

# Annual Report 2024



# Contents

Senior Manager's Report	3
Chairman's Report	4
Lang Lang Manager's Report	5
Pearcedale Manager's Report	6
Koo Wee Rup Manager's Report	7
Tooradin & Coastal Villages Manager's Report	8
Narre Warren South Manager's Report	9
Bunyip & District Manager's Report	10
Message from Bendigo and Adelaide Bank	11
Our Community Company Highlights	12-13
Directors' Report	14-18
Auditor's Independence Declaration	19
Financial Statements	20-23
Notes to the Financial Statements	24-45
Directors' Declaration	46
Independent Auditor's Report	47-50

# Senior Manager's Report

For year ended 30 June 2024



It has been an amazing, adventurous and at the same time rewarding journey for my first year as Senior Branch Manager for Our Community Company Ltd (OCC Ltd). The 30 or so staff we have across the six Community Bank branches have chosen to work for us because of their passion for community, and their desire to help our customers and communities flourish and grow. In FY24 we have continued to grow our customer base, and we strive to continue to grow and educate as many people as possible of the benefit to being a part of OCC Ltd Community Bank branches of Bendigo Bank. We are regularly out and about supporting community events, meeting and greeting the local community members, and spending quality time with our customers to show how we can help them with their everyday banking and finances. The more we grow, the more we can give back to our communities, helping them to grow with us.

In FY25 we aim to continue to support and develop our staff, to ensure they are providing our customers with exceptional service at every interaction. Our six very talented and passionate Bank Managers are very focused on their teams to ensure staff satisfaction and staff engagement are at an all-time high, and we are all working together as part of one team. I would like to thank Cheryl Clasby, Kylie Lee, Jessica Ashenden, Andrew Weybury, Hasan Suleyman and Bashir Keshtiar for their support, passion and dedication to myself and Our Community Company Ltd.

I would also like to personally thank our fabulous board members who are tireless in their pursuit of enhancing and growing our community base, giving many hours to not only support our local communities, but also to ensure our staff are being supported and feel proud to be working as part of Our Community Company Ltd. I personally appreciate the support I have received from the board during my learning journey, and I look forward to working together in the next financial year, as we continue to grow and create an amazing place for our staff, customers and communities.

Kind Regards

**Michelle Clarke**  
Senior Branch Manager

Branch	Lending		Deposits		Total		Cust Numbers		Net Profit before tax	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Lang Lang	46.2M	50.1M	144.9M	143M	191.2M	193.2M	2416	2973	318,525	167,707
Pearcedale	64.7M	63.9M	128.8M	132.1M	192.9M	195.9M	3446	3934	728,525	563,023
Koo Wee Rup	46.6M	43.5M	77.9M	81.7M	124.5M	125.2M	2401	2809	232,272	118,461
Narre Warren South	63.3M	57.5M	98.9M	126.5M	162.2M	183.9M	3420	4001	180,239	120,897
Tooradin & Coastal Villages	43.2M	43.8M	56.2M	66.8M	99.4M	110.6M	1498	1810	112,227	-55,470
Bunyip & District	27.9M	26.9M	93.1M	101.4M	121.1M	128.2M	2,524	2824	-243,059	161,258
<b>Combined branch Totals</b>	<b>291.9M</b>	<b>285.7M</b>	<b>599.8M</b>	<b>651.5M</b>	<b>891.3M</b>	<b>937M</b>	<b>17627</b>	<b>18351</b>	<b>1,328,729</b>	<b>1,075,878</b>

# Chairman's Report

For year ended 30 June 2024



Dear Shareholder,

I am very happy to report on behalf of the board at Our Community Company Limited (OCC Ltd) a strong financial result end of 2023/2024 financial year. We don't expect this to continue at such strong levels but as a board we will continue to work hard to achieve the best outcome possible for our shareholders and communities.

The year past has been a significant one as Community Bank Lang Lang celebrated 25 years since opening. We also had Community Bank Koo Wee Rup and Community Bank Narre Warren South celebrating 20 years and Community Bank Tooradin and Coastal Villages 15 years. These are incredible milestones for OCC Ltd (formerly Community Financial Services Victoria Ltd) and demonstrate what tremendous support the branches have been able to give back to their communities.

We are also aware of our shareholders expectations to maintain a full banking service from 9:30am-5:00pm 5 days per week but are also aware of the changing banking habits with more people using internet/electronic banking. We will work with Bendigo Bank to make the changes necessary at the appropriate time for our communities and shareholders.

It has been another year of high staff movement which is disappointing, we as a board want OCC Ltd to be a company that our employees want to stay with and become valued members of the OCC Ltd family. We continue to work closely with Bendigo Bank to try and achieve the best working environment possible.

Since the inception of CFSV Ltd, now Our Community Company Ltd, the board has been mindful and diligent in its company operations and within our broader respective community, reviewing and controlling our expenditure and associated business costs where possible. That said we have been able to grow our footings from \$891 million in 2022/23 to \$937 million in 2023/24. As a board we continue to look for opportunities to grow the OCC Ltd business to achieve the best results we can for our shareholders and communities.

We thank Bendigo Bank for their guidance. Through our collaboration with Bendigo Bank, our community engagement and investment programs are well appointed and the benefits have been enormous. Nationally the Community Bank network, since inception have contributed over \$380 million to local community groups. Of this amount, our company has provided in excess of \$14 million to our district community groups.

The board this year has been settled with no new additions, but we are looking to expand the board numbers from 10 to 12 to include representation from the Bunyip area if deemed necessary by you our shareholders.

I extend a huge thank you to our shareholders for your continued support, your board members are committed to develop and expand the business to enable more support to our communities. To the hard-working branch teams, a heartfelt thank you for your efforts this year during some difficult times. Hopefully the year ahead is considerably smoother.

To my fellow Directors Michael Bushe, Michael Duff, Andrew Bullen, David Williams, Glenn Barwick, Ang Bullen, Nic McKinnon and Ange Banbury, thanks for the ongoing support, fantastic contribution from all around the board room, in what has been a trying year and hope you can all keep on the journey with us have a bright future.

To our Executive Officer, Sonia Draxler for your efforts and to our Board Support Officer, Amanda De Winter, ladies you're a great team, the work you do for the board and across the company is appreciated by the Chairman and board members. We thank you all for your outstanding dedication and year's work.

**Gordon Smale**  
Chairman

# Lang Lang Manager's Report

For year ended 30 June 2024



I am pleased to present to you the Branch Manager on behalf of the team at Community Bank Lang Lang for the past year.

The branch continued its strong level of growth in both lending and deposits from the prior financial year. We are incredibly proud of what we have achieved in a tough market, winning Branch of the Year for South Eastern Region 2023 along with the award for Operational Excellence and Insurance. We did this with great support received from our community partners, board of directors and staff.

If you, our shareholders, would like to see more in community contributions and dividends, a simple introduction can go a long way towards building positive networks in our community. Whether that is your family or friends, businesses, or community groups, switching their simple daily banking will make a difference for our community.

The saying is true, once a Community Bank Lang Lang customer, always a Community Bank Lang Lang customer. We value each one of our customers who entrust Bendigo Bank with their banking, however they wish to engage with us.

For those customers who want to continue the tradition of coming into the branch, we're not going anywhere. We are still here, and we are committed to helping you over the counter with all of your banking needs. For those customers who don't want to step into a traditional bank, we're looking forward helping you in the digital space of Bendigo and Adelaide Bank.

With our experienced team, we are very well placed to assist our customers and the community to help them achieve their financial goals. Bendigo Bank provides a wide range of products such as lending, insurance, agribusiness and wealth solutions, Community Bank Lang Lang has a strong and positive team that are continually striving to meet the needs and goals of our customers, community and business alike. They do a fantastic job, and I would therefore like to extend a thank you to my team whose efforts are thoroughly appreciated by our customers, community, and myself.

I would like to take this opportunity to thank the Board of Directors and Executive Officer Sonia Draxler for their support over the past year. Their efforts often go unrecognised, but they are the pillars of our community. Our contributions back to our local stakeholders wouldn't happen without their support. I look forward to building on our strong partnership in the year to come.

To the Lang Lang community, customers and shareholders, I thank you for your continued support and promotion of Bendigo Bank, without which we would not be able to support so many local organisations. The Community Bank Lang Lang team wish all our customers, community, shareholders and Directors the very best for the next 12 months.

**Cheryl Clasby**  
Branch Manager  
Community Bank Lang Lang

# Pearcedale Manager's Report

For year ended 30 June 2024



On behalf of Community Bank Pearcedale, I am pleased to present this report for this financial year. We continued to experience an impact to lending growth over the financial year, due to an increasing market and little movement to interest rates, reflecting in our loan footings reducing by \$877k, and we continued to successfully grow by \$3.8m in our deposit footings with growth. Our customer base remains steady with a growth of 557 new customers this financial year.

An integral part to our branch outside of our customers, is our staff. I am so proud to announce we have seen Sarah Waymouth grow within her role to achieve a promotion as Pearcedale's new Customer Relationship Manager and has hit the ground running in helping all our new and existing home loan customers. The promotions don't stop there, Rebekah Foster has put in the hard yards throughout the year that has seen Rebekah successfully appointed to the position as Customer Relationship Officer out at Community Bank Lang Lang. We will be sad to see Rebekah go, but immensely proud of her achievements thus far.

Last, but definitely not least I'd like to acknowledge our two Customer Advisors Diane Kennedy and Katie De Marco. As always, Diane has continued to be an integral part of the operations of our branch, a strong support to myself directly and a warm face for all customers that come into our branch. Diane is additionally expanding upon her current role, and I look forward to seeing Diane grow in an ever changing environment.

Katie, a local Pearcedale girl, be it essentially new to Community Bank Pearcedale, has been welcomed with open arms by the Pearcedale community. In return, Katie has come leaps and bounds in her new career, after her background in horse racing, and I am very excited to watch Katie to excel in her role.

I am pleased to have ticked over my first 12 months as the Branch Manager, and I am delighted to have been so kindly welcomed by the Pearcedale and surrounding Community, Customers, Our Community Company Ltd Board and Bendigo Bank. I have been in finance for many years, and being a part of an organisation that gives so generously back to their community has been the utmost highlight of my career thus far.

With nearly 40 years' experience between myself and all the staff, we look forward to continuing in provide an exceptional banking experience to all current and new customers, with our premium products and services.

We held a successful Community Investment program over the 2023/24 Financial year, providing support of \$187,054 to 33 our local clubs and groups. This has seen new facilities built, essential services provided with new equipment and vehicles, young athletes supported, groups that give back provided funding, and our children invested in.

Additionally, as part of our Company's 2024 Community Bank Scholarship program we granted a Scholarship to local student, Grace Healy to assist with her University Studies. We can't wait to see her succeed with all her aspirations.

I would like to thank our supportive board of directors and board support staff, for their continued long standing commitment and dedication they provide to our business to keep it going and growing and look forward to an amazing FY25.

And to our Shareholders, local community members and all who have been directly involved in the success of Community Bank Pearcedale, I thank you for making Bendigo Bank your local bank of choice. We hope that with your help, we can also be your friends and families bank of choice as well.

**Jessica Ashenden**  
Branch Manager  
Community Bank Pearcedale

# Koo Wee Rup Manager's Report

For year ended 30 June 2024



What a change from this time last year as the new Branch Manager. I am excited to be a part of the Koo Wee Rup community and have been made to feel so welcome by all I have connected with. A big thank you to the team Kay, Gisela and Sam (coming to work everyday with you all is the best) I couldn't ask for a more customer focused team and with our combined knowledge and experience we can assist you with all your banking and financial goals.

Community Bank Koo Wee Rup plays a vital role in supporting the local community. This branch not only provides essential banking services but also invests in the community's growth and development with our recent community program providing \$55,690.00 to 22 community groups. By offering personalised financial solutions and supporting local initiatives, Community Bank Koo Wee Rup branch fosters a strong sense of community and contributes to the economic well-being of the region.

I'd like to extend a big thank you to our board of directors for their passion and energy for our local community and the countless hours they volunteer, to our Executive Officer Sonia, Board Assistant Amanda and our Senior Manager Michelle thank you for your support of our branch, staff and community.

Finally and most of all thank you to our customers who bank with Community Bank Koo Wee Rup, advocate for us and assist us in providing much needed funds to our community.

Stay safe and see you soon.

**Andrew Weybury**  
Branch Manager  
Community Bank Koo Wee Rup

# Tooradin & Coastal Villages Manager's Report

For year ended 30 June 2024



On behalf of Community Bank Tooradin & Coastal Villages I am pleased to provide a report for this financial year.

I have enjoyed returning as the Branch Manager. I previously worked at Community Bank Tooradin & Coastal Villages a few years ago, I then took the opportunity to learn in other Bendigo Bank branches and when the opportunity arose to apply for the Branch Manager role I knew it was job for me.

Our branch team are committed, passionate and they look for ways to add value to many people's lives every day. I would like to thank Penny, Tay and Em for their contributions over the past year. They all look for ways to enrich the Tooradin community through daily interactions and community events. They are all an integral part of Community Bank Tooradin & Coastal Villages in being successful.

As a branch, we are seeing consistent interest in Bendigo Bank products and many opportunities to create new customer connections. We continue to strive to fulfil all these needs while adhering to our internal policies and lending appetite.

Community Bank Tooradin & Coastal Villages has seen great success in the 2023/24 financial year.

We held a successful Community Investment program over the 2023/24 Financial year providing support to 12 of our local clubs and groups, on the night we presented \$31,000. Also, as part of our 2024 Community Bank Scholarship program we granted Scholarships to local students from Tooradin, Abbey Howes and Dylan Vincent to assist with their University studies. We encourage our community sponsorship and grant recipients along with their staff members to look at engaging with us at Community Bank Tooradin & Coastal Villages as your bank of choice.

The continued success of our enterprise is dependent on the support of our community and to ensure this support we encourage our shareholders to look at Community Bank Tooradin & Coastal Villages. The model is simple, the more support we receive, the greater support we can return to our community.

On behalf of the branch team at Community Bank Tooradin & Coastal Villages, we would like to thank our Senior Manager Michelle Clarke, our Regional Manager Tracey Kelly, our board of directors and Our Community Company Ltd staff for their continued support, trust and guidance to help us to be successful. They are all dedicated to the prosperity of the communities in which our branches are located in. They dedicate many hours of their own time to assist us to be successful, and the work they do is very much appreciated. I would also like to express my appreciation and gratitude to our Executive Officer Sonia Draxler and Board Support Officer Amanda DeWinter for their enduring support.

The staff at Community Bank Tooradin & Coastal Villages thank you all and look forward to another successful year in 2024/25.

**Kylie Lee**  
Branch Manager  
Community Bank Tooradin & Coastal Villages

# Narre Warren South Manager's Report

For year ended 30 June 2024



On Behalf of Community Bank Narre Warren South I am pleased to provide this report for this financial year.

As a branch we are seeing a consistent interest in Bendigo Bank products with plenty of opportunities to create new and maintain customer relationships.

Our Branch had several changes over the past year, we would like to welcome the following staff members to the Narre Warren South Team, Prement, Harmeet and Cheryl all who have come from banking backgrounds which is exciting to see the years of experience collated as a team.

Community Bank Narre Warren South has a strong and positive team that are continually striving to meet the needs and goals of our customers, community and business alike. They do a fantastic job, and I would therefore like to extend a thank you to my team at Narre Warren South whose efforts are thoroughly appreciated by our customers, community, and myself.

Customers can choose the way they do their banking, whether that be via internet banking, via the Bendigo Bank app, or via mobile, phone or an ATM. For those customers who want to continue the tradition of coming into the branch, we're not going anywhere. We are still here, and we are committed to helping you over the counter with all your banking needs and requirements, this is where we stand out from our competitors and as a team is what we a passionate about.

Community Bank Narre Warren South has seen great success in the 2023/2024 Financial year.

The continued success of our enterprise is dependent on the support of our community and to ensure this support we encourage our shareholders to look at Community Bank Narre Warren South being your bank of choice with the involvement of being a major sponsor of Casey Winter Arts Festival for the City of Casey.

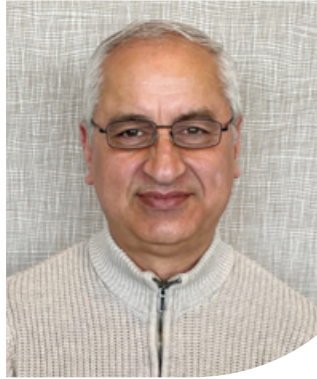
I would like to thank our board of directors and board support staff, for their commitment and dedication they continuously provide to our business to keep it going and growing. I'd also like to thank our Shareholders, local community members and all who have been directly involved in the success of Community Bank Narre Warren South, I thank you for making Community Bank Narre Warren South your local bank of choice.

The team at Community Bank Narre Warren South wish all our customers, community, shareholders and Directors the very best for the next 12 months.

**Hus Suleyman**  
Branch Manager  
Community Bank Narre Warren South

# Bunyip & District Manager's Report

For year ended 30 June 2024



I am pleased to present Community Bank Bunyip & District Branch Manager's report for the first time. This past year has been both challenging and rewarding as we navigated a dynamic environment and worked diligently to deliver on our commitments to our customers and community. The past 12 months have not been without their difficulties. Like many in our industry, we faced economic uncertainties and operational challenges. However, our team's resilience and dedication ensured we not only weathered these storms but emerged stronger and more united.

Highlights for 23/24:

- The year marked a new chapter for our branch with the arrival of a new Branch Manager. With fresh perspective and renewed energy, we have been able to implement innovative strategies and improve our services.
- Reconnecting with our community has been a significant focus. We have actively engaged with local events and initiatives, reaffirming our commitment to the people we serve.
- We are proud to have supported local community by giving away more than \$80,000 in grants. These funds have been directed towards various community projects and organisations, making a tangible difference in the lives of many.
- We remain steadfast in our determination to continue providing our services. Our commitment to our customers and community remains our top priority.

As we look ahead, we remain committed to overcoming any challenges that come our way and continuing to support our community and customers with the same dedication and passion. Thank you for your continued trust and support.

**Bashir Keshtiar**  
Branch Manager  
Community Bank Bunyip & District

# Message from Bendigo & Adelaide Bank



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



## Our Community Company Ltd Director's Report

### Directors

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

Name:	Gordon Douglas Smale
Title:	Non-executive director
Experience and expertise:	Gordon is a resident of Pearcedale and has held the President, Vice President and treasurer roles at the Pearcedale Tennis Club along with Past President of the Pearcedale Recreation Reserve Committee of Management. Gordon's community connection also extends to Mt Eliza where he is the past Secretary of the Mt Eliza Cricket Club. Outside of his commitments as a Director with the board, Gordon manages an engineering services & crane hire company.
Special responsibilities:	Ex Officio all Sub-Committees, Chairman
Name:	Michael Alan Bushe
Title:	Non-executive director
Experience and expertise:	Michael is a past long-term resident of Pearcedale and is the past President of the Pearcedale Tennis Club and past President of the Westernport Night Tennis Association. Michael runs his own Construction Business and is a registered Domestic and Commercial Building Practitioner. Michael also holds a Certificate IV in Construction and Certificate IV in Occupational Health & Safety.
Special responsibilities:	Asset Management Committee, Audit & Governance Committee, Human Resources Committee. Vice Chairman
Name:	Michael John Duff
Title:	Non-executive director
Experience and expertise:	Michael is a current OCC Board member for 24 years 12 as chairman. Past Pakenham Racing Club Committee member for 22 years' service and Life Member of Southside Racing. Current member with 41 year' service in the Koo Wee Rup Fire Brigade, 10 as Captain 26 years in the Brigades Management Team - Life Membership award. Former Chair & Secretary of the Cochrane Park Committee in Koo Wee Rup. Former Chair & Secretary of the Koo Wee Rup Business & Traders Committee. Patron, former player & Committee member Koo Wee Rup Football Club. Managing director of the Duff Group of Companies: Director of John Duff & Co 1981-2023, Managing Director of John Duff & Co 1994-2023, John Duff & Co (Transport) Pty Ltd 2000-2023, FFUD Investments Pty Ltd current, M & L Duff Pty Ltd current and Gosbin 900 Pty Ltd current.
Special responsibilities:	Asset Committee, Business Growth Committee, Finance & Budget Committee and Audit & Governance Committee
Name:	Glenn Warren Barwick
Title:	Non-executive director
Experience and expertise:	Local stock agent/auctioneer whom has lived in Lang Lang for 57 years. Life member of the Lang Lang Football Club.
Special responsibilities:	Business Growth Committee, Asset Committee.
Name:	David John Williams
Title:	Non-executive director
Experience and expertise:	David is local to the community and holds strong connections to many local clubs, groups and organisations in the region. David's experience is focused in on the agriculture sector with extensive knowledge in both dairy and potato farming. David was a delegate representing the Victorian Potato Crisping Growers for the Potato Council at Victorian Farmers Federation for 12 years. Within the community David is the Treasurer of the Catani Football Club and Past President, Treasurer and Life Member of the Lang Lang Cricket Club.
Special responsibilities:	Business Growth Committee, Finance & Budget Committee.

## Our Community Company Ltd Director's Report

Name:	Angela Jane Bullen
Title:	Non-executive director
Experience and expertise:	Angela owns and manages the administration for two businesses within the Agricultural Sector. She also works for the Department of Families Fairness & Housing in Business Services. She has had involvement in the Bayles Preshool, Bayles Regional Primary School, Caldermeade Cannons Junior Football Club, West Gippsland Tennis Association, has been Junior Coordinator & Vice-president of the Catani Tennis Club, a member of the Catani Netball Committee and currently volunteers at Catani Football & Netball Clubs.
Special responsibilities:	HR Committee, Finance & Budget Committee, Asset Committee
Name:	Andrew Lloyd Bullen
Title:	Non-executive director
Experience and expertise:	Andrew is the owner and manager of the family Poultry Farm in addition to beef and hay contracting. Andrew is a Catani Football Club Committee Member and member of the Lang Lang Community Recreation Reserve Committee.
Special responsibilities:	Business Growth Committee, Finance & Budget Committee, HR Committee.
Name:	Nicholas James McKinnon
Title:	Non-executive director
Experience and expertise:	Nicholas has completed a Bachelor of Law and Bachelor of Commerce so possesses a wide range of skills in that area, particularly written and verbal communication skills. He is currently employed at Duffy & Simon Lawyers, where he has various connections that provide valuable resources.
Special responsibilities:	HR Committee, Finance & Budget Committee, Audit & Governance Committee, Business Growth Committee.
Name:	Angela Louise Banbury
Title:	Non-executive director
Experience and expertise:	Ange Banbury grew up on a dairy farm in Catani and continues to call the region her home. Ange's connection within local community namely through Catani Football and Netball Clubs as Vice-President, past President of the Netball Club and past Vice-President of the Football Club, now currently Marketing & Sponsorship Officer. Ange works for Netball Victoria as General Manager in the Netball Development Team, and is also MC at Melbourne Vixens matches. Ange has extensive experience at both grassroots and elite level of netball. Her work involves supporting and developing umpires, coaches, Junior and School programs, including NetSetGo and clinics on diversity & inclusion. Ange Has recently completed a Certificate IV in Celebrancy.
Special responsibilities:	Business Growth Committee & Finance & Budget Committee

### Company secretary

The company secretary is Sonia Draxler. Sonia was appointed to the position of company secretary on 5 June 2023.

Experience and expertise:	Sonia has worked for Bendigo Bank corporate for over 20 years holding various positions in both branch and head office. Sonia joined Our Community Company Ltd in 2018 in the role of Board Support Officer and was promoted to Company Secretary/ Executive Officer for the company in June 2023. Sonia is passionate about local community and is committed to supporting the growth and development of Our Community Company Ltd's six communities.
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### 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.



## Our Community Company Ltd Director's Report

### Review of operations

The profit for the company after providing for income tax amounted to \$613,353 (30 June 2023: \$871,770).

Operations have continued to perform in line with expectations.

### Dividends

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

	2024 \$	2023 \$
Fully franked dividend of 54 cents per share (2023: 13 cents)	<u>395,483</u>	<u>95,209</u>

### Significant changes in the state of affairs

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

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

### Matters subsequent to the end of the financial year

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

### Likely developments and expected results of operations

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

### Environmental regulation

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

### Meetings of directors

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

	Board		Asset Committee		Audit & Governance Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Gordon Douglas Smale	11	11	2	2	2	2
Michael Alan Bushe	11	11	2	2	2	2
Michael John Duff	11	4	2	-	2	2
Glenn Warren Barwick	11	8	2	1	-	-
David John Williams	11	8	-	-	-	-
Angela Jane Bullen	11	10	2	1	-	-
Andrew Lloyd Bullen	11	9	-	-	-	-
Nicholas James McKinnon	11	11	-	-	2	1
Angela Louise Banbury	11	11	-	-	-	-

## Our Community Company Ltd Director's Report

	Business Growth Committee		Finance & Budget Committee		Human Resources Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Gordon Douglas Smale	2	2	4	4	4	4
Michael Alan Bushe	-	-	1	1	4	4
Michael John Duff	2	-	4	2	-	-
Glenn Warren Barwick	2	2	-	-	-	-
David John Williams	2	1	4	4	-	-
Angela Jane Bullen	-	-	4	3	4	4
Andrew Lloyd Bullen	2	2	4	3	4	3
Nicholas James McKinnon	2	1	2	2	4	3
Angela Louise Banbury	2	1	2	1	-	-

Eligible: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

### Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in note 25 and note 26 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

### Directors' interests

The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Gordon Douglas Smale	525	-	525
Michael Alan Bushe	1,050	-	1,050
Michael John Duff	30,000	-	30,000
Glenn Warren Barwick	5,850	-	5,850
David John Williams	-	-	-
Angela Jane Bullen*	1,170	-	1,170
Andrew Lloyd Bullen*	1,170	-	1,170
Nicholas James McKinnon	-	-	-
Angela Louise Banbury	-	-	-

\*Joint shareholding between Angela and Andrew Bullen.

### Shares under option

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

### Shares issued on the exercise of options

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

### Indemnity and insurance of directors and officers

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

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

**Proceedings on behalf of the company**

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

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

**Indemnity and insurance of auditor**

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

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

**Non-audit services**

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 27 to the accounts.

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

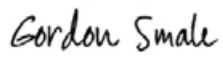
- all non-audit services have been reviewed by the board to ensure they do not impact on the impartiality, integrity and objectivity of the auditor
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional 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

DocuSigned by:  
  
C40EA2724FBA42C...

Gordon Smale  
Chair

27 September 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 Our Community Company Ltd

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

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

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo, Vic, 3550  
Dated: 27 September 2024

**Jessica Ritchie**  
Lead Auditor

**Our Community Company Ltd**  
**Statement of Profit or Loss and Others**  
**Comprehensive Income**

For year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue from contracts with customers	7	6,573,921	6,595,242
Other revenue		55,561	41,979
Finance revenue		5,572	6,575
Total revenue		<u>6,635,054</u>	<u>6,643,796</u>
Employee benefits expense	8	(2,964,557)	(2,155,620)
Advertising and marketing costs		(74,363)	(46,919)
Occupancy and associated costs		(166,466)	(147,700)
System costs		(131,236)	(114,115)
Depreciation and amortisation expense	8	(506,521)	(270,334)
Loss on disposal of assets		-	(3,726)
Finance costs	8	(120,653)	(77,395)
General administration expenses		(444,943)	(309,705)
Fair value losses on financial assets		-	(3,493)
Total expenses before community contributions and income tax expense		<u>(4,408,739)</u>	<u>(3,129,007)</u>
<b>Profit before community contributions and income tax expense</b>		2,226,315	3,514,789
Charitable donations, sponsorships and grants expense	8	<u>(1,366,431)</u>	<u>(2,354,255)</u>
<b>Profit before income tax expense</b>		859,884	1,160,534
Income tax expense	9	<u>(246,531)</u>	<u>(288,764)</u>
<b>Profit after income tax expense for the year</b>		613,353	871,770
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<u>613,353</u>	<u>871,770</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	29	83.75	119.03
Diluted earnings per share	29	83.75	119.03

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

**Our Community Company Ltd**  
**Statement of Financial Position**

For year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	696,291	292,933
Trade and other receivables	11	578,254	653,971
Investments	13	522,741	1,420,805
Current tax assets	9	25,767	-
Total current assets		<u>1,823,053</u>	<u>2,367,709</u>
<b>Non-current assets</b>			
Financial assets	12	140,036	115,035
Property, plant and equipment	14	880,980	705,070
Right-of-use assets	15	1,706,536	1,257,721
Intangible assets	16	1,305,541	1,103,545
Deferred tax assets	9	141,061	157,858
Total non-current assets		<u>4,174,154</u>	<u>3,339,229</u>
<b>Total assets</b>		<u>5,997,207</u>	<u>5,706,938</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	17	1,546,637	1,574,217
Borrowings	18	-	13,093
Lease liabilities	19	280,105	161,579
Current tax liabilities	9	-	89,971
Employee benefits		185,605	201,965
Total current liabilities		<u>2,012,347</u>	<u>2,040,825</u>
<b>Non-current liabilities</b>			
Trade and other payables	17	277,584	-
Borrowings	18	200	496,093
Lease liabilities	19	1,748,219	1,419,850
Employee benefits		14,928	13,544
Provisions		64,774	75,341
Total non-current liabilities		<u>2,105,705</u>	<u>2,004,828</u>
<b>Total liabilities</b>		<u>4,118,052</u>	<u>4,045,653</u>
<b>Net assets</b>		<u>1,879,155</u>	<u>1,661,285</u>
<b>Equity</b>			
Issued capital	20	607,871	607,871
Retained earnings		1,271,284	1,053,414
<b>Total equity</b>		<u>1,879,155</u>	<u>1,661,285</u>

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

## Our Community Company Ltd Statement of Changes in Equity

For year ended 30 June 2024

	Note	Issued capital \$	Retained earnings \$	Total equity \$
<b>Balance at 1 July 2022</b>		607,871	276,853	884,724
Profit after income tax expense		-	871,770	871,770
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	871,770	871,770
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	22	-	(95,209)	(95,209)
<b>Balance at 30 June 2023</b>		<u>607,871</u>	<u>1,053,414</u>	<u>1,661,285</u>
<b>Balance at 1 July 2023</b>		607,871	1,053,414	1,661,285
Profit after income tax expense		-	613,353	613,353
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	613,353	613,353
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	22	-	(395,483)	(395,483)
<b>Balance at 30 June 2024</b>		<u>607,871</u>	<u>1,271,284</u>	<u>1,879,155</u>

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

## Our Community Company Ltd Statement of Cash Flow

For year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		7,314,687	7,011,175
Payments to suppliers and employees (inclusive of GST)		(5,929,413)	(4,690,744)
Dividends received		5,000	6,513
Interest received		2,806	5,466
Interest and other finance costs paid		(25,210)	(8,851)
Income taxes paid		(328,490)	(179,854)
Net cash provided by operating activities	28	<u>1,039,380</u>	<u>2,143,705</u>
<b>Cash flows from investing activities</b>			
Payment for rights to revenue share	16	-	(1,077,918)
Redemption of/(investment in) term deposits		898,064	(1,005,369)
Payments for property, plant and equipment	14	(302,453)	(291,568)
Payments for franchise fees		(84,118)	(65,671)
Proceeds from disposal of property, plant and equipment		23,842	39,135
Net cash provided by/(used in) investing activities		<u>535,335</u>	<u>(2,401,391)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	750,000
Repayment of lease liabilities		(174,582)	(163,940)
Interest and other finance costs paid		(92,306)	(65,454)
Dividends paid	22	(395,483)	(95,209)
Repayment of borrowings		(508,986)	(297,399)
Net cash provided by/(used in) financing activities		<u>(1,171,357)</u>	<u>127,998</u>
Net increase/(decrease) in cash and cash equivalents		403,358	(129,688)
Cash and cash equivalents at the beginning of the financial year		292,933	422,621
Cash and cash equivalents at the end of the financial year	10	<u>696,291</u>	<u>292,933</u>

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

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 1. Reporting entity

The financial statements cover Our Community Company Ltd (the company) as an individual entity, which is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 29 Westernport Road, Lang Lang VIC 3984.

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 27 September 2024. The directors have the power to amend and reissue the financial statements.

### Note 3. Material accounting policy information

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

#### Adoption of new and revised accounting standards

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

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

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

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

#### Accounting standards issued but not yet effective

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

#### Current and non-current classification

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

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 3. Material accounting policy information (continued)

#### Impairment of financial assets

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

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

#### Impairment of non-financial assets

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

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

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

### Note 4. Critical accounting judgements, estimates and assumptions

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

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

#### Judgements

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

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

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

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

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

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

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

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

#### Fair value measurement hierarchy

The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: inputs are based on the quoted market price at the close of business at the end of the reporting period
- Level 2: inputs are based on a valuation performed by a third party qualified valuer using quoted prices for similar assets in an active market
- Level 3: unobservable inputs for the asset or liability.

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

#### Impairment of non-financial assets

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

#### Recovery of deferred tax assets

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

#### Lease term

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

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

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

### Estimates and assumptions

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

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

#### Estimation of useful lives of assets

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

#### Incremental borrowing rate

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

### 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 October 2028.

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

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

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

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

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

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

### 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.

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 6. Change to comparative figures (continued)

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

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

- Cash and cash equivalents decreased and investments increased by \$1,420,805 at 30 June 2023 as reported in the Statement of financial position.
- Opening and closing cash balances were reduced to exclude term deposits with initial investment periods greater than three months as reported in the Statement of cash flows.
- Investments in and redemptions of term deposits with initial investment periods greater than three months are now classified within investment activities as reported in the Statement of cash flows.

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

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

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

During the financial year the company recorded a change in accounting policy, whereby it elected to recognise the right-of-use asset net of accumulated depreciation on initial adoption of AASB 16. The change in accounting policy had no impact on the company's net profit or net asset position, however it did reduce the company's right-of-use asset cost and accumulated depreciation at 30 June 2023 by \$1,141,875.

### Note 7. Revenue from contracts with customers

	2024 \$	2023 \$
Margin income	5,711,503	5,843,139
Fee income	361,585	314,097
Commission income	500,833	438,006
	<u>6,573,921</u>	<u>6,595,242</u>

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

The company has entered into a franchise agreement with Bendigo Bank. The company delivers banking and financial services of Bendigo Bank to its community. The franchise agreement provides for a share of interest, fee, and commission revenue earned by the company. Interest margin share is based on a funds transfer pricing methodology which recognises that income is derived from deposits held, and that loans granted incur a funding cost. Fees are based on the company's current fee schedule and commissions are based on the agreements in place. All margin revenue is recorded as non-interest income when the company's right to receive the payment is established.

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

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

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 7. Revenue from contracts with customers (continued)

<u>Revenue stream</u>	<u>Includes</u>	<u>Performance obligation</u>	<u>Timing of recognition</u>
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, interest rates and funds transfer pricing and other factors, such as economic and local conditions.

#### Margin income

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

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

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

#### Commission income

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

#### Fee income

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

#### Core banking products

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

#### Ability to change financial return

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

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

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

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 8. Expenses

#### Employee benefits expense

	2024 \$	2023 \$
Wages and salaries	2,417,822	1,760,071
Non-cash benefits	24,088	23,136
Superannuation contributions	275,259	190,752
Expenses related to long service leave	(11,864)	875
Other expenses	259,252	180,786
	<u>2,964,557</u>	<u>2,155,620</u>

#### Depreciation and amortisation expense

	2024 \$	2023 \$
<i>Depreciation of non-current assets</i>		
Leasehold improvements	64,473	31,450
Plant and equipment	1,496	1,314
Motor vehicles	41,838	20,693
	<u>107,807</u>	<u>53,457</u>
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	180,127	148,715
<i>Amortisation of intangible assets</i>		
Franchise fee	83,847	68,162
Rights to revenue share	134,740	-
	<u>218,587</u>	<u>68,162</u>
	<u>506,521</u>	<u>270,334</u>

#### Finance costs

	2024 \$	2023 \$
Bank loan interest paid or accrued	24,653	8,677
Recurring borrowing costs paid	557	174
Lease interest expense	92,306	65,454
Unwinding of make-good provision	3,137	3,090
	<u>120,653</u>	<u>77,395</u>

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

#### Charitable donations, sponsorships and grants

	2024 \$	2023 \$
Direct donation, sponsorship and grant payments	323,236	172,437
Contribution to the Community Enterprise Foundation™	1,043,195	2,181,818
	<u>1,366,431</u>	<u>2,354,255</u>

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

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

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

When the company pays a contribution in to the CEF, the company loses control over the funds at that point. While the directors are involved in the payment of grants, the funds are not refundable to the company.

### Note 9. Income tax

	2024 \$	2023 \$
<i>Income tax expense</i>		
Current tax	233,446	284,698
Movement in deferred tax	16,797	6,619
Net benefit of franking credits on dividends received	(3,712)	(2,553)
	<u>246,531</u>	<u>288,764</u>
<i>Aggregate income tax expense</i>		
	<u>246,531</u>	<u>288,764</u>
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	859,884	1,160,534
Tax at the statutory tax rate of 25%	214,971	290,134
Tax effect of:		
Tax offset for franked dividends	(3,712)	(2,553)
Non-deductible expenses	34,344	545
Other assessable income	928	638
	<u>246,531</u>	<u>288,764</u>
<i>Income tax expense</i>		
	<u>246,531</u>	<u>288,764</u>
<i>Deferred tax assets/(liabilities)</i>		
Employee benefits	50,785	54,103
Provision for lease make good	16,193	18,835
Accrued expenses	844	1,331
Income accruals	(984)	(292)
Lease liabilities	507,081	395,357
Right-of-use assets	(426,634)	(314,430)
Property, plant and equipment	(4,210)	(89)
Fair value of investments	(2,014)	3,043
	<u>141,061</u>	<u>157,858</u>
Deferred tax asset		
	<u>141,061</u>	<u>157,858</u>
<i>Income tax refund due</i>		
	<u>25,767</u>	<u>-</u>



## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 9. Income tax (continued)

	2024 \$	2023 \$
Provision for income tax	-	89,971

#### Accounting policy for income tax

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

#### Accounting policy for current tax

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

#### Accounting policy for deferred tax

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

### Note 10. Cash and cash equivalents

	2024 \$	2023 \$
Cash at bank and on hand	696,291	292,933

### Note 11. Trade and other receivables

	2024 \$	2023 \$
Trade receivables	558,496	638,887
Other receivables and accruals	5,603	2,042
Prepayments	14,155	13,042
	19,758	15,084
	578,254	653,971

#### 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.

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 12. Financial assets

	2024 \$	2023 \$
<i>Non-current assets</i>		
Equity securities - at FVTPL	140,036	115,035

#### Reconciliation

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

Opening fair value	115,035	114,515
Additions through reinvestment	4,774	4,011
Revaluation increments	20,227	-
Revaluation decrements	-	(3,491)
Closing fair value	140,036	115,035

#### Accounting policy for financial assets

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

The company classifies financial assets as a current asset when it expects to realise the asset, or intends to sell or consume it, no more than 12 months after the reporting period. All other investments are classified as non-current.

### Note 13. Investments

	2024 \$	2023 \$
<i>Current assets</i>		
Term Deposits	522,741	1,420,805

### Note 14. Property, plant and equipment

	2024 \$	2023 \$
Leasehold improvements - at cost	1,484,505	1,304,961
Less: Accumulated depreciation	(777,199)	(712,726)
	707,306	592,235
Plant and equipment - at cost	20,030	13,013
Less: Accumulated depreciation	(10,949)	(9,453)
	9,081	3,560
Motor vehicles - at cost	207,242	122,700
Less: Accumulated depreciation	(42,649)	(13,425)
	164,593	109,275
	880,980	705,070

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 14. 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 \$	Motor vehicles \$	Total \$
Balance at 1 July 2022	426,766	4,390	78,664	509,820
Additions	196,962	3,255	91,351	291,568
Disposals	(43)	(2,771)	(40,047)	(42,861)
Depreciation	(31,450)	(1,314)	(20,693)	(53,457)
Balance at 30 June 2023	592,235	3,560	109,275	705,070
Additions	179,544	7,017	115,892	302,453
Disposals	-	-	(18,736)	(18,736)
Depreciation	(64,473)	(1,496)	(41,838)	(107,807)
Balance at 30 June 2024	<u>707,306</u>	<u>9,081</u>	<u>164,593</u>	<u>880,980</u>

#### 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	1 to 40 years
Plant & equipment	1 to 10 years
Motor vehicles	4 years

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

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

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

### Note 15. Right-of-use assets

	2024 \$	2023 \$
Land and buildings - right-of-use	2,322,927	1,836,426
Less: Accumulated depreciation	(616,391)	(578,705)
	<u>1,706,536</u>	<u>1,257,721</u>

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 15. Right-of-use assets (continued)

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	1,203,482
Additions	197,219
Remeasurement adjustments	5,735
Depreciation expense	(148,715)
Balance at 30 June 2023	1,257,721
Additions	484,313
Remeasurement adjustments	144,629
Depreciation expense	(180,127)
Balance at 30 June 2024	<u>1,706,536</u>

#### 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 19 for more information on lease arrangements.

### Note 16. Intangible assets

	2024 \$	2023 \$
Rights to revenue share	1,077,918	1,077,918
Less: Accumulated amortisation	(134,740)	-
	<u>943,178</u>	<u>1,077,918</u>
Franchise fee	1,361,788	941,205
Less: Accumulated amortisation	(999,425)	(915,578)
	<u>362,363</u>	<u>25,627</u>
	<u>1,305,541</u>	<u>1,103,545</u>

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 16. Intangible assets (continued)

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

	Rights to revenue share \$	Franchise fee \$	Total \$
Balance at 1 July 2022	-	87,171	87,171
Additions	1,077,918	6,618	1,084,536
Amortisation expense	-	(68,162)	(68,162)
Balance at 30 June 2023	1,077,918	25,627	1,103,545
Additions	-	420,583	420,583
Amortisation expense	(134,740)	(83,847)	(218,587)
Balance at 30 June 2024	<u>943,178</u>	<u>362,363</u>	<u>1,305,541</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.

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 and domiciled customer accounts 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)	October 2028
Rights to revenue share	Straight-line	8 years	June 2031

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

### Note 17. Trade and other payables

	2024 \$	2023 \$
<i>Current liabilities</i>		
Trade payables	1,210,848	1,409,006
Other payables and accruals	335,789	165,211
	<u>1,546,637</u>	<u>1,574,217</u>
<i>Non-current liabilities</i>		
Other payables and accruals	277,584	-
	<u>277,584</u>	<u>-</u>
	2024 \$	2023 \$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	1,824,221	1,574,217
Add/(less GST refundable/payable to the ATO, included in trade and other payables)	(22,530)	70,751
	<u>1,801,691</u>	<u>1,644,968</u>

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 18. Borrowings

	2024 \$	2023 \$
<i>Current liabilities</i>		
Chattel mortgage	-	13,093
<i>Non-current liabilities</i>		
Bank loans	200	492,219
Chattel mortgage	-	3,874
	<u>200</u>	<u>496,093</u>

#### Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

#### Bank loans

The company took out a loan for \$750,000 to assist with the purchase of the business assets of Bunyip & District Community Enterprises Limited. The bank loan is repayable monthly with the final instalment due on 27 April 2028. As at 30 June 2024 the company was over 12 months in advance of their minimum payments. Interest is recognised at rate of 8.726%. The loans are secured by a fixed and floating charge over the company's assets.

### Note 19. Lease liabilities

	2024 \$	2023 \$
<i>Current liabilities</i>		
Land and buildings lease liabilities	280,105	161,579
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	1,748,219	1,419,850
<i>Reconciliation of lease liabilities</i>		
	2024 \$	2023 \$
Opening balance	1,581,429	1,542,415
Additional lease liabilities recognised	474,615	197,219
Remeasurement adjustments	146,862	5,735
Lease interest expense	92,306	65,454
Lease payments - total cash outflow	(266,888)	(229,394)
	<u>2,028,324</u>	<u>1,581,429</u>

#### 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.

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 19. Lease liabilities (continued)

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
Tooradin Branch	7.50%	5 years	N/A	N/A	May 2029
Lang Lang Branch	4.29%	5 years	3 x 5 years	Yes	October 2040
Narre Warren South Branch	4.29%	5 years	N/A	N/A	May 2026
Koo Wee Rup Branch	4.29%	5 years	3 x 5 years	Yes	May 2041
Pearcedale Branch	7.50%	5 years	1 x 5 years	Yes	October 2033
Bunyip Branch	7.25%	4 years and 2 months	1 x 5 years	Yes	June 2032

#### Remeasurement adjustments

The company has renegotiated the lease agreements for the Pearcedale and Bunyip branches. As such a remeasurement of the right-of-use asset, lease liability and make-good provision occurred using a revised lease term end date of October 2033 and June 2032.

### Note 20. Issued capital

	2024 Shares	2023 Shares	2024 \$	2023 \$
Ordinary shares - fully paid	732,375	732,375	732,375	732,375
Return of Capital	-	-	(124,504)	(124,504)
	<u>732,375</u>	<u>732,375</u>	<u>607,871</u>	<u>607,871</u>

#### 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).

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 20. Issued capital (continued)

#### Transfer

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

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

#### Prohibited shareholding interest

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

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

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). The base number is 209. As at the date of this report, the company had 224 shareholders (2023: 227 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%.

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.

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 21. Capital management (continued)

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

### Note 22. Dividends

#### Dividends provided for and paid during the period

The following dividends were provided for and paid to shareholders during the financial year as presented in the Statement of changes in equity and Statement of cash flows.

	2024 \$	2023 \$
Fully franked dividend of 54 cents per share (2023: 13 cents)	<u>395,483</u>	<u>95,209</u>

### Franking credits

	2024 \$	2023 \$
Franking account balance at the beginning of the financial year	464,199	342,702
Franking credits (debits) arising from income taxes paid (refunded)	328,490	150,680
Franking debits from the payment of franked distributions	(131,828)	(31,736)
Franking credits from franked distributions received	3,712	2,553
	<u>664,573</u>	<u>464,199</u>
<i>Franking transactions that will arise subsequent to the financial year end:</i>		
Balance at the end of the financial year	664,573	464,199
Franking credits (debits) that will arise from payment (refund) of income tax	45,375	144,131
Franking credits available for future reporting periods	<u>709,948</u>	<u>608,330</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.

### Note 23. Financial risk management

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

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

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

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

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

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 23. Financial risk management (continued)

	2024 \$	2023 \$
<b>Financial assets</b>		
Trade and other receivables excluding prepayments (note 11)	564,099	640,929
Cash and cash equivalents (note 10)	696,291	292,933
Financial assets (note 12)	140,036	115,035
Term deposits (note 13)	522,741	1,420,805
	<u>1,923,167</u>	<u>2,469,702</u>
<b>Financial liabilities at amortised cost</b>		
Trade and other payables (note 17)	1,801,691	1,644,968
Lease liabilities (note 19)	2,028,324	1,581,429
Bank loans (note 18)	200	509,186
	<u>3,830,215</u>	<u>3,735,583</u>

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

#### Accounting policy for financial instruments

#### Financial assets

##### Classification

The company measures its financial assets into the following categories:

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

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

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

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

##### Derecognition

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

##### Impairment of trade and other receivables

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

#### Financial liabilities

##### Classification

The company measures its financial liabilities at amortised cost.

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

##### Derecognition

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

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 23. Financial risk management (continued)

#### 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 \$696,291 and term deposits of \$522,741 at 30 June 2024 (2023: \$292,933 and \$1,420,805).

#### Price risk

The primary goal of the company's investment in equity securities is to hold the investments for the long term for strategic purposes.

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

	2024		2023	
	Nominal interest rate %	Balance \$	Nominal interest rate %	Balance \$
Bank loans	8.73%	200	8.48%	492,219
Net exposure to cash flow interest rate risk		<u>200</u>		<u>492,219</u>

An analysis by remaining contractual maturities is shown in 'liquidity risk' below.

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

2024	1 year or less	Between 1 and 5 years	Over 5 years	Remaining contractual maturities
	\$	\$	\$	\$
Bank loans	-	200	-	200
Trade and other payables	1,524,107	277,584	-	1,801,691
Lease liabilities	287,217	950,206	1,489,252	2,726,675
Total non-derivatives	<u>1,811,324</u>	<u>1,227,990</u>	<u>1,489,252</u>	<u>4,528,566</u>

2023	1 year or less	Between 1 and 5 years	Over 5 years	Remaining contractual maturities
	\$	\$	\$	\$
Bank loans	505,312	3,874	-	509,186
Trade and other payables	1,644,968	-	-	1,644,968
Lease liabilities	231,683	630,434	1,296,888	2,159,005
Total non-derivatives	<u>2,381,963</u>	<u>634,308</u>	<u>1,296,888</u>	<u>4,313,159</u>

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 24. Fair value measurement

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>2024</b>				
Assets				
Equity securities	140,036	-	-	140,036
Total assets	<u>140,036</u>	<u>-</u>	<u>-</u>	<u>140,036</u>
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>2023</b>				
Assets				
Equity securities	115,035	-	-	115,035
Total assets	<u>115,035</u>	<u>-</u>	<u>-</u>	<u>115,035</u>

There were no transfers between levels during the financial year.

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

### Note 25. Key management personnel disclosures

The following persons were directors of Our Community Company Ltd during the financial year and/or up to the date of signing of these Financial Statements.

Gordon Douglas Smale  
Michael Alan Bushe  
Michael John Duff  
Glenn Warren Barwick  
David John Williams

Angela Jane Bullen  
Andrew Lloyd Bullen  
Nicholas James McKinnon  
Angela Louise Banbury

#### Compensation

Key management personnel compensation comprised the following.

	2024 \$	2023 \$
Short-term employee benefits	36,473	22,624
Post-employment benefits	3,838	2,376
	<u>40,311</u>	<u>25,000</u>

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

### Note 26. Related party transactions

#### Key management personnel

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

#### Receivable from and payable to related parties

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

#### Terms and conditions of transactions with related parties

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

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 26. Related party transactions (continued)

#### Transactions with related parties

The following transactions occurred with related parties:

	2024 \$	2023 \$
During the period the company sold one of its motor vehicles to a director at a reduced cost to recognise their long commitment to the company.	-	18,182
The company made contributions to various community groups that directors were also committee members.	3,050	530
A director completed construction/fit out works during the period.	-	2,609
A director owns a company which received payment for fuel supplies provided during the period	-	21,589

### Note 27. Remuneration of auditors

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

	2024 \$	2023 \$
<i>Audit services</i>		
Audit or review of the financial statements	10,150	6,800
<i>Other services</i>		
General advisory services	5,550	4,135
Share registry services	4,952	3,861
	10,502	7,996
	<u>20,652</u>	<u>14,796</u>

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

	2024 \$	2023 \$
Profit after income tax expense for the year	613,353	871,770
Adjustments for:		
Depreciation and amortisation	506,521	270,334
Net loss/(gain) on disposal of non-current assets	(5,106)	3,726
Decrease/(Increase) in fair value of equity instruments designated at FVTPL	(20,227)	3,491
Income reinvested in financial assets	(4,774)	(4,011)
Lease liabilities interest	92,306	65,454
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	75,717	(288,818)
Increase in income tax refund due	(25,767)	-
Decrease in deferred tax assets	16,797	6,619
Increase/(decrease) in trade and other payables	(86,784)	1,122,941
Increase/(decrease) in provision for income tax	(89,971)	102,291
Decrease in employee benefits	(14,976)	(13,182)
Increase/(decrease) in other provisions	(17,709)	3,090
Net cash provided by operating activities	<u>1,039,380</u>	<u>2,143,705</u>

## Our Community Company Ltd Notes to the Financial Statements

For year ended 30 June 2024

### Note 29. Earnings per share

	2024 \$	2023 \$
Profit after income tax	<u>613,353</u>	<u>871,770</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>732,375</u>	<u>732,375</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>732,375</u>	<u>732,375</u>
	Cents	Cents
Basic earnings per share	83.75	119.03
Diluted earnings per share	83.75	119.03

### Note 30. Commitments

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

### Note 31. Contingencies

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

### Note 32. Events after the reporting period

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.

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

DocuSigned by:  
  
C40EA2724FBA42C...  
Gordon Smale  
Chair

27 September 2024

## Independent auditor's report to the Directors of Our Community Company Ltd

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Our Community Company Ltd (the company), which comprises:

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

In our opinion, the accompanying financial report of Our Community Company Ltd, is in accordance with the *Corporations Act 2001*, including:

- 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
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for Opinion

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

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

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





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## Independent auditor's report to the Directors of Our Community Company Ltd

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Our Community Company Ltd (the company), which comprises:

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

In our opinion, the accompanying financial report of Our Community Company Ltd, is in accordance with the *Corporations Act 2001*, including:

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

#### Basis for Opinion

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

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

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

#### 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

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo, Vic, 3550  
Dated 27 September 2024

**Jessica Ritchie**  
Lead Auditor

**Franchinsee: Our Community Company Ltd**

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**Community Bank**

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Bendigo and Adelaide Bank Limited, ABN 11 068 049 178 AFSL/Australian Credit Licence 237879. (10395) (22/09/2021)