

Annual Report 2024

Tumbarumba Financial
Services Limited

Community Bank
Tumbarumba

ABN 82 121 010 839

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Chairman's report

For year ending 30 June 2024

In 2007 the founding directors went to the Tumbarumba community and managed to raise \$626,500 from the founding shareholders to open what we now call Community Bank Tumbarumba.

The Community Bank model gave us the opportunity to not only ensure we could provide the wider community with a banking service into the future but career opportunities for local people, a return to the local community and at the time, we hoped, a return to our shareholders.

We had a slow start, and I would like to thank the directors both past and present for their commitment over the years. We still have six of the founding directors and this year we welcomed Ken Dale to the board. Ken is a retired police officer who has devoted his life to law enforcement and is actively involved in various community organisations.

On behalf of the directors, it is a pleasure to once again report on the progress of Community Bank Tumbarumba. The net profit of the company for the financial year after provision for income tax \$142,506 a decrease of \$74,941 from the 2023 profit of \$217,447. Revenue was down by \$85,778 with the 2024 figure being \$1,181,516 and 2023 being \$1,267,294.

At the end of June, we held \$630,647 in deposit funds inclusive of term deposits, our trading account and funds held in Community Enterprise Foundation. Liabilities sat at \$79,751 - a result we are happy with.

The renovations on the building were completed, we increased the loan on the building however this was not required. A huge thank you to the directors and staff who gave their time for demolition, cleaning and painting to keep the costs down. After 17 years we now have full use of the building.

I have an ongoing appreciation for the staff who are committed to providing great customer service, growing the business and ensuring we can continue to put money back into the community. The staff make time to volunteer, raise funds outside of the branch's profit and assist community groups to achieve their goals. We also rely on CB Virtual Solutions, RSD, David Rosetta (Bush & Campbell) and many others.

I would like to again thank the shareholders for the trust they put in our Board of Directors and myself as Chair, we are all very proud of what Tumbarumba Financial Services Limited has been able to achieve over the last seventeen years.



Colin Nagle
Chairman

Manager's report

For year ending 30 June 2024

I am proud to again be able to provide a report for the year ending 30 June 2024. Firstly, I would like to thank the staff, with their dedication and commitment to our vision to ensure the community is provided not only with a banking service but an opportunity to grow and prosper through our shared profit model.

In staff updates, we celebrated Jane's 10-year anniversary. Chloe Ristrom (Customer Service Officer) resigned to focus on her family and Karen Robertson (Mobile Relationship Manager) resigned to focus on her health. We welcomed Darcy Craig to the team in February 2024 and she is proving to be a great asset. I would like to thank the directors for their ongoing support and guidance.

Thankyou also to what we refer to as our support system, CB Virtual Solutions, David Rosetta, Elspeth Mildren, RSD, Tim Butt and the team at Community Enterprise Foundation for the support provided throughout the year as well.

In terms of the branch performance, we had lending settlements of \$14,732,836 against a target of \$15,000,000, however we also had discharges of \$12,282,774, while this resulted in a negative growth figure of \$1,256,401 only approximately 18% of this business was lost to another financial institution, the remainder included sale of properties, internal refinances and customers reducing debt. In positive news we had deposit growth of \$9,845,833 against a target of \$4,000,000 which resulted in a total growth result of \$7,213,377 an increase on last year.

Settlement / Discharge Details	2023-24	2022-23
Lending Settlements	\$14,732,836	\$16,285,661
Lending Discharges	\$12,282,774	\$9,149,477
Growth Details	2023-24	2021-22
Deposit Growth	\$9,845,833	\$4,937,018
Lending Growth	(\$1,256,401)	\$2,074,380
Other Business	(\$394,855)	(\$394,299)
Rural & Wealth	(946,200)	(\$562,213)
Total	\$7,213,377	\$6,054,886

The Community Bank model provides real opportunities for our community, and I would welcome the opportunity to talk to you, your family, or your friends to see how we can assist you and in turn provide increased benefits to our community. We offer a full range of competitive Bendigo Banking products and access to insurance and financial planning services.

Our goal continues to be to provide a service to the community, a return for the shareholders and to look for opportunities of growth into the future.



Merissa Richmond
Branch Manager

Bendigo and Adelaide Bank report

For year ending 30 June 2024

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

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

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

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

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

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

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

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

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

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

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

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

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

Justine Minne
Bendigo and Adelaide Bank

Community Bank National Council report

For year ending 30 June 2024



Community Bank network: celebrating 26 years of empowering communities

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

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

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

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

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

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

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

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

Warm regards

Lauren Bean
General Manager
Community Bank National Council

Community impact strategy



Community Investments 2023-2024

Tumbafest – Karly Fynn Turnstyle Events

Investment \$22,500

Tumbafest 2024 generated an estimated total economic benefit of \$1,957,200 to Tumbarumba by the event attendees, based on the average spend per person and the attendance numbers. The event also supported local businesses, producers, and artists. Over ¾ of attendees were from NSW with 69% of these being from outside the Snowy Valleys region. 63% of attendees indicated that Tumbafest was their main reason for visiting Tumbarumba.

When asked which businesses were sponsors of the event, 74% of our survey respondents named Bendigo Bank (the highest sponsor recall). An overwhelming 80% of respondents indicated they would be back in 2025 for the festival.



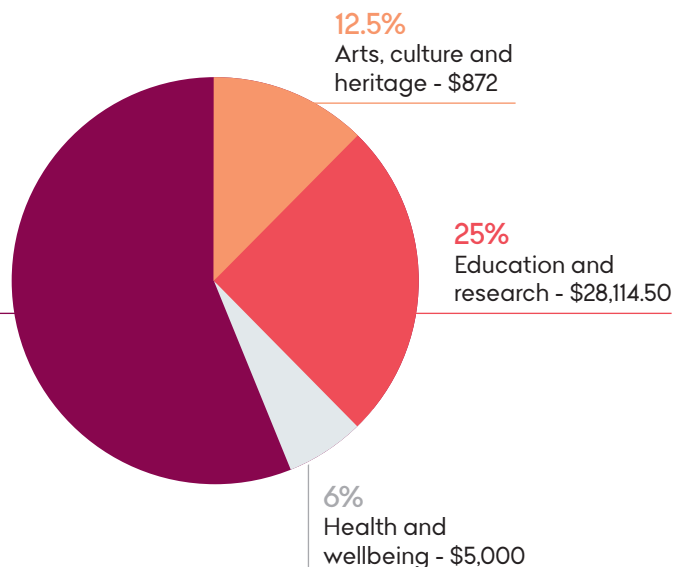
Tumba Start-Strong Preschool

Tumbarumba Start Strong Preschool is proceeding with the project. The development application has been submitted to council. Delays have been evident as council wanted the building to be built for the future. The Bendigo Bank \$25,000 grant has enabled the rooms sizes to be expanded. Going from a 40-place preschool to 50 places. The preschool build starts in September and will take 12 months to complete.



56%
Sport and recreation - \$31,431

Community Investment by Category



Directors' report

For the financial year ended 30 June 2024

The Directors present their report together with the accounts of Tumbarumba Financial Services Limited for the year ended 30 June 2024.

DIRECTORS

The names of directors at the date of this report are:

Colin James Nagle	Malcolm Antony Marshall	Daniel Murray Martin
Anthony Owen A'Beckett	Lachlan Ian MacKenzie	Julie Maree Giddings
Lloyd Mildren	Bruce Bertram Alleyn	Patrick Barrett
Ken Dale (Appointed 30/11/23)		

PRINCIPAL ACTIVITIES

The principal activities of the company during the course of the financial year were in facilitating Community Bank services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

There has been no significant change in the nature of these activities during the year.

RESULT

The net profit of the company for the financial year after provision for income tax was \$142,506 (2023 profit of \$217,447).

DIRECTOR'S MEETINGS

The company of Directors meetings and number of meetings attended by each of the Directors of the company during the financial year are:

Director	Number Attended	Number eligible to attend	Director	Number Attended	Number eligible to attend
Colin Nagle	9	11	Bruce Alleyn	8	11
Anthony A'Beckett	11	11	Lachlan MacKenzie	11	11
Lloyd Mildren	9	11	Daniel Martin	11	11
Julie Giddings	5	11	Patrick Barrett	4	11
Malcolm Marshall	8	11	Ken Dale	4	7

MATTERS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are no matters or circumstances that have arisen since the end of the reporting year that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

DIRECTORS INTERESTS AND BENEFITS

Since the end of the previous financial year no Director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the accounts) because of a contract made by the company with the Director or with a firm of which the director is a member, or with a company in which the Director has a substantial interest.

Directors' report (continued)

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

Dated at Wagga Wagga this 25th day of September 2024

Signed in accordance with a resolution of the directors:



Director

Auditor's independence declaration



PARTNERS:	
P.J. King	CA
A.P. Powell	CA
D.R. Uden	CA
R.K. Nicoll	CA
M.A. Smith	CA
D.T. Rosetta	CA

AUDITORS INDEPENDENCE DECLARATION

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

- (a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

John L. Bush Campbell

JOHN L BUSH & CAMPBELL
Chartered Accountants

David Rosetta
Partner

Wagga Wagga
25 September 2024

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Standards Legislation

Financial statements

Statement of comprehensive income For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenues from ordinary activities	2	1,181,516	1,267,294
Employee expenses		(694,234)	(620,818)
Advertising and promotional expense (including Grants & Sponsorship)		(80,955)	(154,405)
Borrowing Costs & finance charges		(4,857)	(8,287)
Occupancy and property costs		(26,301)	(41,732)
Depreciation and amortisation		(37,168)	(37,309)
Legal and professional fees		(57,148)	(40,104)
Motor vehicle expense		(13,216)	(8,955)
Insurance costs		(20,462)	(18,229)
Operational costs		(36,549)	(24,012)
Other Costs		(20,618)	(23,513)
Net Profit from ordinary activities before income tax expense		190,008	289,930
Income tax expense relating to ordinary activities	3	(47,502)	(72,482)
Net profit from ordinary activities after related income tax expense		142,506	217,447
Total comprehensive income for the year		142,506	217,447
Earnings per share	16	22.74 cents	34.70 cents

The Statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the accounts.

Financial statements (continued)

Statement of financial position As at 30 June 2024

	Note	2024 \$	2023 \$
CURRENT ASSETS			
Cash	5	582,402	553,667
Receivables	6	102,259	105,111
TOTAL CURRENT ASSETS		684,661	658,778
NON-CURRENT ASSETS			
Deferred Tax Asset	7	33,133	26,606
Property, plant & equipment	8	405,340	332,852
Intangible Assets	9	38,049	51,284
TOTAL NON-CURRENT ASSETS		476,522	410,742
TOTAL ASSETS		1,161,183	1,069,520
CURRENT LIABILITIES			
Payables	10	127,152	122,087
Provisions	11	54,811	51,512
Borrowings	12	26,710	41,702
TOTAL CURRENT LIABILITIES		208,673	215,301
NON CURRENT LIABILITIES			
Provisions	11	57,811	46,660
Borrowings	12	19,497	43,531
TOTAL NON CURRENT LIABILITIES		77,308	90,191
TOTAL LIABILITIES		285,981	305,492
NET ASSETS		875,202	764,028
EQUITY			
Issued Capital	13	593,875	593,875
Retained Profits	14	281,327	170,153
TOTAL EQUITY		875,202	764,028

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the accounts.

Financial statements (continued)

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

	Issued capital \$	Profits reserve \$	Retained earnings \$	Total \$
Balance as at 1 July 2022	593,875	-	15,371	609,246
Profit / (loss) for the year	-	217,447	-	217,447
Dividends Paid	-	(62,665)	-	(62,665)
Transfers	-	(154,782)	154,782	-
Balance as at 30 June 2023	593,875	-	170,153	764,028
Profit / (loss) for the year	-	-	142,506	142,506
Dividends Paid	-	-	(31,333)	(31,333)
Balance as at 30 June 2024	593,875	-	281,327	875,202

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the accounts.

Financial statements (continued)

Statement of cash flows For the year ended 30 June 2024

	Note	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		1,184,369	1,242,176
Cash payments in the course of operations		(988,854)	(906,147)
Net cash used by operating activities	15(ii)	195,515	336,029
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant & equipment		-	-
Payments for property, plant & equipment		(96,421)	(2,339)
Net cash used in investing activities		(96,421)	(2,339)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	-
Dividends paid		(31,333)	(62,665)
Repayment of Loans		(39,027)	(68,341)
Net cash used in financing activities		(70,359)	(131,006)
Net increase / (decrease) in cash held		28,735	202,684
Cash at the beginning of the financial year		553,667	350,983
Cash at the end of the financial year	15(i)	582,402	553,667

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the accounts.

Notes to the financial statements

For the year ended 30 June 2024

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies that have been adopted in the presentation of these financial statements are:

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*.

(b) Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS). These financial statements and notes comply with IFRS.

(c) Historical cost convention

The financial report has been prepared under the historical cost conventions on an accruals basis as modified by the revaluation of financial assets and liabilities at fair value through profit or loss and where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

(d) Revenue

Revenue from contracts with customers

The Company recognises revenue as the amount of the transaction price that is allocated to the performance obligation, excluding any amounts of variable consideration, when the performance obligation has been satisfied. All revenue is stated net of the amount of goods and services tax (GST).

Revenue calculation

The Company provides banking services under a franchise agreement. Bendigo and Adelaide Bank Limited decides the form of revenue the company earns on different types of products and services. The franchise agreement provides that three forms of revenue may be earned by the company – margin, commission and fee income. The revenue earned by the company is dependent on the business that it generates. It may also be affected by other factors, such as economic and local conditions, for example, interest rates.

Margin

Margin is arrived through the following calculation:

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

For those products and services on which margin is paid, the company is entitled to a share of the margin earned by Bendigo and Adelaide Bank Limited (i.e. income adjusted for Bendigo and Adelaide Bank Limited's interest expense and interest income return). However, if this reflects a loss, the company incurs a share of that loss. Products and services on which margin is paid include variable rate deposits and variable rate home loans.

Commission

Commission is a fee paid for products and services sold. It may be paid on the initial sale or on an ongoing basis. Commission is payable on the sale of an insurance product such as home and contents. Examples of products and services on which ongoing commissions are paid include leasing and other products.

The Company has considered the treatment of trail commissions in accordance with AASB 15. It was concluded that there is no way to determine, with high probability, the present value of on-going commissions. For these reasons on-going trail commission is recognised when calculated and remitted to the Company.

Notes to the financial statements (continued)

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fee income

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

(e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable for the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis.

The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operation cash flows.

(f) Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the liability method on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities reflects the tax consequences that would follow from the manner in which the consolidated entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax and when the balances relate to taxes levied by the same taxation authority and the Company/consolidated entity intends to settle its tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the statement of comprehensive income, except when it relates to items credited or debited to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

(g) Intangibles

The cost of the Company's franchise fee has been recorded at cost and is amortised on a straight line basis at a rate of 20% per annum.

(h) Employee entitlements

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

The Company contributes to a defined contribution plan. Contributions to employee superannuation funds are charged against income as incurred.

Notes to the financial statements (continued)

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(j) Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(k) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated at the rate equivalent to the available building allowance using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation:

- Buildings and improvements 40 years
- Plant and equipment 2.5 - 40 years
- Motor vehicles 5 years

(l) Borrowings

All loans are initially measured at the principal amount. Interest is recognised as an expense as it accrues.

(m) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(n) Payment terms

Receivables and payables are non interest bearing and generally have payment terms of between 30 and 90 days.

(o) Trade receivables and payables

Receivables are carried at their amounts due. The collectability of debts is assessed at balance date and specific provision is made for any doubtful accounts. Liabilities for trade creditors and other amounts are carried at cost that is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

(p) Provisions

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions of other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

(q) Contributed equity

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

Notes to the financial statements (continued)

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(s) New Accounting standards adopted during the year

There were no new accounting standards that had a material impact on the financial reporting of the Company during the financial year.

	2024 \$	2023 \$
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NOTE 2 - REVENUE

Operating activities		
Services Commissions	1,159,088	1,265,411
	1,159,088	1,265,411
Non-operating activities		
Interest Income	22,428	1,883
	1,181,516	1,267,294

NOTE 3 - INCOME TAX EXPENSE

The prima facie tax or loss from ordinary activities before income tax is reconciled as follows:

Operating Profit /(Loss)	190,008	289,930
Prima facie tax on loss from ordinary activities at 25%	47,502	72,482
Add/(less) tax effect of:		
- Non assessable income	-	-
Income tax expense	47,502	72,482

NOTE 4 - PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax has been determined after:

(a) Expenses		
Amortisation of intangibles	13,235	13,235
Depreciation of non-current assets	23,933	24,074
Auditors Remuneration	13,700	13,100

NOTE 5 - CASH ASSETS

Cash at bank	582,402	553,667
	582,402	553,667

Notes to the financial statements (continued)

	2024 \$	2023 \$
NOTE 6 - RECEIVABLES		
Trade debtors	101,941	104,793
Sundry Debtors	318	318
	102,259	105,111

NOTE 7 - DEFERRED TAX ASSET

Future Tax Benefit	33,133	26,606
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NOTE 8 - PROPERTY, PLANT AND EQUIPMENT

Plant and equipment - at cost	81,535	64,077
Less: accumulated depreciation	(56,013)	(53,105)
	25,522	10,972
Land & Buildings - at cost	533,886	454,923
Less: accumulated depreciation	(179,077)	(166,389)
	354,809	288,534
Motor vehicles - at cost	79,919	79,919
Less: accumulated depreciation	(54,910)	(46,573)
	25,009	33,346
Total written down amount	405,340	332,852

i) Movements in carrying amounts

<i>Plant and equipment</i>		
Balance at the beginning of the year	10,972	10,103
Additions	17,458	2,339
Depreciation	(2,908)	(1,470)
Carrying amount at the end of the year	25,522	10,972
<i>Land & Buildings</i>		
Balance at the beginning of the year	288,534	300,023
Additions	78,963	-
Depreciation	(12,688)	(11,489)
Carrying amount at the end of the year	354,809	288,534
<i>Motor Vehicles</i>		
Balance at the beginning of the year	33,346	44,461
Additions	-	-
Disposal	-	-
Depreciation	(8,337)	(11,115)
Carrying amount at the end of the year	25,009	33,346

Notes to the financial statements (continued)

	2024 \$	2023 \$
NOTE 9 - INTANGIBLE ASSETS		
Franchise fee - at cost	66,173	66,173
Less: accumulated amortisation	(28,124)	(14,889)
Total written down amount	38,049	51,284
NOTE 10 - TRADE AND OTHER PAYABLES		
Trade creditors	9,250	8,750
Income tax payable	36,231	63,709
Other creditors & accruals	81,671	49,628
	127,152	122,087
NOTE 11 - PROVISIONS		
<i>Current</i>		
Annual leave	54,811	51,512
Total Current	54,811	51,512
<i>Non Current</i>		
Long service leave	57,811	46,660
Total Non Current	57,811	46,660
Total Provisions	112,622	98,172
NOTE 12 - Borrowings		
<i>Current</i>		
Loan - Bendigo and Adelaide Bank Ltd (Franchise Fee)	13,235	13,235
Loan - Bendigo and Adelaide Bank Ltd (Property Loan)	1,016	14,494
Equipment Finance	11,496	11,496
Bendigo Bank Credit Card	963	2,477
Total Current	26,710	41,702
<i>Non Current</i>		
Loan - Bendigo and Adelaide Bank Ltd (Franchise Fee)	13,234	26,469
Equipment Finance	6,263	17,062
Total Non Current	19,497	43,531
Total Borrowings	46,206	85,233
NOTE 13 - CONTRIBUTED EQUITY		
626,650 Ordinary shares paid at \$1	626,650	626,650
Less: equity raising expenses	(32,775)	(32,775)
	593,875	593,875

Notes to the financial statements (continued)

	2024 \$	2023 \$
--	------------	------------

NOTE 14 - ACCUMULATED PROFITS/(LOSSES)

Opening balance	170,153	15,371
Net profit from activities after income tax	142,506	217,447
Dividends Paid	(31,333)	(62,665)
	281,327	170,153

NOTE 15 - CASH FLOW INFORMATION

(i). Reconciliation of Cash

For the purpose of the statement of Cash Flows, cash includes cash on hand and at bank.

Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the statement of financial performance as follows:

Cash at bank (Note 5)	582,402	553,667
Total Cash	582,402	553,667

(ii). Reconciliation of Operating Profit to Net Cash Used in Operating Activities:

Profit / (loss) for Year:	142,506	217,447
Non cash flows recored in ordinary activities		
Amortisation	13,235	13,235
Depreciation	23,933	24,074
Net cash provided / (used) in operating activities before changes in assets and liabilities during the year		
(Increase) / decrease in receivables	2,852	(25,118)
(Increase)/ Decrease in Future Tax Benefit	(6,527)	8,774
Increase / (decrease) in payables	5,065	68,440
Increase / (decrease) in provisions	14,450	29,176
Net Cash Used in Operating Activities	195,515	336,030

NOTE 16 - EARNINGS PER SHARE

(a) Profit / (Loss) attributable to ordinary equity holders	142,506	217,447
(b) Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	626,650	626,650

NOTE 17 - DIVIDENDS

Dividends paid for the year were at 5c per share (2023 -10c per share)

Notes to the financial statements (continued)

NOTE 18 – FINANCIAL INSTRUMENTS

Financial Risk Management

The Company's activities expose it to a limited variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the entity. The entity does not use derivative instruments.

Risk management is carried out directly by the Board of Directors.

(i) Market risk

The Company has no exposure to any transactions denominated in a currency other than Australian dollars.

(ii) Price risk

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

(iii) Credit risk

The Company has no significant concentrations of credit risk. It has policies in place to ensure that customers have an appropriate credit history. The Company's franchise agreement limits the Company's credit exposure to one financial institution, being Bendigo Bank Limited.

(iv) Liquidity risk

Prudent liquidity management implies maintaining sufficient cash and marketable securities and the availability of funding from credit facilities. The Company believes that its sound relationship with Bendigo Bank Limited mitigates this risk significantly.

(v) Cash flow and fair value interest rate risk

Interest-bearing assets are held with Bendigo Bank Limited and subject to movements in market interest. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest-rate risk. The Company believes that its sound relationship with Bendigo Bank Limited mitigates this risk significantly.

	Fixed interest rate maturing in											
	Floating		1 year or less		Over 1 to 5 years		Over 5 years		Non interest bearing		Weighted average Effective Interest rate	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Financial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Financial assets												
Cash assets	582,402	553,667	-	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	102,259	105,111	N/A	N/A
Financial liabilities												
Payables	-	-	-	-	-	-	-	-	127,152	122,087	N/A	N/A
Borrowings	15,214	14,494	6,263	25,558	-	-	-	-	26,469	39,704	3.25	4.3

NOTE 19– RELATED PARTY TRANSACTIONS

There were no related party transactions between the company and directors during the year.

The names of the Directors who have held office during the financial year are:

Colin James Nagle	Julie Maree Giddings
Lachlan Ian MacKenzie	Daniel Murray Martin
Anthony Owen A'Beckett	Malcolm Antony Marshall
Bruce Bertram Alleyne	Lloyd Mildren
Patrick Barrett	Ken Dale

Notes to the financial statements (continued)

NOTE 20 – COMPANY DETAILS

The registered office of the company is:

Tumbarumba Financial Services Limited
27 The Parade
Tumbarumba NSW 2653

NOTE 21 - EVENTS OCCURRING AFTER THE BALANCE DATE

There have been no events after the end of the financial year that would materially affect the financial statements.

NOTE 22 - CONTINGENT LIABILITIES

There were no contingent liabilities at the date of this report to affect the financial statements.

NOTE 23 - SEGMENT REPORTING

The economic entity operates in the service sector where it facilitates Community Bank services pursuant to a franchise agreement with Bendigo Bank Limited. The economic entity operates in one geographic area being Tumbarumba and surrounding districts of New South Wales.

Directors' declaration

For the financial year ended 30 June 2024

The directors of the company declare that:

1. The financial statements and notes, are in accordance with the *Corporations Act 2001*:
 - a) comply with Accounting Standards and the *Corporations Regulations 2001*; and
 - b) give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the company and economic entity;
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Director

Dated at Wagga Wagga this 25th day of September 2024

Independent audit report



■ PARTNERS:
P.J. King CA
A.P. Powell CA
D.R. Uden CA
R.K. Nicoll CA
M.A. Smith CA
D.T. Rosetta CA

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

TUMBARUMBA FINANCIAL SERVICES LIMITED

Opinion

We have audited the accompanying financial report of Tumbarumba Financial Services Limited, which comprises the statement of financial position as at 30 June 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2024 and of their 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* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Information Other than the Financial Report and Auditor's Report Thereon

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 do not express any form of assurance conclusion thereon.

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Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls 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 to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

John L. Bush Campbell

JOHN L BUSH & CAMPBELL
Chartered Accountants



David Rosetta
Partner

Wagga Wagga
25 September 2024

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Email: tumbarumbamailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/tumbarumba

Franchisee: Tumbarumba Financial Services Limited
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 /communitybanktumbarumba

 **Bendigo Bank**