lauren Izzo



22nd Birthday

Left to Right: Ashley Blower (Bendigo Regional Manager), Vanessa Saunders, Kerry Hort Rowe, Mervy Badawy with baby daughter Zyyah, Andrea Southam, Lyndall Wills, Anne-Marie Williamson, Lesley Byrne



Swan Chamber of Commerce Business Awards
Mervy Badawy and Andrea Southam

Branch Manager's report

For the year ending 30 June 2024

Dear Valued Shareholders I am pleased to present the annual report for the last financial year, reflecting on our progress and achievements over the past year. I am proud to share that despite certain challenges in the economic environment, our business has demonstrated remarkable resilience and growth. I returned from my maternity leave at the end of March and was delighted to be back working with such a dedicated and passionate group of people. I would like to thank Vanessa Saunders for her hard work in running the branch whilst I was away. I am privileged to have such a dynamic and resilient 2IC. Here are some key highlights:

In the last financial year, we experienced a robust expansion in our overall business operations. Our customer base grew by almost 6%, taking us to 8383 customers as of 30th June 2024. Driven by our commitment to enhance service delivery and innovative financial solutions. Our customer satisfaction score came in at an outstanding 4.93 out of 5. As our business continues to grow so does the requirement to increase our staff numbers. We have welcomed Cassie Taylor new casual customer service officer, Alex Rimmer new full time customer relationship officer and in our community segment Ashleigh Southam executive officer assistant. We look to recruit another 2 additional staff members in the following financial year.

Our book saw significant growth, with an increase of 15% in total business compared to the previous year taking us to \$336million. This growth was largely attributed to a surge in demand for both Lending and deposits.

We have continued to focus on prudent risk management and responsible lending practices, ensuring that our loan book remains healthy and well-diversified. Our Deposits alone were up by 22% this year, reflecting increased confidence among our customers. Our competitive interest rates and personalised deposit solutions have attracted both new and existing clients. Our newest Reward saver account in particular contributing to this notable increase.

The last financial year has been a year of solid progress and strategic growth for our business. Our performance in business growth, lending, and deposits underscores our ability to navigate market challenges effectively and capitalise on emerging opportunities. This substantial growth enabled us to give back a colossal amount of nearly \$900k to our community in this financial year alone. We could not have achieved this success without the support of our customers and shareholders and the hard work and dedication of our staff and directors. I would like to thank my dedicated team Vanessa Saunders, Lauren Izzo, Taryn Kendall, Alex Rimmer, Penny Frost, Lyndall Wills, Lesley Byrne, Cassie Taylor, Andrea Southam and Ashleigh Southam.

I look forward to another successful year with you. I would also like to thank our Chair Kerry Hort-Rowe and board directors Rochelle Werrett, Aleks Kuzet, Nicola Smith, Rob French, Anil Subramanya and Hannah Dyer. We remain committed to delivering exceptional value to our customers, community and shareholders and I look forward to building on this momentum and continued in the coming year. We cannot achieve these results without you.

Thank you for your continued trust and support.



Sincerely,

Mervy Badawy

Branch Manager

A handwritten signature in black ink, appearing to read 'Mervy Badawy', written over a white rectangular background.

Community Bank National Council report

For the 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



Term 1 winner of the Bendigo Band of Community Kindness
Shaelyn Harvey, Kate Kendrick (ROAR Inc Founder), Andrea Southam, Hannah Dyer

Community report

For the year ending 30 June 2024

I am thrilled to announce that our Community Bank returned a record \$897,715.40 to our local community in the 2023/2024 financial year! This achievement would not have been possible without the ongoing support of our customers and the dedication of our shareholders. Thank you for being an integral part of our mission!

In our Lightning Grant Round this year, we received a variety of sponsorship requests, making a significant impact in our community. We distributed \$491,906.83 and celebrated at a well-attended awards night in the Bendigo Room at Mundaring Arena. Over 180 guests gathered including representatives from schools, sporting clubs, and Volunteer Bush Fire Brigades.

The awards night served not only to celebrate these contributions but also to highlight the significant role

Community Bank Mundaring plays in supporting the local community. Importantly, it reinforced the message that the more business the bank receives, the greater its capacity to give back to the community. The event also welcomed esteemed guests including Mundaring Shire President Paige McNeil, CEO, Jason Whiteaker and Councillors Prapti Mehta, Neridah Zlatnik and Karen Beale, alongside Bendigo Bank's State Manager, Joe Faraone, and our Regional Manager, Ashley Blower.

Our commitment to education continued this year, with sponsorship of the Hills Education Network's Science Challenge, the Year 6 Endeavour Awards across 13 public high schools, and the Dux Award for Swan View Senior High School. In honour of our 10th year supporting the Endeavour awards, we have created perpetual shields for each school to display and honour the recipients.



Love Your Sister
Andrea Southam and Samuel Johnson

Community report (continued)

This year the Education Department mandated that all schools needed to install a publicly accessible defibrillator. We provided funds for the supply and installation of a defibrillator for 11 schools in our local area. All schools are grateful for this life saving equipment that can be utilised by our communities.

We held two Bendigo Community Raffle's this financial year! Our first one in late 2023 saw 61 community groups participate, 20,543 tickets sold and \$102,715 raised for the community. Our second raffle in 2024 saw Wheatbelt town Bruce Rock participate in the raffle as well. 26,925 tickets were sold, \$134,625 was raised among 89 community groups, 19 of those from Bruce Rock. An incredible amount of money was raised for our local community and Bruce Rock were extremely grateful for the opportunity to participate.

We proudly celebrated our success at the Swan Chamber of Commerce Business Awards night, where our Branch won the Community Spirit Award and Business of the Year award. In addition to these prestigious awards, I was both surprised and delighted to be named Business Person of the Year. It was an unforgettable night for me personally, and the recognition has brought valuable exposure to the bank.

To commemorate the resilience following the devastating Wooroloo Bushfire of 2021, we are proud to announce the Resilience and Recovery through Art: Wooroloo Bushfire Art Trail. This trail will showcase 7 pieces of artwork from the inaugural Rustic Farm Art Awards held at the Gidgegannup Agricultural Show in 2022 with the theme of 'Rising from the Ashes'.

The trail will begin at Community Bank Mundaring to signify our involvement with the recovery, and then trace the path of the fire with pieces being installed at:

- Wooroloo Jump Track
- Wooroloo Hall
- Gidgegannup CWA
- Gidgegannup Recreation Club
- Bells Lookout, Brigadoon
- Bullsbrook Community Centre, and;
- Bendigo Bank in Mundaring.

The official opening will take place on Saturday 1st February 2025, marking the 4th anniversary of the fire.

It has been another extraordinary year for us, and I am incredibly proud to have been a part of it. Being able to return close to a million dollars to our community and witnessing the positive impact is remarkable. Thank you again to our shareholders and loyal customers for your unwavering support, who we owe this achievement to.

Earlier this year, I celebrated 10 years with the company, and I am happy to say that I still love my job and feel incredibly fortunate to be in the position. I want to extend a sincere thank you to our Board of Directors for their ongoing support of me. Recently, they brought on an assistant for me—my daughter, Ashleigh Southam. Her help has been invaluable, giving me more opportunities to get out into the community and showcase the great work we are doing. I'm excited for another amazing year and look forward to sharing it with you!



Andrea Southam

Executive Officer

A handwritten signature in black ink that reads "A Southam". The signature is written in a cursive, flowing style.



Chidlow Primary School

Mervy Badawy, Tanya Dickson (P&C President), Jan Hignett (P&C Vice President), Ryan (student), Andrea Southam, Mia (student), Peta Tuckett (P&C Member), Ashlee Craig (P&C Member), Josh Dorozenko (Deputy Principal, Chidlow Primary School)



Chidlow Basketball Club

Marie Hall and Leslie Gregorovich



Apex Gymnastics

Jana Stolt and Alex Christie

Groups supported

Sponsorships

Community Group	Contribution towards
1st Mundaring Scout Group	8 people sponsored to go to Jamboree
Apex Gymnastics	Equipment for mobile gymnastics
Australian Breastfeeding Association Swan Mundaring Group	Toy upgrade
Bruce Rock Community Resource Centre	Front counter reception desk
Bruce Rock Golf Club	Golf Day
Bruce Rock Pony Club	Horse and pony crush
Chidlow Basketball Club	Uniforms
Chidlow Family Playgroup	Play pack and facelift
Chidlow Primary School	Defibrillator, and Year 6 Endeavour Award
Clayton View Primary School	Defibrillator, and Year 6 Endeavour Award
CWA Forrest Darlings	Bench seat and plaque
Darlington Bushfire Brigade	iPads, and vehicle mounts for fire vehicles
Darlington Family Playgroup	Sponsorship to promote accessibility
Darlington Junior Football Club	New equipment including scoreboard
Darlington Netball Club	Uniforms
Darlington Primary School	Defibrillator, Year 6 Endeavour Award, and Science Challenge
Darlington Scout Group	3x Heavy duty marquees, branding improvements, and grant to send 10 youth and 4 adults to Jamboree
Darlington Sports & Recreation Association	Movie production
Darlington Tennis Club	Shelving for new shed
Eastern Hills Community Kindy	Mural, anti graffiti paint, and defibrillator
Eastern Hills Community Pantry	Cold storage
Eastern Hills Guides & Scouts	Replacement oven at hall
Eastern Hills Horse & Pony Club	Dressage and Showjumping Day
Eastern Hills Little Athletics	Shirts, Club Person Award, and golf buggy
Eastern Hills Masters Football Club	Playing jumpers, and television to be used by 3 clubs
Eastern Hills Netball Association	Squad uniforms, whistles, timers, and umpire shirts

Groups supported (continued)

Sponsorships (continued)

Community Group	Contribution towards
Eastern Hills Senior High School	Mural, Hospitality Bake-off, and Integrity Award for Year 12 Graduation
First Friends Playgroup	Cleaning equipment
Gidgegannup Agricultural Society	Farm Art Awards, and pen fencing
Gidgegannup Dressage Club	Golden Oldies Festival
Gidgegannup Football Club	Electronic scoreboard
Gidgegannup Netball Club	Uniform dresses
Gidgegannup Small Farm Field Day	Small Farm Field Day
Gidgegannup Primary School	ROAR program, limestone seating and shade, and Endeavour Award
Glen Forrest Community Kindergarten	Open Day event, Quiz Night, maintenance projects, and defibrillator
Glen Forrest Primary School P&C	Community Garden, Sensory Room, Year 6 Endeavour Award, and defibrillator
Glen Forrest Sporting Club	Glen Fest 2024, and fencing around bowling green
Glen Forrest Tennis Club	Winter season
Glen Forrest Volunteer Bush Fire Brigade	Upgrade facilities
Greenmount Primary School	Defibrillator, and Year 6 Endeavour Award
Helena Valley Netball Club	Members fees and coaching course fees, and uniforms
Helena Valley Primary School	Interschool sports shirts and choir shirts, Year 6 Endeavour Award, and sponsorship of interschool and choir shirts
Hills Billy Carts Inc	Welding equipment, and Wheels of Inclusion - All A-Billy-ties Cart
Hills Football Association	Umpire uniforms, polos, shorts, footballs, medical, and coaching
Hills Night Hockey	Branded boards for hockey pitch
Hills Rangers Football Club	Playing jumpers, fridge, and portable scoreboard
Indie Education	ROAR program
Lost Mundaring & Surrounds Local History Museum	Publication of 100 copies of the book "Over a century of Education"
Love Your Sister	Donation to vanquish cancer
Mahogany Creek Tennis Club	Court refurbishment, and security camera
Mt Helena Junior Football Club	Honour Board

Groups supported (continued)

Sponsorships (continued)

Community Group	Contribution towards
Mt Helena Primary School	Outdoor area, Year 6 Endeavour Award, and defibrillator
Mt Helena Residents and Ratepayers	Shade sail, toilets for Whim Festival, and flag poles
Mt Helena Senior Football Club	First Aid supplies including spine board
Mt Helena Swimming Club	Renew swimming equipment
Mt Helena Volunteer Bushfire Brigade	5G Enabled ipads
Mundaring Chamber of Commerce	Children's Activities at Markets for Halloween & Christmas, entertainment at Mundaring Garden Market, and monetary assistance to help the Chamber get back on its feet
Mundaring Community Men's Shed	4 x new computers
Mundaring Cricket Club	Cancer Research Charity Match



Helena Valley Netball Club

Jasmine Stevens, Ivy Connell, Scarlett Bennison, Amy Bennison (Coach), Ebony Alves, Ahxeia Aldave, Genevieve Fleay Laing, Vanessa Howat, Keely Southern, Samantha Price

Groups supported (continued)

Sponsorships (continued)

Community Group	Contribution towards
Mundaring Firefighters School	Trailer fitout, and outdoor area at school
Mundaring Junior Football Club	2 sets of goal post pads
Mundaring Senior Football Club	Electronic scoreboard, and branded marquees
Mundaring Seniors	Upgrade bus with air conditioner
Mundaring Sporting Club	Gas cooktop and dishwasher, assistance with restoring the golf club after major storm 16.1.24, and Disc Golf club shirts
Mundaring Tennis Club	Replacement water fountain
Mundaring Toy Library	50 Years Birthday event
Mundaring Woodturners Association	Wood turning jackets
Panthers Basketball Club	Uniforms
Parkerville Community Care	Dinner for fire affected residents of Parky Fire 2023, and Motherhood Resource Library
Parkerville Basketball Club	Upgrade of equipment, and coach and manager polos
Parkerville Netball Club	Playing bibs
Parkerville Playgroup	Walk board set, and Australian Geographic Cushions



Mundaring Toy Library
Blaire McCrudden, Andrea Southam, Prapti Mehta



Perth Hills Junior Cricket Club
Stuart Wilkinson and Brett Sumpton

Groups supported (continued)

Sponsorships (continued)

Community Group	Contribution towards
Parkerville Primary School	Christmas Activation event, The Kindness Challenge, defibrillator, faction marquees, and interschool shirts
Parkerville Tavern	Pedal and a Pint brochure printing
Parkerville Volunteer Bushfire Brigade	iPads, and vehicle mounts for fire vehicles
Perth Hills Junior Cricket Club	Website
Perth Hills United Football Club	Club Person Perpetual Trophy, and uniforms for ladies team
Possum Valley Animal Sanctuary	Transport van for animals
ROAR	Quiz Night, new laptop, and wrist bands
Rotary Club of Mundaring	Twilight Markets
Sacred Heart Primary School	STEM Program, and defibrillator
Santos Judo Academy	Pink belts for NBCF Fundraiser
Sawyer's Valley Primary School P&C	Defibrillator, Year 6 Endeavour Award, and ROAR program
Sawyers Valley Family Playgroup	Upgrade of external area, fence, and paving
Stoneville Volunteer Bush Fire Brigade	Generator
Swan Chamber of Commerce	Community Spirit Award, and NFP Initiatives Award at Business Awards



Possum Valley Animal Sanctuary
Chris Rafferty and Mark Hayman



ROAR Inc
Trailer purchased by Bendigo Community Bank Mundaring in 2023. Trailer Artwork completed in 2024.

Groups supported (continued)

Sponsorships (continued)

Community Group	Contribution towards
Swan Rotary Club	Lift the Lid Walk 19.11.23
Swan Suburbs RUFC	Rugby jumpers
Swan View Community Association	Community event
Swan View Cricket Club	50th Anniversary shirts
Swan View Senior High School	RU OK Day
Swan View Primary School	Year 6 Endeavour Award
The Hills Choir Inc	Summer Concert
Trillion Trees	Solar panel
United Nations Youth Australia	Education workshops for Mundaring participants
WA Junior Motorcross Club	Chidlow Challenge, and new flags
West Coast Cowboys	Laptop for electronic updating
Wooroloo Primary School	120 Years Celebration, Year 6 Endeavour Award, defibrillator, new equipment, and extra books
Wundowie Gold Club	Ranger Cup
Wundowie Progress Association	Wundowie Iron Festival



Swan Suburbs Rugby Union Football Club
Noema Te Whata, Andrea Southam, Will Whitfield



West Coast Cowboys
Vanessa Gordon and Jane Medcraft

Groups supported (continued)

In-Kind Support

Community Group	Contribution towards
Mundaring Chamber of Commerce	Printing
Love Your Sister	Printing
Mahogany Creek Progress Association	Printing
Mt Helena Tennis Club	Printing
Swan Harmony Singers	Printing of Annual Posters
Hills Billy Carts	Printing
Mundaring Seniors	Printing
The Hills Choir	Printing
Lost Mundaring	Printing
Whim Festival	Printing
Swan Community Choir	Printing
Gidgegannup Carols	Printing
Mahogany Creek Tennis Club	Printing
Mundaring Junior Football Club	Printing
ROAR	Printing
Swan View Senior High School	Merchandise for RU OK? Day
Darlington Primary School	Merchandise for Science Quest Prizes



Hills Billy Carts
Ryan Lenard and Chip Marsh



Glen Forrest Sporting Club
Robyn Cain, Andrea Southam, Heidi Zull

Groups supported (continued)

Community Raffle - November 2023

Participants

Bees 2 Honey	Mt Helena Primary School
Chidlow Family Playgroup	Mt Helena R&R
Chidlow Progress Association	Mt Helena Tennis Club
Chidlow Senior Football Club	Mundaring Bicentennial
Collective Hope	Mundaring Chamber of Commerce
Darlington Arts Festival	Mundaring Community Men's Shed
Darlington Community Garden	Mundaring Netball Club
Darlington Competitive Cricket Club	Mundaring Senior Football Club
Darlington Netball Club	Mundaring Seniors
Darlington Scouts	Mundaring Sporting Club
Darlington Tennis Club	Mundaring Tennis Club
Eastern Hills Cats Football Club	Mundaring Woodturners Association
Eastern Hills Community Pantry	Northam Youth in Emergency Cadets
Eastern Hills Little Athletics Club	Panthers Basketball Club
First Friends Playgroup	Parkerville Primary School
Gidgegannup Primary School P&C	Parkerville Volunteer Bush Fire Brigade
Gidgegannup Senior Football Club	Perth Hills Junior Cricket Club
Gidgestock Music Festival	Perth Hills United Football Club
Glen Forrest Primary School P&C	Perth Horse Trials
Glen Forrest Sporting Club	Ripplebrook Equestrian Vaulting Academy
Glen Forrest Tennis Club	ROAR Fast Fit
Helena Valley Cricket Club	Rotary Club of Mundaring
Hills Billy Cart Festival Inc	Sacred Heart Primary School P&F
Hills Football Association	Santos Judo Academy
Mt Helena Junior Football Club	Save Perth Hills

Groups supported (continued)

Community Raffle - November 2023 (continued)

Participants

Sawyers Valley Primary School	West Coast Cowboys
Swan Districts Gymnastics	West Gidgegannup Volunteer Bush Fire Brigade
Swan Harmony Singers	Wundowie Golf Club
Swan View Cricket Club	Wundowie Primary School
Swan View Primary School P&C	Wundowie Progress Association
West Australian Team Penners Association	



2023 Bendigo Community Raffle

Vanessa Saunders, Lauren Izzo, Mervy Badawy, Andrea Southam, Taryn Kendall, Lyndall Wills, Penny Frost

Groups supported (continued)

Community Raffle - June 2024

Participants

Ardath Golf Club	Darlington Netball Club
Bees 2 Honey Festival	Darlington Scout Group
Bruce Rock Bowling Club	Darlington Tennis Club
Bruce Rock CRC	E-WA Rotary Club
Bruce Rock Cultivators Committee	Eastern Hills Community Kindergarten
Bruce Rock District Club	Eastern Hills Community Pantry
Bruce Rock Football Club	Eastern Hills Masters Football Club
Bruce Rock Golf Club	First Friends Playgroup
Bruce Rock Hockey Club	Gidgegannup Horse & Pony Club
Bruce Rock P&C	Gidgegannup Junior Football Club
Bruce Rock Pony Club	Gidgegannup Men's Shed
Bruce Rock Senior Citizens	Gidgegannup Netball Club
Bruce Rock Squash Club	Gidgegannup Primary School P&C
Bruce Rock Vietnam Veterans Group	Gidgegannup Senior Football Club
Chidlow Cats Basketball	Gidgestock Music Festival
Chidlow Primary School P&C	Glen Forrest Primary School P&C
Chidlow Progress Association	Glen Forrest Sporting Club
Chidlow Senior Football Club	Glen Forrest Tennis Club
Chidlow Volunteer Bush Fire Brigade	Greenmount Primary School P&C
Darlington Arts Festival	Helena River Catchment Group
Darlington Community Garden	Hills Billy Carts Inc
Darlington Competitive Cricket Club	Hills Choir
Darlington History Group	Hills Rangers Football Club
Darlington Junior Football Club	HOSCA

Groups supported (continued)

Community Raffle - June 2024 (continued)

Participants

Mount Helena Junior Football Club	Ripplebrook Equestrian Vaulting
Mount Helena Primary School P&C	Rock'n'Boots
Mount Helena Tennis Club	Rotary Club of Mundaring
Mundaring Bicentennial Trust	Sacred Heart Mundaring Primary School P&F
Mundaring Chamber of Commerce	Santos Judo
Mundaring Community Mens Shed	Save Perth Hills
Mundaring Junior Football Club	Sawyers Valley Primary School P&C
Mundaring Netball Club	Shackleton Bowling Club
Mundaring Primary School	Swan Community Choir
Mundaring Senior Football Club	Swan Districts Gymnastics Inc
Mundaring Seniors Inc	Swan View & Districts Agricultural Society
Mundaring Sporting Club	Swan View Primary School P&C
Mundaring Toy Library	Swan View Senior Cricket Club
Mundaring Woodturners Association	West Australian Junior Motorcross Club
Narembeen & Bruce Rock Darts Association	West Coast Cowboys
Northam Youth In Emergency Services - Wundowie	West Gidgegannup Volunteer Bush Fire Brigade
Parkerville Basketball Club	Wheatbelt and Beyond Mentoring
Parkerville Primary School P&C	Wooroloo Primary School P&C
Parkerville Volunteer Bushfire Brigade	Wundowie Golf Club
Perth Hills United Football Club	Wundowie Primary School P&C
Possum Valley Animal Sanctuary	

Directors' report

For the financial year ended 30 June 2024

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

Directors

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



Nicola Jane Smith
Non-executive director

Experience and expertise: Nicola is a Youth Worker for the Department of Family and Children Services. Nicola worked in the finance industry for 13 years. After which she had an opportunity to follow her passion to work with youth consequently Nicola has worked in women's refuges in the Midland area, Halls Creek and Broome with the community, and in residential care with some of the most at-risk youth in the state. Former director of Smith's Automotive Parts.

Special responsibilities: Audit & Governance Committee, Marketing & Sponsorship Committee.



Rochelle Amanda Werrett
Non-executive director

Experience and expertise: Rochelle has a background in Payroll Management, Human Resources, Bookkeeping, Compliance, IT, System Development, Business Workflows, Website Development and Social Media. As well as being a Board Director and Company Secretary, Rochelle is the Treasurer for her local Scout Group.

Special responsibilities: Company Secretary, Audit & Governance Committee, Strategic Committee.



Kerry Dawn Hort Rowe
Non-executive director

Experience and expertise: Business Consultant & Life Mentor, Depression & Anxiety Director, Hospitality & Tourism Covid-19 Hygiene, Sales Representative, Account Manager, Business Development Manager, Board Member, Customer Service Specialist.

Special responsibilities: Chair, Sponsorship Committee.

Directors' report (continued)

Directors (continued)



Aleksandra Kuzet
Non-executive director

Experience and expertise: Aleks holds a Bachelor of Commerce (Accounting), Master of Taxation. Aleks is a CPA specialising in small business tax advisory. With 15 years of work experience in Perth eastern suburbs, Aleks has strong connections with local business and social networks.

Special responsibilities: Audit & Governance Committee, Strategic Committee.



Hannah Dyer
Non-executive director

Experience and expertise: Although trained in Nutrition, Veterinary Nursing, and Hospitality, Hannah has spent the majority of the last 22 years volunteering within the community. Previous engagements include Conveyor of the bi-annual Mount Helena Whim Festival, from 2017 to 2023, and as an integral part of the West Australian Sleddog Sports Association committee, from 2002 to 2017. She is currently the President of the Eastern Hills Community Pantry, a Mount Helena NFP, who's primary role is attempting to mitigate food scarcity within our local spaces. Hannah is the mother of two teen girls, and when she is not volunteering, can probably be found supporting them in a basketball stadium somewhere. Hannah

believes in the individual and the community, and very much appreciates being involved with supporting both, under the Bendigo business model. She thanks MCFS and Bendigo for this extraordinary opportunity and looks forward to her ongoing association with them.

Special responsibilities: Marketing & Sponsorship Committee, Community Engagement Committee Chair.



Anil Subramanya
Non-executive director (appointed 11 December 2023)

Experience and expertise: Anil has a PhD in Geochemistry and Economic Geology, Masters and Bachelors in Geology. Graduate of the Australian Institute of Company Directors. Anil has 40 years experience in the mining industry globally. Strong global network as well as experience and focus on governance.

Special responsibilities: Strategic Committee.



Robert French
Non-executive director (appointed 11 December 2023)

Experience and expertise: Robert has over 40 years business experience including finance, accounting and auditing, consulting and project management. Direct ownership and complete management function of small businesses in the recruitment, hospitality and real estate sectors. Currently the Principal and Licensee of WesProp Realty. Degree in Accounting and Auditing, Graduate Diploma in Property (Deakin) and in the process of completing an MBA (Deakin).

Special responsibilities: Marketing & Sponsorship Committee.

Directors' report (continued)

Directors (continued)

Company Secretary

The company secretary is Rochelle Werrett. Rochelle was appointed to the position of company secretary on 1 March 2022.

Principal activity

The principal activity of the company during the financial year was facilitating Community Bank services under management rights of Bendigo and Adelaide Bank Limited (Bendigo Bank).

There have been no significant changes in the nature of this activity during the financial year.

Review of operations

The profit for the company after providing for income tax amounted to:

Year ended 30 June 2024	Year ended 30 June 2023
\$	\$
599,273	808,661

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	2024
		\$
Final fully franked dividend	15	84,855

Significant changes in the state of affairs

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

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

Matters subsequent to the end of the financial year

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

Directors' report (continued)

Likely developments

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

Environmental regulation

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

Meetings of directors

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

E - eligible to attend A - attended	Board Meetings		Committee Meetings					
			Audit & Governance		Marketing & Sponsorship		Strategic	
	E	A	E	A	E	A	E	A
Nicola Jane Smith	12	12	3	1	2	3	-	-
Rochelle Amanda Werrett	12	12	3	2	-	-	2	2
Kerry Dawn Hort Rowe	12	12	-	-	3	2	2	2
Aleksandra Kuzet	12	8	3	3	-	-	-	-
Hannah Dyer	12	10	-	-	3	3	-	-
Anil Subramanya	7	5	-	-	-	-	-	-
Robert French	7	7	-	-	-	-	-	-

Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in note 24 and note 25 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

Directors' report (continued)

Directors' interests

The interest in company shareholdings for each director are:

	Fully paid ordinary shares		
	Balance at the start of the year	Changes	Balance at the end of the year
Nicola Jane Smith	100	–	100
Rochelle Amanda Werrett	100	–	100
Kerry Dawn Hort Rowe	–	–	–
Aleksandra Kuzet	–	–	–
Hannah Dyer	100	–	100
Anil Subramanya	–	–	–
Robert French	–	500	500

Shares under option

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

Shares issued on the exercise of options

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

Indemnity and insurance of directors and officers

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

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

Directors' report (continued)

Proceedings on behalf of the company

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

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

Indemnity and insurance of auditor

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

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

Non audit services

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

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

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

Auditor's independence declaration

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

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

On behalf of the directors

Aleksandra Kuzet

Director



25 September 2024

Auditor's Independence Declaration

For the year ended 30 June 2024



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 Mundaring Community Financial Services Limited

As lead auditor for the audit of Mundaring Community Financial Services Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

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

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

A handwritten signature in black ink, appearing to read 'Adrian Downing'.

Adrian Downing
Lead Auditor

Financial Statements

For the year ended 30 June 2024

Statement of profit or loss and other comprehensive income

	Note	2024 \$	2023 \$
Revenue from contracts with customers	7	2,681,696	2,621,927
Other revenue		240	1,536
Finance revenue		74,397	20,204
Total revenue		2,756,333	2,643,667
Employee benefits expense	8	(787,513)	(768,929)
Advertising and marketing costs		(9,579)	(7,770)
Occupancy and associated costs		(46,126)	(47,426)
System costs		(21,939)	(20,295)
Depreciation and amortisation expense	8	(65,343)	(64,719)
Loss on disposal of assets		(14)	–
Finance costs		(25,029)	(26,231)
General administration expenses		(118,388)	(120,077)
Total expenses before community contributions and income tax expense		(1,073,931)	(1,055,447)
Profit before community contributions and income tax expense		1,682,402	1,588,220
Charitable donations, sponsorships and grants expense	8	(884,415)	(508,688)
Profit before income tax expense		797,987	1,079,532
Income tax expense	9	(198,714)	(270,871)
Profit after income tax expense for the year		599,273	808,661
Other comprehensive income for the year, net of tax		–	–
Total comprehensive income for the year		599,273	808,661
		Cents	Cents
Basic earnings per share	28	105.93	142.95
Diluted earnings per share	28	105.93	142.95

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

Financial Statements (continued)

For the year ended 30 June 2024

Statement of financial position as at 30 June 2024

	Note	2024 \$	2023 \$
ASSETS			
Current assets			
Cash and cash equivalents	10	548,719	1,105,009
Trade and other receivables	11	279,313	277,716
Investments	12	2,000,000	1,000,000
Total current assets		2,828,032	2,382,725
Non-current assets			
Property, plant and equipment	13	50,503	63,603
Right-of-use assets	14	581,605	608,667
Intangible assets	15	33,734	46,611
Deferred tax assets	9	28,369	26,860
Total non-current assets		694,211	745,741
Total assets		3,522,243	3,128,466
LIABILITIES			
Current liabilities			
Trade and other payables	16	260,337	227,744
Lease liabilities	17	50,589	27,007
Current tax liabilities	9	131,894	251,092
Employee benefits	18	47,147	58,114
Total current liabilities		489,967	563,957
Non-current liabilities			
Trade and other payables	16	14,848	29,697
Lease liabilities	17	628,673	674,432
Employee benefits	18	16,733	3,964
Provisions	19	27,036	25,848
Total non-current liabilities		687,290	733,941
Total liabilities		1,177,257	1,297,898
Net assets		2,344,986	1,830,568
EQUITY			
Issued capital	20	559,585	559,585
Retained earnings		1,785,401	1,270,983
Total equity		2,344,986	1,830,568

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

Financial Statements (continued)

For the year ended 30 June 2024

Statement of changes in equity

	Note	Issued capital \$	Retained earnings \$	Total Equity \$
Balance at 1 July 2022		559,585	547,177	1,106,762
Profit after income tax expense		–	808,661	808,661
Other comprehensive income, net of tax		–	–	–
Total comprehensive income		–	808,661	808,661
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	22	–	(84,855)	(84,855)
Balance at 30 June 2023		559,585	1,270,983	1,830,568
Balance at 1 July 2023		559,585	1,270,983	1,830,568
Profit after income tax expense		–	599,273	599,273
Other comprehensive income, net of tax		–	–	–
Total comprehensive income		–	599,273	599,273
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	22	–	(84,855)	(84,855)
Balance at 30 June 2024		559,585	1,785,401	2,344,986

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

Financial Statements (continued)

For the year ended 30 June 2024

Statement of cash flows

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,963,362	2,758,159
Payments to suppliers and employees (inclusive of GST)		(2,103,535)	(1,665,154)
Interest received		59,459	11,989
Income taxes paid		(319,421)	-
Net cash provided by operating activities	27	599,865	1,104,994
Cash flows from investing activities			
Payments for investments		(1,000,000)	(200,000)
Payments for property, plant and equipment	13	(6,399)	(38,021)
Payments for intangible assets		(13,498)	(13,498)
Net cash used in investing activities		(1,019,897)	(251,519)
Cash flows from financing activities			
Interest and other finance costs paid		(24,102)	(25,334)
Dividends paid	22	(84,855)	(28,285)
Repayment of lease liabilities		(27,301)	(26,070)
Net cash used in financing activities		(136,258)	(79,689)
Net increase/(decrease) in cash and cash equivalents		(556,290)	773,786
Cash and cash equivalents at the beginning of the financial year		1,105,009	331,223
Cash and cash equivalents at the end of the financial year	10	548,719	1,105,009

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

Notes to the Financial Statements

For the year ended 30 June 2024

Note 1. Reporting entity

The financial statements cover Mundaring Community Financial Services Limited (the company) as an individual entity.

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 6945 Great Eastern Highway, Mundaring WA 6073.

A description of the nature of the company's operations and its principal activity is included in the directors' report, which is not part of the financial statements.

Note 2. Basis of preparation and statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). The financial statements have been prepared on an accrual and historical cost basis and are presented in Australian dollars, which is the company's functional and presentation currency.

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 September 2024. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

Adoption of new and revised accounting standards

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

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

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

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

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.

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

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

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

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

Impairment of non-financial assets

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

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

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

Timing of revenue recognition associated with trail commission

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

Allowance for expected credit losses on trade and other receivables

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

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

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

Impairment of non-financial assets

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

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.

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

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

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.

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.

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

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

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 February 2027.

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

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

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

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

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

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 6. Change to comparative figures

Classification of term deposits

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

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

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

- Cash and cash equivalents decreased and investments increased by \$1,000,000 at 30 June 2023 as reported in the Statement of financial position.
- Opening and closing cash balances were reduced to exclude term deposits with initial investment periods greater than three months as reported in the Statement of cash flows.
- Investments in and redemptions of term deposits with initial investment periods greater than three months are now classified within investment activities as reported in the Statement of cash flows.

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

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

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

During the financial year the company recorded a change in accounting policy, whereby it elected to recognise the right-of-use asset net of accumulated depreciation on initial adoption of AASB 16. The change in accounting policy had no impact on the company's net profit or net asset position, however it did reduce the company's right-of-use asset cost and accumulated depreciation at 30 June 2023 by \$476,117.

Note 7. Revenue from contracts with customers

	2024 \$	2023 \$
Margin income	2,492,122	2,430,561
Fee income	93,421	90,484
Commission income	96,153	100,882
Total revenue from contracts with customers	2,681,696	2,621,927

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.

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 7. Revenue from contracts with customers (continued)

Accounting policy for revenue from contracts with customers (continued)

The company acts as an agent under the franchise agreement and revenue arises from the rendering of services through its franchise agreement.

Revenue is recognised on an accruals basis, at the fair value of consideration specified in the franchise agreement, as follows:

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

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

Revenue calculation

The franchise agreement provides that three forms of revenue may be earned by the company which are margin, commission and fee income. Bendigo Bank decides the form of revenue the company earns on different types of products and services. The revenue earned by the company is dependent on the business that it generates.

Margin income

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

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

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

Commission income

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

Fee income

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

Core banking products

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 7. Revenue from contracts with customers (continued)

Ability to change financial return

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

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

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

Note 8. Expenses

Employee benefits expense	2024 \$	2023 \$
Wages and salaries	641,409	644,775
Superannuation contributions	75,456	68,819
Expenses related to long service leave	6,113	(3,688)
Other expenses	64,535	59,023
Total employee benefits expense	787,513	768,929
Depreciation and amortisation expense		
Depreciation of non-current assets		
Leasehold improvements	14,118	14,748
Plant and equipment	5,356	4,306
	19,474	19,054
Depreciation of right-of-use assets		
Leased land and buildings	32,992	32,607
Amortisation of intangible assets		
Franchise fee	2,176	2,176
Franchise renewal process fee	10,701	10,882
	12,877	13,058
Total depreciation and amortisation expense	65,343	64,719

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 8. Expenses (continued)

	2024 \$	2023 \$
Leases recognition exemption		
Expenses relating to low-value leases	6,767	7,415
Charitable donations, sponsorships and grants expense		
Direct donation, sponsorship and grant payments	733,473	402,790
Apportioned employee remuneration for community-engaged endeavours	40,341	36,439
Outgoings related to community-centric events	110,601	69,459
Total charitable donations, sponsorships and grants expense	884,415	508,688

Accounting policy for Charitable donations, sponsorships and grants expense

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

The line item designated for charitable donations, sponsorships, and grants expenditure encompasses a spectrum of impactful initiatives, including direct contributions to community entities via sponsorships, grants, and donations. Additionally, this category incorporates expenditures linked to the orchestration and facilitation of community-centric events. It's important to note that a segment of the remuneration attributed to our Executive Officer is apportioned to this category, reflecting their pivotal involvement in community-engaged endeavours.

Note 9. Income tax

	2024 \$	2023 \$
Income tax expense		
Current tax	201,715	251,092
Movement in deferred tax	(1,509)	5,900
Under/over adjustment	(1,492)	–
Recoupment of prior year tax losses	–	13,879
Aggregate income tax expense	198,714	270,871
Prima facie income tax reconciliation		
Profit before income tax expense	797,987	1,079,532
Tax at the statutory tax rate of 25%	199,497	269,883
Tax effect of: - Non-deductible expenses	709	988
	200,206	270,871
Under/over adjustment	(1,492)	–
Income tax expense	198,714	270,871

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 9. Income tax (continued)

Deferred tax assets(liabilities)	2024 \$	2023 \$
Property, plant and equipment	(12,626)	(15,901)
Employee benefits	15,970	15,520
Lease liabilities	169,816	175,360
Provision for lease make good	6,759	6,462
Income accruals	(6,149)	(2,415)
Right-of-use assets	(145,401)	(152,166)
Deferred tax asset	28,369	26,860
Provision for income tax	131,894	251,092

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Accounting policy for current tax

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

Accounting policy for deferred tax

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

Note 10. Cash and cash equivalents

	2024 \$	2023 \$
Cash on hand	153	153
Cash at bank and on hand	548,566	1, 104,856
	548,719	1,105,009

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 11. Trade and other receivables	2024 \$	2023 \$
Trade receivables	244,097	257,353
Accrued income	24,596	9,658
Prepayments	10,620	10,705
	35,216	20,363
	279,313	277,716

Accounting policy for trade and other receivables

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

Note 12. Investments

Current assets	2024 \$	2023 \$
Term deposit	2,000,000	1,000,000

Note 13. Property, plant and equipment	2024 \$	2023 \$
Leasehold improvements - at cost	260,663	260,663
Less: Accumulated depreciation	(228,301)	(214,183)
	32,362	46,480
Plant and equipment - at cost	244,546	238,565
Less: Accumulated depreciation	(226,405)	(221,442)
	18,141	17,123
	50,503	63,603

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 13. Property, plant and equipment (continued)

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

	Leasehold improvements \$	Plant and equipment \$	Total \$
Balance at 1 July 2022	31,633	13,003	44,636
Additions	29,595	8,426	38,021
Depreciation	(14,748)	(4,306)	(19,054)
Balance at 30 June 2023	46,480	17,123	63,603
Additions	–	6,399	6,399
Disposals	–	(25)	(25)
Depreciation	(14,118)	(5,356)	(19,474)
Balance at 30 June 2024	32,362	18,141	50,503

Accounting policy for property, plant and equipment

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

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

Leasehold improvements	5 to 10 years
Furniture, fixtures and fittings	2 to 6 years

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

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

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 14. Right-of-use assets	2024 \$	2023 \$
Land and buildings - right-of-use	744,042	738,111
Less: Accumulated depreciation	(162,437)	(129,444)
	581,605	608,667

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

	Land and buildings \$
Balance at 1 July 2022	641,274
Depreciation expense	(32,607)
Balance at 30 June 2023	608,667
Remeasurement adjustments	5,930
Depreciation expense	(32,992)
Balance at 30 June 2024	581,605

Accounting policy for right-of-use assets

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

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

Refer to note 17 for more information on lease arrangements.

Note 15. Intangible assets	2024 \$	2023 \$
Franchise fee	172,074	172,074
Less: Accumulated amortisation	(166,451)	(164,275)
	5,623	7,799
Franchise renewal fee	99,178	99,178
Less: Accumulated amortisation	(71,067)	(60,366)
	28,111	38,812
	33,734	46,611

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 15. Intangible assets (continued)

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

	Franchise fee \$	Franchise renewal fee \$	Total \$
Balance at 1 July 2022	9,975	49,694	59,669
Amortisation expense	(2,176)	(10,882)	(13,058)
Balance at 30 June 2023	7,799	38,812	46,611
Amortisation expense	(2,176)	(10,701)	(12,877)
Balance at 30 June 2024	5,623	28,111	33,734

Accounting policy for intangible assets

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

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

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

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

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

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

Note 16. Trade and other payables

	2024 \$	2023 \$
Current liabilities		
Trade payables	48,180	23,275
Other payables and accruals	212,157	204,469
	260,337	227,744
Non-current liabilities		
Other payables and accruals	14,848	29,697
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	275,185	257,441
Less: other payables and accruals (net GST payable to the ATO)	(54,529)	(67,917)
	220,656	189,524

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 17. Lease liabilities	2024 \$	2023 \$
Current liabilities		
Land and buildings lease liabilities	50,589	27,007
Non-current liabilities		
Land and buildings lease liabilities	628,673	674,432
Reconciliation of lease liabilities		
Opening balance	701,439	727,509
Remeasurement adjustments	5,124	–
Lease interest expense	24,102	25,334
Lease payments - total cash outflow	(51,403)	(51,404)
	679,262	701,439

Accounting policy for lease liabilities

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

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

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

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
Mundaring Branch	3.54%	7 years and 3 months	3 x 5 years	Yes	February 2042

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 18. Employee benefits

Current liabilities	2024 \$	2023 \$
Annual leave	29,097	32,669
Long service leave	16,028	22,684
Sick leave	2,022	2,761
	47,147	58,114

Non-current liabilities		
Long service leave	16,733	3,964

Accounting policy for short-term employee benefits

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

Accounting policy for other long-term employee benefits

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

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

Note 19. Provisions

	2024 \$	2023 \$
Lease make good	27,036	25,848

Lease make good

In accordance with the branch lease agreement, the company must restore the leased premises to the original condition before the expiry of the lease term. The company has estimated the provision to be \$50,000 for the Mundaring Branch lease, 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 February 2042 at which time it is expected the face-value costs to restore the premises will fall due.

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 20. Issued capital	2024 Shares	2023 Shares	2024 \$	2023 \$
Ordinary shares - fully paid	565,700	565,700	565,700	565,700
Less: Equity raising costs	–	–	(6,115)	(6,115)
	565,700	565,700	559,585	559,585

Accounting policy for issued capital

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

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

Dividends

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

Transfer

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

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 20. Issued capital (continued)

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 600. As at the date of this report, the company had 623 shareholders (2023: 623 shareholders).

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

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

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

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

Note 21. Capital management

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

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

The distribution limit is the greater of:

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 21. Capital management (continued)

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

There were no changes in the company's approach to capital management during the year.

Note 22. Dividends

Dividends paid during the period

The following dividends were paid to shareholders during the reporting period as presented in the Statement of cash flows.

	2024 \$	2023 \$
Fully franked dividend of 15 cents per share (2023: 5 cents)	84,855	28,285

Dividends provided for during the period

The following dividends were provided for during the reporting period as presented in the Statement of changes in equity.

	2024 \$	2023 \$
Fully franked dividend of 15 cents per share (2023: 15 cents)	84,855	84,855

Franking credits

Franking account balance at the beginning of the financial year	376,482	385,910
Franking credits (debits) arising from income taxes paid (refunded)	319,421	–
Franking debits from the payment of franked distributions	(28,285)	(9,428)
	667,618	376,482
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	667,618	376,482
Franking credits (debits) that will arise from payment (refund) of income tax	131,894	251,092
Franking credits available for future reporting periods	799,512	627,574

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

Accounting policy for dividends

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 23. Financial risk management

Financial risk management objectives

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

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

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

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

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

	Notes	2024 \$	2023 \$
Financial assets at amortised cost			
Trade and other receivables	11	268,693	267,011
Cash and cash equivalents	10	548,719	1,105,009
Investments	12	2,000,000	1,000,000
		2,817,412	2,372,020
Financial liabilities			
Trade and other payables	16	220,656	189,524
Lease liabilities	17	679,262	701,439
		899,918	890,963

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 23. Financial risk management (continued)

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 when it is extinguished, cancelled or expires.

Market risk

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

Interest-bearing assets and liabilities are held with Bendigo Bank and subject to movements in market interest rate. The company held cash and cash equivalents of \$548,719 and investments of \$2,000,000 at 30 June 2024 (2023: \$1,105,009 and \$1,000,000).

Price risk

The company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. The company is not exposed to commodity price risk.

Liquidity risk

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 23. Financial risk management (continued)

Exposure to liquidity risk

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

2024	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Trade and other payables	205,808	14,848	–	220,656
Lease liabilities	51,403	205,613	651,109	908,125
Total non-derivatives	257,211	220,461	651,109	1,128,781

2023	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Trade and other payables	159,827	29,697	–	189,524
Lease liabilities	51,403	205,613	702,512	959,528
Total non-derivatives	211,230	235,310	702,512	1,149,052

Note 24. Key management personnel disclosures

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

Nicola Jane Smith	Hannah Dyer
Rochelle Amanda Werrett	Robert French
Kerry Dawn Hort Rowe	Anil Subramanya
Aleksandra Kuzet	

Compensation

Key management personnel compensation comprised the following:	2024 \$	2023 \$
Short-term employee benefits	14,220	15,165
Post-employment benefits	1,320	1,592
	15,540	16,757

Compensation of the company's key management personnel includes salaries and contributions to a post-employment superannuation fund.

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 25. Related party transactions

Key management personnel

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

Receivable from and payable to related parties

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

Terms and conditions of transactions with related parties

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

Transactions with related parties

The following transactions occurred with related parties:	2024 \$	2023 \$
The company made sponsorships to community groups where company directors also are committee members	28,517	12,044
Meagan Wise owns and operates White's Mill & Grind cafe which supplied food for board meetings.	134	200
Rochelle Werrett owns and operates Oh She Did which provided Social Media Marketing and Administration services.	13,405	9,645
Peter Hackett provided testing and tagging for both Branch and Corporate Office.	–	185
Kerry Hort Rowe owns and operates Brain Thinking which supplied training in thinking processes.	2,600	–

Note 26. Remuneration of auditors

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

Audit services	2024 \$	2023 \$
Audit or review of the financial statements	6,500	5,400
Other services		
Taxation advice and tax compliance services	700	860
General advisory services	3,800	5,020
Share registry services	7,915	7,046
	12,415	12,926
	19,065	18,326

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

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

	2024 \$	2023 \$
Profit after income tax expense for the year	599,273	808,661
Adjustments for:		
Depreciation and amortisation	65,343	64,719
Lease liabilities interest	24,102	25,334
Change in operating assets and liabilities:		
Increase in trade and other receivables	(1,572)	(134,023)
Decrease/(increase) in deferred tax assets	(1,509)	19,779
Increase in trade and other payables	30,698	68,891
Decrease/(increase) in provision for income tax	(119,198)	251,092
Decrease/(increase) in employee benefits	1,802	(357)
Increase in other provisions	926	898
Net cash provided by operating activities	599,865	1,104,994

Note 28. Earnings per share

	2024 \$	202 \$
Profit after income tax	599,273	808,661

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	565,700	565,700
Weighted average number of ordinary shares used in calculating diluted earnings per share	565,700	565,700

	Cents	Cents
Basic earnings per share	105.93	142.95
Diluted earnings per share	105.93	142.95

Accounting policy for earnings per share

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2024

Note 29. Commitments

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

Note 30. Contingencies

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

Note 31. Events after the reporting period

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

Director's Declaration

For the year ended 30 June 2024

In the directors' opinion:

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

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

On behalf of the directors

Aleksandra Kuzet

Director



25 September 2024

Independent audit report



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

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mundaring Community Financial Services Limited (the company), which comprises:

- Statement of financial position as at 30 June 2024
- Statement of profit or loss and other comprehensive income for the year then ended
- Statement of changes in equity for the year then ended
- Statement of cash flows for the year then ended
- Notes to the financial statements, including material accounting policies
- The directors' declaration.

In our opinion, the accompanying financial report of Mundaring Community Financial Services Limited, is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent audit report (continued)



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
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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.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart', with a small dot at the end.

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

A handwritten signature in black ink, appearing to read 'Adrian Downing', with a small dot at the end.

Adrian Downing
Lead Auditor



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