

# Annual Report 2024

Murrumbidgee Financial  
Services Limited

Community Bank  
Harden Murrumbidgee

ABN 12 118 357 467

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# Chairman's report

For year ending 30 June 2024

Murrumboola Financial Services Limited Community Bank branch staff in 2023/24 have been remarkable, continuing to maintain an essential banking service to our customers. The Board of Directors would like to acknowledge the dedication and professionalism of staff Lisa, Janelle, Aisling, Alyssa and Adarsh together with the Agency staff at Grenfell, they have delivered consistent and confident banking services to our communities of Harden Murrumburrah and Grenfell during financial year 2023/24.

It is with regret, that I announce on behalf of the Board of Directors, that Lisa Dean, MFSL Bank Manager has resigned her position. The staff and Board sincerely thank Lisa for her dedicated service as Manager over the past six years and extend to Lisa our best wishes for her future. The Board of Directors also welcomed new staff member, Adarsh Sajeev, who is relieving frontline staff Alyssa Thompson. Congratulations to Alyssa and her family who welcomed a new daughter Olivia-Maree Rose on the Bank Holiday, 5 August 2024.

The Community Bank's Agency at Grenfell has again continued to operate successfully during 2023/24 through the offices of Aston and Joyce. The directors thank the staff for their commitment to growing the banking business in Grenfell and surrounding area.

The Board of Directors farewelled Chair and Director Mike Bickford in June 2023. Mike had been a director for seven years with two years as Chair. Mike has been notably missed with his corporate knowledge, Director guidance and a leader presence at events.

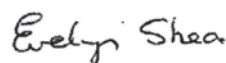
After 14 years a Director, which included 4 years as company secretary, I accepted in July 2023 the Acting Chair position prior to being elected as Chair in December 2023 for Murrumboola Financial Services Limited - which I consider a privilege to hold.

It was in July 2024 and with enormous gratitude to former executive Directors Mike Bickford, Hugh Pavitt and Ros Bickford, the Board presented all three with Murrumboola Financial Services Limited Ambassador Badges. All three will assist the current Directors to support community functions and sponsorship celebrations.

During 2023/24, a partnership with the Community Enterprise Foundation has continued. MFSL made a commitment of funds into an MFSL management account to future proof grants and sponsorships to the community. The Foundation will provide administration and governance to ensure continued community investment and successfully manage nominated grants for social enterprise and assist where necessary continued sponsorship commitment.

Sponsorship and grants are only made possible by the profit generated from banking services provided at our Community Bank and Agency. MFSL has, over the past 12 months, been able to increase the number of sponsorships awarded to various community groups, both in Harden-Murrumburrah and in Grenfell. The Bank has also been successful, again this year 2024, with the naming rights for 2024 Murrumburrah-Harden Show.

With interest rates increasing over the past 12 months, it has meant that the profit share for Murrumboola Financial Services Limited increased accordingly. For more information, I refer you to the 2024 Financial Report. Your ongoing support as a shareholder is essential to the success of Murrumboola Financial Services Limited, please do not hesitate to recommend our Bank to your family friends and the community.



**Evelyn Shea**  
**Chairman**  
**Murrumboola Financial Services Limited**

# Bendigo and Adelaide Bank report

For year ending 30 June 2024

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

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

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

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

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

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

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

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

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

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

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

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

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

**Justine Minne**  
**Bendigo and Adelaide Bank**

# Directors' report

## FOR THE YEAR ENDED 30 JUNE 2024

The Directors present their report, together with the Financial Statements of the Company for the financial year ended 30 June 2024.

### Directors

The Directors of the Company who held office during the financial year and to the date of this report are:

Evelyn Shea	Chair
Experience	15 years as a Director
Special responsibilities	Committees
Susan McCarthy	Treasurer
Experience	17 years as a Director and Treasurer
Special responsibilities	Committees
Judith McFadyen	Director
Experience	3 years as a Director
Special responsibilities	Governance & Audit, Sponsorship Committees
Amy Mergard	Director
Experience	3 years as a Director
Zita McLeod	Director
Experience	2 years as a Director
Special responsibilities	Governance & Audit, Sponsorship, Human Resources Committees
Kelvin Brown	Director
Experience	2 years as a Director
Special responsibilities	Marketing & Sponsorship, Property Committees
Amanda Jones	Director
Experience	1 years as a Director (appointed 24 July 2023)
Special responsibilities	Human Resources, Budget & Finance, Sponsorship Committees

### Company Secretary

Joy Rollason	1 year as Company Secretary
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# Directors' report (continued)

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## Principal activity

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

There have been no significant changes in the nature of these activities during the financial year.

## Operating results

The profit of the Company after providing for income tax amounted to \$156,858 (2023: \$230,194).

## Review of operations

A review of the operations of the Company during the financial year identified the following:

- Employee benefits were equivalent to 29% of revenue (2023: 27%);
- As at 30 June 2024, Current Assets exceeded Current Liabilities by \$726,963 (2023: \$617,913);
- Revenue decreased by \$59,493 (2023 increased: \$506,864); and
- The profit before income tax was \$209,024 (2023: \$305,553).

## Directors' interests

The number of Shares in Murrumboola Financial Services Limited held during the reporting period by Directors, including their personally related parties, is set out below:

Susan McCarthy	15,001
Evelyn Shea	2,500
Amy Mergard	500

## Dividends paid

An unfranked dividend of \$41,286 (\$0.06 per share) was paid to shareholders in January 2024 as recommended by the Board in the half-year ended 31 December 2023 Financial Report.

## Significant changes in the state of affairs

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

There were no other significant changes in the state of affairs of the Company that occurred during the financial year.

## Matters subsequent to the end of the financial year

The Branch Manager, Elizabeth Dean tendered her resignation on 17 July 2024.

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

# Directors' report (continued)

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## 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.

## 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 of which a Director is a member or an entity in which a Director has a substantial financial interest.

## Meetings of Directors

During the financial year, 12 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Number eligible to attend	Number attended
Evelyn Shea	12	11
Susan McCarthy	12	11
Amy Mergard	12	9
Judith McFadyen	12	9
Zita McLeod	12	12
Kelvin Brown	12	11
Amanda Jones	12	10

## 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.

## 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*.

## Directors' report (continued)

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### 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 23 to the accounts.

The Board of Directors has considered the non-audit services provided during the year by the auditor and are 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 of Directors to ensure they do not impact on the impartiality, integrity and objectivity of the auditor; and
- 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.

### Auditors 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*.

*Evelyn Shea*

Evelyn Shea | Sep 18, 2024 15:24 GMT+10

.....  
Evelyn Shea, Chair

Dated: 13 September 2024



# Auditor's independence declaration



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

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

As lead auditor for the audit of Murrumboola 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: 13 September 2024

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

**Joshua Griffin**  
Lead Auditor

# Financial statements

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Revenue from contracts with customers	7	1,133,582	1,187,830
Other revenue	8	4,727	14,727
Finance revenue	9	5,261	506
<b>Total revenue</b>		<u>1,143,570</u>	<u>1,203,063</u>
<b>Less: Expenses</b>			
Agent commission		105,494	109,191
Amortisation		13,333	13,333
Auditor's remuneration	23	7,754	8,096
Bank charges		307	1,016
Depreciation	10	5,582	5,758
Charitable donations and sponsorships	10	262,755	293,099
Employee expenses		334,165	308,539
Finance expenses		254	141
Freight, cartage and delivery		11,205	9,313
Insurance		15,384	19,538
IT expenses		15,809	15,609
Land and water rates		2,861	2,613
Other expenses		132,287	92,630
Postage, printing and stationery		8,461	7,217
Repairs and maintenance		11,372	3,621
Telephone and internet		3,003	3,898
Utilities		4,520	3,898
<b>Total expenses</b>		<u>934,546</u>	<u>897,510</u>
<b>Profit before income tax for the year</b>		<u>209,024</u>	<u>305,553</u>
Income tax expense	11	(52,166)	(75,359)
<b>Profit for the year</b>		<u>156,858</u>	<u>230,194</u>
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<u>156,858</u>	<u>230,194</u>
Earnings per share (EPS)	26	<u>\$0.23</u>	<u>\$0.33</u>

The accompanying notes form part of these financial statements.

# Financial statements (continued)

## STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	12	408,835	561,005
Investments	13	286,503	83,369
Trade and other receivables	14	127,036	117,565
Prepayments	14	10,972	9,875
<b>TOTAL CURRENT ASSETS</b>		<b>833,346</b>	<b>771,814</b>
<b>NON-CURRENT ASSETS</b>			
Intangible assets	16	37,421	50,754
Property, plant and equipment	15	116,705	122,287
Deferred tax assets	11	10,309	12,222
<b>TOTAL NON-CURRENT ASSETS</b>		<b>164,435</b>	<b>185,264</b>
<b>TOTAL ASSETS</b>		<b>997,780</b>	<b>957,077</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17	77,911	130,227
Employee benefits	18	28,472	23,675
<b>TOTAL CURRENT LIABILITIES</b>		<b>106,383</b>	<b>153,901</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	17	14,667	29,333
Employee benefits	18	670	13,354
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>15,336</b>	<b>42,687</b>
<b>TOTAL LIABILITIES</b>		<b>121,720</b>	<b>196,589</b>
<b>NET ASSETS</b>		<b>876,060</b>	<b>760,488</b>
<b>EQUITY</b>			
Issued capital	19	688,108	688,108
Retained profits		187,952	72,380
<b>TOTAL EQUITY</b>		<b>876,060</b>	<b>760,488</b>

The accompanying notes form part of these financial statements.

## Financial statements (continued)

### STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
<b>RETAINED PROFITS</b>			
<b>Retained profits at the beginning of the year</b>		72,380	(123,409)
Profit for the year		156,858	230,194
Ordinary dividends paid during the year	19	(41,286)	(34,405)
<b>Retained profits at the end of the year</b>		<u>187,952</u>	<u>72,380</u>
<b>ISSUED CAPITAL</b>			
<b>Issued capital at the beginning of the year</b>	20	688,108	688,108
Net movement in issued capital during the year		-	-
<b>Issued capital at the end of the year</b>		<u>688,108</u>	<u>688,108</u>
<b>TOTAL EQUITY</b>		<u><u>876,060</u></u>	<u><u>760,488</u></u>

The accompanying notes form part of these financial statements.

# Financial statements (continued)

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers		1,265,294	1,162,590
Payments to suppliers and employees		(1,056,187)	(920,681)
Interest received		5,261	506
Income tax paid		(122,118)	602
<b>Net cash provided by operating activities</b>	22	92,249	243,017
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment		-	(4,204)
Investment in term deposits		(203,133)	(506)
<b>Net cash used in investing activities</b>		(203,133)	(4,710)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Dividends paid to shareholders	19	(41,286)	(34,405)
<b>Net cash used in financing activities</b>		(41,286)	(34,405)
<b>Net increase (decrease) in cash and cash equivalents held</b>		(152,170)	203,902
Cash and cash equivalents at beginning of year		561,005	357,103
<b>Cash and cash equivalents at end of financial year</b>	11	408,835	561,005

The accompanying notes form part of these financial statements.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2024

## Note 1 REPORTING ENTITY

This is the financial report for Murrumboola Financial Services Limited (the Company). The Company is a for profit unlisted public company limited by shares, and incorporated and domiciled in Australia. The registered office and principal place of business is:

23 Neill Street  
HARDEN NSW 2587

Further information on the nature of the operations and principal activity of the Company is provided in the Directors' report. Information on the Company's related party transactions is provided in Note 25.

## Note 2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

The Financial Statements are general purpose Financial Statements that have been prepared in accordance with Australian Accounting Standards and Interpretations adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The Financial Statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The Financial Statements have been prepared on an accrual and historical cost basis. The Financial Report is presented in Australian dollars and amounts are rounded to the nearest dollar. Minor discrepancies in tables between totals and the sum of components are due to rounding.

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

These Financial Statements for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the Directors.

## Note 3 MATERIAL ACCOUNTING POLICY INFORMATION

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

### Adoption of new and revised accounting standards

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

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

# Notes to the financial statements (continued)

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## **Note 3 MATERIAL ACCOUNTING POLICY INFORMATION**

### **Adoption of new and revised accounting standards (cont'd)**

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

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

### **Accounting standards issued but not yet effective**

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

## **Note 4 SIGNIFICANT 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 judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### **Judgements**

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

#### *Timing of revenue recognition associated with trail commission*

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

#### *Allowance for expected credit losses on trade and other receivables*

The Company has not recognised an allowance for expected credit losses in relation to trade and other receivables as 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.

## Notes to the financial statements (continued)

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### **Note 4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

#### *Recovery of deferred tax assets*

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

#### **Estimates and assumptions**

#### *Estimation of useful lives of assets*

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event.

#### *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 applies a benchmark probability rate from across the Community Bank network to factor in estimating the probability of an employee, at a given date, achieving continuous employment eligible for entitlement in accordance with legislation.

### **Note 5 ECONOMIC DEPENDENCY**

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



## Notes to the financial statements (continued)

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### Note 5 ECONOMIC DEPENDENCY

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, 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, and
- providing payroll services.

### Note 6 CHANGE TO COMPARATIVE FIGURES

#### *Classification of term deposits*

During the year the Directors reviewed the requirements of AASB 107 *Statement of Cash Flows* and noted term deposits normally qualify as a cash and cash equivalent only when they have initial investment periods of three months or less. In previous financial years the Company classified all term deposits as cash and cash equivalents in the preparation of 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 the Company's 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 \$83,369 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.

## Notes to the financial statements (continued)

### Note 7 REVENUE FROM CONTRACTS WITH CUSTOMERS

	2024	2023
	\$	\$
<b>Revenue</b>		
Revenue from contracts with customers	<u>1,133,582</u>	<u>1,187,830</u>
<i>Disaggregation of revenue from contracts with customers</i>		
Margin income	977,425	1,018,882
Fee income	44,829	43,521
Commission income	<u>111,328</u>	<u>125,427</u>
	<u>1,133,582</u>	<u>1,187,830</u>

#### *Accounting policy for revenue from contracts with customers*

The Company has entered into a franchise agreement with Bendigo Bank. The Company acts as an agent under the franchise agreement and earns revenue by rendering banking and financial services of Bendigo Bank to its community.

#### *Revenue calculation*

Revenue includes margin, commission and fee income and is recognised on completion of the provision of the relevant service at the fair value of consideration specified in the franchise agreement. Revenue is accrued monthly and paid within 10 business days after the end of each month. All revenue is stated net of the amount of Goods and Services Tax (GST).

#### *Margin income*

Margin on core banking products is arrived at through the calculation of interest paid by customers on loans, less interest paid to customers on deposits, plus any deposit returns minus any costs of funds.

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.

#### *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.

#### *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.

#### *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)

### Note 8 OTHER REVENUE

	2024	2023
	\$	\$
<b>Revenue</b>		
Other revenue	<u>4,727</u>	<u>14,727</u>
<i>Disaggregation of other revenue</i>		
Rental income	4,727	4,727
Market development fund income	-	10,000
	<u>4,727</u>	<u>14,727</u>

#### *Accounting policy for other revenue*

The Company's activities include the generation of income from sources other than the core products under the franchise agreement. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

#### **Revenue stream**

Discretionary financial contributions (also "Market Development Fund" or "MDF" income)

Other income

#### **Revenue recognition policy**

MDF income is recognised when the right to receive the payment is established. MDF income is discretionary and provided and receivable at month-end and paid within 14 days after month-end.

All other revenues that did not contain contracts with customers are recognised as goods and services are provided.

#### *Discretionary financial contributions*

In addition to margin, commission and fee income, and separate from the franchise agreement, Bendigo Bank may also make MDF payments to the Company based on the volume of business attributable to the branch. The purpose of the discretionary payments is to assist with local market development activities, including community sponsorships and grants. It is for the board to decide how to use the MDF.

### Note 9 FINANCE REVENUE

	2024	2023
	\$	\$
<b>Finance revenue</b>		
Term Deposits	<u>5,261</u>	<u>506</u>

#### *Accounting policy for finance revenue*

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

## Notes to the financial statements (continued)

### Note 10 EXPENSES

#### Depreciation and amortisation expense

	2024	2023
	\$	\$
<i>Depreciation of non-current assets</i>		
Buildings	2,253	2,253
Plant and equipment	1,830	1,808
Furniture and fittings	1,499	1,697
	<u>5,582</u>	<u>5,758</u>
<i>Amortisation of intangible assets</i>		
Franchise fee	<u>13,333</u>	<u>13,333</u>
Total depreciation and amortisation expense	<u>18,915</u>	<u>19,091</u>

#### Charitable donations and sponsorships

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

	2024	2023
	\$	\$
Direct sponsorships, grants and donations	62,755	55,599
Contribution to the Community Enterprise Foundation™	200,000	237,500
	<u>262,755</u>	<u>293,099</u>

#### *Community Enterprise Foundation™ contributions*

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

When the Company pays a contribution to the CEF, the Company loses control over the funds at that point. The funds contributed are held by the Community Enterprise Foundation (CEF) and are available for distribution as grants to eligible applicants for a specific purpose in consultation with the Directors. The funds are not refundable to the Company.

## Notes to the financial statements (continued)

### Note 11 INCOME TAX EXPENSE

	2024	2023
	\$	\$
Income tax expense	52,166	75,359
<b>Reconciliation of income tax to accounting profit:</b>		
Prima facie tax payable from ordinary activities before income tax at 25.0% (2023: 25%)	52,256	76,388
Net tax effect of: - non-deductible/non-assessable items	(2,003)	(4,683)
Taxable profit at 25.0% (2023: 25%)	50,253	71,705
Net tax effect of: - temporary differences	(1,913)	(3,654)
Income tax expense	52,166	75,359
<b>Net taxable income</b>	<b>201,012</b>	<b>286,819</b>

#### 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. The Company qualifies as a base rate entity and is eligible for the 25% company tax rate.

### Note 12 CASH AND CASH EQUIVALENTS

	2024	2023
	\$	\$
Cash at bank	408,835	561,005

#### Reconciliation to Statement of Cash Flows

For the purposes of the Statement of Cash Flows, cash includes cash on hand, cash held with financial and banking institutions, and investments in short-term money financial instruments.

	2024	2023
	\$	\$
Cash at bank and on hand	408,835	561,005

### Note 13 INVESTMENTS

	2024	2023
	\$	\$
Term deposits	286,503	83,369

## Notes to the financial statements (continued)

### Note 14 TRADE AND OTHER RECEIVABLES

	2024	2023
	\$	\$
<i>Current Assets</i>		
Trade receivables	99,156	117,565
Prepayments	10,972	9,874
Other receivables and accruals	27,879	-
	<u>138,008</u>	<u>127,439</u>

#### Accounting policy for trade and other receivables

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

### Note 15 PROPERTY, PLANT AND EQUIPMENT

	2024	2023
	\$	\$
<i>Freehold land</i>		
At cost	<u>30,000</u>	<u>30,000</u>
<i>Buildings</i>		
At cost	338,623	338,623
Accumulated depreciation	<u>(267,891)</u>	<u>(264,139)</u>
	<u>70,732</u>	<u>74,484</u>
<i>Plant and equipment</i>		
At cost	56,669	56,669
Accumulated depreciation	<u>(40,696)</u>	<u>(38,866)</u>
	<u>15,973</u>	<u>17,803</u>
<b>Total property, plant and equipment</b>	<u><u>116,705</u></u>	<u><u>122,287</u></u>

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

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
<b>Year ended 30 June 2024</b>				
Balance at the beginning of year	30,000	74,484	17,803	122,287
Additions	-	-	-	-
Depreciation expense	-	(3,752)	(1,830)	(5,582)
<b>Balance at the end of the year</b>	<u>30,000</u>	<u>70,732</u>	<u>15,973</u>	<u>116,705</u>
<b>Year ended 30 June 2023</b>				
Balance at the beginning of year	30,000	78,435	15,406	123,841
Additions	-	-	4,204	4,204
Depreciation expense	-	(3,951)	(1,807)	(5,758)
<b>Balance at the end of the year</b>	<u>30,000</u>	<u>74,484</u>	<u>17,803</u>	<u>122,287</u>

## Notes to the financial statements (continued)

### Note 15 PROPERTY PLANT AND EQUIPMENT

*Accounting policy for property, plant and equipment*

Property, plant and equipment are measured at cost or fair value as applicable, less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Asset class	Method	Depreciation rate
Buildings	Straight-line	2.5%
Plant and equipment	Straight-line	5% - 20%

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

### Note 16 INTANGIBLE ASSETS

	2024	2023
	\$	\$
<i>Franchise Fee</i>		
At cost	66,666	66,666
Accumulated amortisation	(29,245)	(15,911)
	<u>37,421</u>	<u>50,754</u>

*Accounting policy for intangible assets*

Intangible assets of the Company relate to the franchise fees paid to Bendigo Bank which conveys the right to operate the Community Bank franchise. Franchise fees are measured on initial recognition at cost and are amortised over the franchise term (5 years). The current 5 year franchise term ends on 11 March 2027.

### Note 17 TRADE AND OTHER PAYABLES

	2024	2023
	\$	\$
<i>Current liabilities</i>		
Trade creditors	20,466	22,789
Other payables and accruals	57,445	107,438
	<u>77,911</u>	<u>130,227</u>
<i>Non-current liabilities</i>		
Other payables and accruals	<u>14,667</u>	<u>29,333</u>

*Accounting policy for trade and other payables*

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

## Notes to the financial statements (continued)

### Note 18 EMPLOYEE BENEFITS

	2024	2023
	\$	\$
<i>Current liabilities</i>		
Provision for annual leave	11,693	10,841
Provision for long service leave	16,779	12,834
	<u>28,472</u>	<u>23,675</u>
<i>Non-current liabilities</i>		
Provision for long service leave	<u>670</u>	<u>13,354</u>

#### 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.

#### 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.

### Note 19 DIVIDENDS PAID

#### Dividends paid during the period

The following dividends were paid to shareholders during the reporting period as presented in the Statement of Changes in Equity and Statement of Cash Flows.

	2024	2023
	\$	\$
Unfranked dividend	<u>41,286</u>	<u>34,405</u>
<i>Franking account balance</i>		
<i>Franking credits available for subsequent reporting periods:</i>		
Franking account balance at the beginning of the financial year	21,073	21,675
Franking transactions during the financial year:		
- Franking credits (debits) arising from income taxes paid (refunded)	122,118	(602)
Franking account balance at the end of the financial year	<u>143,191</u>	<u>21,073</u>
Franking account transactions that will arise subsequent to the financial year end:		
- Franking credits (debits) that will arise from payment (refund) of income tax	<u>(25,752) -</u>	
Franking credits available for future reporting periods	<u>117,439</u>	<u>21,073</u>

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)

### Note 20 ISSUED CAPITAL

	2024	2023
	\$	\$
Ordinary shares - fully paid	688,108	688,108

#### Accounting policy for issued capital

Ordinary shares are recognised at the fair value of the consideration received by the Company being \$1 per share. The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

### Note 21 FINANCIAL RISK MANAGEMENT

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

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

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

	Note	2024	2023
		\$	\$
<b>Financial assets</b>			
Trade and other receivables	14	127,035	117,565
Cash and cash equivalents	12	408,835	561,005
Investments	13	286,503	83,369
		<u>822,373</u>	<u>761,939</u>
<b>Financial liabilities</b>			
Trade and other payables	17	<u>92,578</u>	<u>159,560</u>

#### Accounting policy for financial instruments

### Financial assets

#### Classification

The Company classifies its financial assets at 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.

# Notes to the financial statements (continued)

## Note 21 FINANCIAL RISK MANAGEMENT

### Financial assets

#### Derecognition

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

#### Impairment of trade and other receivables

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

### Financial liabilities

#### Classification

The Company classifies its financial liabilities at amortised cost.

#### Derecognition

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

### Market risk

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

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The Company held cash and cash equivalents of \$408,835 at 30 June 2024 (2023: \$561,005) and term deposits of \$286,503 at 30 June 2024 (2023: \$83,369).

### Liquidity risk

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

The following are the Company's remaining contractual maturities of financial liabilities. The contractual cash flow amounts are gross and undiscounted and therefore may differ from their carrying amount in the Statement of Financial Position.

	Carrying Amount	Contractual cash flows		
		Not later than 12 months	Between 12 months and five years	Greater than five years
	\$	\$	\$	\$
<b>Year ended 30 June 2024</b>				
Financial liability				
Trade and other payables	92,578	92,578	-	-
<b>Year ended 30 June 2023</b>				
Financial liability				
Trade and other payables	159,560	159,560	-	-

## Notes to the financial statements (continued)

### Note 22 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2024	2023
	\$	\$
Reconciliation of result for the year to net cash provided by operating activities:		
Profit for the year	156,858	230,194
Non-cash flows in profit:		
- amortisation	13,333	13,333
- depreciation	5,582	5,758
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(9,471)	(39,967)
- (increase)/decrease in prepayments	(1,097)	640
- (increase)/decrease in deferred tax asset	1,913	3,654
- increase/(decrease) in trade and other payables	(66,981)	43,653
- increase/(decrease) in employee benefits	(7,887)	(14,248)
Cashflows provided by operating activities	<u>92,249</u>	<u>243,017</u>

### Note 23 AUDITORS REMUNERATION

Amount received or due and receivable by the auditor (Andrew Frewin Stewart) of the Company for the financial year:

	2024
	\$
<i>Audit and review services</i>	
Audit and review of Financial Statements	7,754
<i>Non-audit services</i>	
Share registry services	6,419
Total auditor's remuneration	<u>14,173</u>

### Note 24 KEY MANAGEMENT PERSONNEL DISCLOSURES

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity are considered key management personnel. Key management personnel of the Company during the year were as follows:

Evelyn Shea	Chair
Susan McCarthy	Treasurer
Amy Mergard	Director
Judith McFadyen	Director
Zita McLeod	Director
Kelvin Brown	Director
Amanda Jones	Director
Joy Rollason	Company Secretary
Elizabeth Dean	Branch Manager

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

The total remuneration paid to key management personnel of the Company during the year was \$106,498 (2023: \$106,018).

## Notes to the financial statements (continued)

### Note 25 RELATED PARTY TRANSACTIONS

#### *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*

No Director or related entity has entered into a material contract with the Company. There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

#### *Transactions with other related parties*

Other related parties include close family members of Directors, Key Management personnel and entities that are controlled or significantly influenced by those Directors, Key Management personnel or their close family members.

Transactions with other related parties during the year were as follows:

- Judith McFadyen is Chairperson of Murrumburrah-Harden Flexible Care Services Incorporated which received a donation of \$8,600.
- Judith McFadyen's spouse is a board member of Murrumburrah-Harden Rotary Club which received a donation of \$8,200.
- Amanda Jones is the Secretary of Harden Picnic Race Committee which received a sponsorship of \$2,500.
- Amanda Jones is the Secretary of Harden United Hospital Auxiliary which received a sponsorship of \$2,500.

#### *Related parties - share ownership*

The number of Shares in Murrumburrah Financial Services Limited held during the reporting period by Directors and Key Management personnel, including their personally related parties, is set out below:

Susan McCarthy	15,001
Evelyn Shea	2,500
Amy Mergard	500
	<u>18,001</u>

#### *Related parties - dividends*

Dividend payments totalling \$1,080.06 were received by related parties during the reporting period as set out below:

	\$
Susan McCarthy	900.06
Evelyn Shea	150.00
Amy Mergard	30.00
	<u>1,080.06</u>

## Notes to the financial statements (continued)

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### Note 26 EARNINGS PER SHARE

	2024	2023
	\$	\$
Profit attributable to ordinary shareholders	156,858	230,194
Weighted-average number of ordinary shares	688,108	688,108
Basic and diluted earnings per share	<u>0.23</u>	<u>0.33</u>

*Accounting policy for earnings per share*

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

### Note 27 COMMITMENTS

During the 2023 financial year, the Company made a sponsorship commitment of \$10,000 per annum for a period of five (5) years to the Harden Art Show Incorporated for the Harden Murrumburrah Landscape Painting Prize.

### Note 28 CONTINGENCIES

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

### Note 29 EVENTS AFTER REPORTING DATE

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

# Directors' declaration

FOR THE YEAR ENDED 30 JUNE 2024

In the Directors' opinion:

- the Financial Statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the Financial Statements and notes comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the Financial Statements;
- the 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*.

*Evelyn Shea*

Evelyn Shea (Sep 18, 2024 15:24 GMT+10)

Evelyn Shea, Chair

Dated: 13 September 2024

# Independent audit report



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

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

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Murrumbolla 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 Murrumbolla Financial Services Limited, is in accordance with the *Corporations Act 2001*, including:

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

#### Basis for Opinion

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

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

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



Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550  
ABN: 65 684 604 390  
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03 5443 0344

## Other Information

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

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

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

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

## Responsibilities of the Directors for the Financial Report

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

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

## Auditor's responsibilities for the Audit of the Financial Report

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





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

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

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

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

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

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

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo, Vic, 3550  
Dated: 13 September 2024

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

**Joshua Griffin**  
Lead Auditor

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Franchisee: Murrumbidgee Financial Services Limited  
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 /communitybankhardenmurrumburrah

