

Annual Report 2024

Whitehorse Community
Enterprises Ltd

Community Bank
Blackburn South

ABN 67 106 202 304

We ♥
community

Better
together

Thank
you

Better
together

We ♥
community

Tha
you



Contents

Chairman's report	1
Manager's report	3
Bendigo and Adelaide Bank report	4
Community investment	5
Celebrating 20 years of giving back to the community	10
Celebrating 20 years - Our focus for the future	11
Directors' report	12
Auditor's independence declaration	19
Financial statements	20
Notes to the financial statements	24
Directors' declaration	42
Independent audit report	43

Chairman's report

For year ending 30 June 2024



Our focus on delivering exceptional service has continued through the great work of our branch team ably lead by Donna Willett. We remain dedicated to providing personalized banking experiences that cater to the unique needs of our customers.

As we celebrate our 20th year of operation, I am both proud and honoured to present the Chairman's Annual Report for 2023/2024. This milestone marks not just another year of success but also a testament to our commitment to serving our community and shareholders.

Reflecting on the Year

The past year has seen the continued successful operations of Whitehorse Community Enterprises. Our performance metrics reflect our strong foundation and our ability to adapt and thrive in a challenging financial environment. We have achieved a solid result in both our financial and operational metrics, reinforcing our position as a cornerstone of the community.

1. Financial Performance

- Net Income: We are pleased to report another solid year with income of \$713,101 down slightly from the FY2023 result of \$908,480. This is a result of our strategic investment in the Community, effective cost management, and changes to our margin income arrangements with our franchisor.
- Total Assets: Our total assets have grown to \$3,821,598, marking an impressive 38.9% increase from the previous year. This growth is driven by our strong financial result and sound fiscal management practices.
- Earnings per Share: Our Basic earnings per share this year was \$1.0854 down slightly from FY2023 at \$1.3827.

2. Community Impact

- Community Initiatives: Whitehorse Community Enterprises Ltd has furthered its role as a community partner through various initiatives, including our revised community engagement and grants programs. We have also increased our charitable contributions to \$141,024, a 94.2% increase over FY2023 and returning to our longer-term ambition levels in this area post the COVID pandemic.

3. Customer Experience and Innovation

- Customer Satisfaction: Our focus on delivering exceptional service has continued through the great work of our branch team ably lead by Donna Willett. We remain dedicated to providing personalized banking experiences that cater to the unique needs of our customers.

4. Strategic Initiatives and Future Outlook

- Growth Strategy: As we look ahead, we remain committed to our strategic objectives of enhancing our community presence and service offerings. Our focus will be on leveraging our great mobile lending team members in addition to our branch staff who will be able to deliver a better customer experience through our refreshed branch.
- Risk Management: We are continually reviewing and enhancing our risk management framework to navigate potential challenges and safeguard our assets. Our proactive approach ensures that we are well-prepared to address any uncertainties in the financial landscape.

Chairman's report (continued)

Acknowledgments and Gratitude

None of our achievements would have been possible without the dedication and hard work of our branch team, the loyalty of our customers, and the trust of our shareholders. I extend my heartfelt thanks to each member of our Whitehorse Community Enterprises family for their contributions; your commitment and passion are the driving forces behind our success.

As we celebrate our 20th anniversary, we are both grateful for our past accomplishments and excited for the future. We remain steadfast in our mission to remain highly relevant to our community and stakeholders, and we look forward to many more years of continued success and growth.

Thank you for your ongoing support and confidence in Whitehorse Community Enterprises Ltd and our highly skilled and dedicated Board of Directors.

Sincerely,



David Spong
Chairman of the Board
Whitehorse Community Enterprises Ltd

Manager's report

For year ending 30 June 2024



2024 marks our 20th Anniversary, many of you are our original shareholders and we thank you for your original investment and ongoing support.

Another financial year has come to an end, and what a year it has been.

2024 marks our 20th Anniversary, many of you are our original shareholders and we thank you for your original investment and ongoing support.

Customer numbers continue to grow month on month, reinforcing the attractiveness of Community Banking and all that we offer. As we grow, this enables us to continue to give back to our community through our Grants and Sponsorships programme. This year we have been able to provide much needed funding to a wide range of community groups and clubs. I take great pride seeing our signage at so many sporting facilities throughout Whitehorse and to speak with people from these clubs about the difference this funding has made to them is a highlight for me.

We have seen numerous home loan interest rate rises over the past financial year coupled with many people coming off fixed rate loans during this time, the staff have been in regular contact with our lending customers to ensure our customers are aware of these changes. At the time of writing, we have had no further increases since November 2023.

We are still seeing many first time home buyers getting into the housing market with the help of the Victorian Homebuyer Fund – a shared equity scheme provided by the Victorian Government.

There have been several staff changes during the year, our Mobile Relationship Manager Ricky Hu departed in August and our Customer Relationship Manager Henry Tang departed in May - we wish Ricky and Henry all the best in their future endeavours.

We welcomed Alfred Lim as our new Mobile Relationship Manager in September, Saber Abdalla as our new Customer Relationship Officer in October and Vick Satgunasingam as our new Customer Relationship Manager in June. Thank you to our three new team members, you have brought new skills and fresh enthusiasm to the branch team.

Thank you to Marcy Whitby, Leanne Fyffe and Neha Patel our friendly, efficient and very knowledgeable front line Customer Service Officers, your ongoing enthusiasm and professionalism is what makes a difference to our valued customers.

We saw Marcy Whitby celebrate 20 year's service with us in March, flowers, balloons and cake marked the occasion and it was lovely to see customers, Board members and Senior bank Staff congratulating Marcy on this outstanding achievement.

Thank you to our wonderful Directors, their contribution is very much appreciated by myself and the staff. I would particularly like to thank them for the support they have given me since taking over as Manager.

The branch is set for renovations to be done in September and we all cannot wait to see the new layout in the brighter more open branch. The planning for this has been a long thorough exercise and we look forward to seeing you all in our new look branch- even if it is just to come in to say hello.

A handwritten signature in black ink, appearing to read 'Donna Willett'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Donna Willett
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.

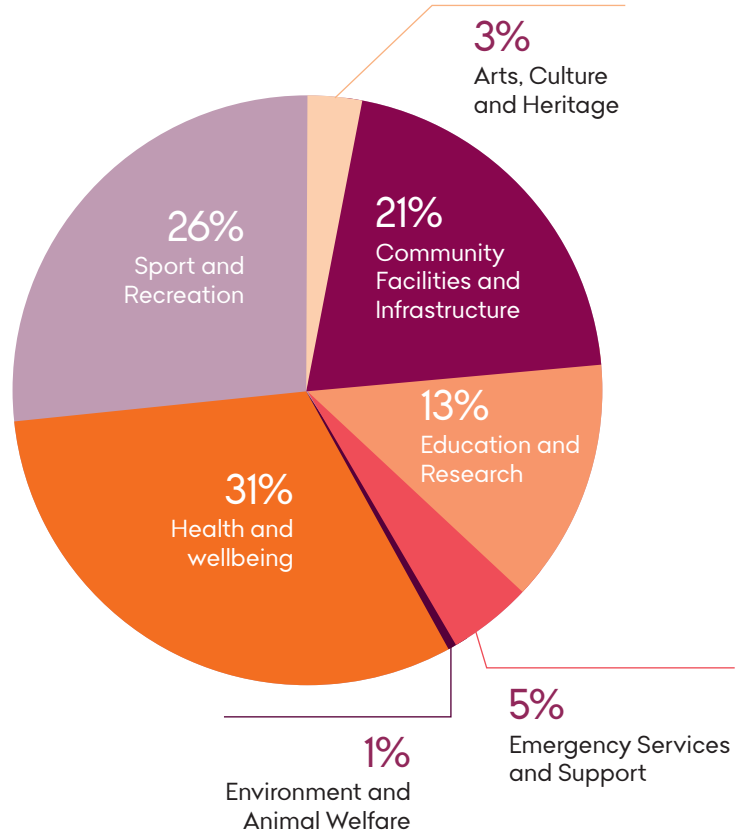
Your dedication and support is making a positive impact on your community.

Justine Minne
Bendigo and Adelaide Bank

Community investment

Cumulative community contributions - to 30 June 2024

Area	Sum of Total
Arts, Culture and Heritage	\$39,674
Community Facilities and Infrastructure	\$296,543
Education and Research	\$186,658
Emergency Services and Support	\$65,681
Environment and Animal Welfare	\$7,100
Health and Wellbeing	\$443,867
Sport and Recreation	\$374,481
Grand total	\$1,414,004




\$142,407
Donations, sponsorships and promotion in 2023/24



313
Groups assisted since incorporation



3,790
Local customers at 30 June 2024



\$3,821,598
Total assets as at 30 June



25¢
Dividend: 25 cent fully franked paid in 2023/24



10
Directors working for Whitehorse Community Enterprises Ltd

Glossary

Throughout this report we refer to particular terms. Here's what we mean by...

Footings means the total deposits, loan and other business held at a particular Community Bank. This is a measure of the banking business we look after for customers.

Community Investment means a contribution made by our company to a not-for-profit community-based organisation. This can be in the form of a sponsorship or a grant. Some are big while some are small, and may reflect the number of members from the community that have become customers.

Community Bank means a franchise of Bendigo and Adelaide Bank Limited that is operated by a public company owned by people in the community the branch operates in.

Community investment (continued)

Blackburn South Netball Club

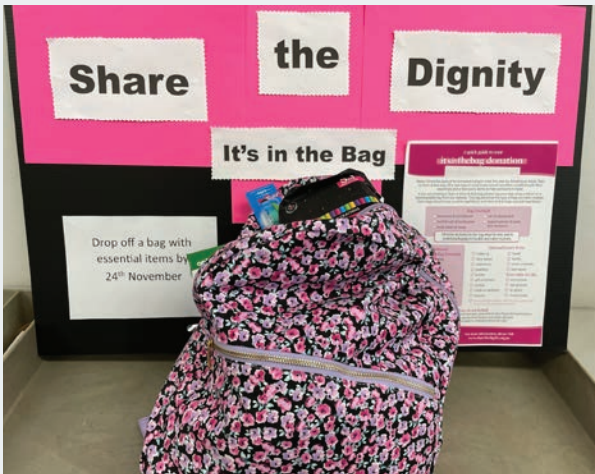
We were excited to see Blackburn South Netball Club off to a strong start this season. Playing every Saturday at Sportlink Vermont South, the club offers opportunities for people of all skill levels, from beginners to more experienced players. Impressively, the club has even produced a Suncorp Super Netball player.

For nearly 20 years, Community Bank Blackburn South has proudly sponsored the club, providing essential funding to support their efforts in getting teams on the court each season. This year, the club reached out to our branch through the Grants process, and we were delighted to continue our support.



Share the Dignity

A heartfelt thank you to everyone who contributed to our branch's participation in the Share the Dignity "It's In The Bag" campaign in October. We delivered all the thoughtfully filled bags of essential items to a local collection point. Your generous donations will make a meaningful difference and help brighten someone's day.



Whitehorse Business Group

Our Branch Manager Donna had the honour of presenting the Small Business Awards category at the 2023 Whitehorse Excellence in Business Awards. Congratulations to Imaging Associates for winning the Innovation in Small Business Award, and to Kenner Electrics for securing the Excellence and Sustainability in Small Business Award.

As proud sponsors of this organisation for the past 10 years, we are always delighted to support and celebrate the success of local businesses. The evening provides a fantastic opportunity for networking, and we congratulate all the nominees and winners. Many thanks to the Whitehorse Business Group for hosting such a wonderful night.



Community investment (continued)

Diwali 2023

Our team came together to celebrate Diwali, the Festival of Lights, with the help of Customer Service Officer Neha, who shared her cultural traditions with us. Neha introduced us to traditional clothing, taught us dance moves, and prepared delicious treats for everyone to enjoy. This celebration highlights the richness of our team's diversity, both in our staff and our customers. A special thank you to Neha for organising such a vibrant and educational event that brought us all closer together.



Koonung Park Tennis Club

We are fortunate to have many outstanding sporting clubs in our community, and Koonung Park Tennis Club is certainly one of them. Offering a range of tennis programs for everyone from beginners to competitive players, the club plays a vital role in promoting active lifestyles.

Recently, Branch Manager Donna visited the club, which we have proudly sponsored for the past 5 years. The club acknowledges that our ongoing support has helped them upgrade their facilities to accommodate the growing community.

Nunawading Toy Library

We've proudly supported the Nunawading Toy Library in Forest Hill since 2006. With over 2,000 quality toys available for borrowing, this organisation provides a fantastic resource for local families.

When the library approached us through the Grant process, we were happy to fund new signage, replacing the old A4 laminated signs. The new signs help visitors navigate the library and highlight the educational benefits of the toys, which range from puzzles and blocks to ride-on cars, costumes, and more.



Community investment (continued)

Vermont South Club

Branch Manager Donna attended the opening of the newly upgraded Vermont South Club, a fantastic local facility offering Darts, Tennis, and Bowls. Located on Livingstone Road, the club features a welcoming outdoor BBQ area and large windows that bring the outdoors in.

We are fortunate to have such a great community space in our area, and Community Bank Blackburn South has proudly sponsored Vermont South Club since 2007.



Whitehorse Netball Association

This year, we are proud to begin our relationship with Whitehorse Netball Association, supporting the launch of their new Mixed Netball Competition, held on Saturdays. This competition is especially important as it provides a pathway for boys to continue playing netball beyond the age of 13. Congratulations to all the teams who took part in the competition's launch in February.



Blackburn South Knitting Community

The Blackburn South Knitting Community has been hard at work, regularly coming together to knit and enjoy a cuppa, all while contributing to their community. These dedicated volunteers create colourful blankets, beanies, cardigans, and jumpers, which we deliver to KOGO (Knit One Give One). KOGO distributes these handmade items to charities in need during the colder months. We extend our heartfelt thanks to our amazing knitters for their generous contributions.



Community investment (continued)

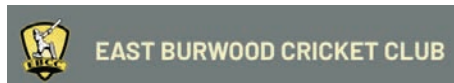
Community Sponsorships in 2023/24



1st Tally Ho Scout Group
Donvale-Nunawading Group of Girl Guides



MELBOURNE SCHOOL OF FINE WOODWORKING



Koonung Park Tennis Club



Celebrating 20 years of giving back to the community

2024 marks the 20th anniversary of Community Bank Blackburn South.

To commemorate this important milestone, we have undertaken a complete renovation of the branch. Finished in September 2024, the new design features an innovative, open-plan layout, ready to serve our local community with a refreshed and contemporary approach.

In 2000, banking services were withdrawn from the Blackburn South Shopping Centre. During this period, local residents and traders united to advocate for the return of banking services to Blackburn South. This led to a four year campaign that involved thousands of volunteer hours, numerous public meetings, and the distribution of tens of thousands of flyers and newsletters.

Over the past two decades, the bank has become integral to community life, providing essential banking services while also contributing to the growth of a wide range of local organisations. We extend our gratitude to our loyal customers who have supported our growth; you are part of our family. We also thank the community organisations that have collaborated with us in so many different initiatives. We love being part of your story. It has been so rewarding to witness clubs thrive through these partnerships. Together, we have accomplished so much, and after 20 years, we continue to grow.



Celebrating 20 years - Our focus for the future

Over the last 20 years, Community Bank Blackburn South has supported and built relationships with key partners in the City of Whitehorse. During this time of growth and development, we have been able to identify five key areas where we believe we can make a difference and create sustainable change for the community and for local residents.

We call these strategic areas of focus our Five Pillars of Community Engagement.



Community Resilience

Continue to build our communities resilience through the strengthening of local community groups capacity, capabilities and infrastructure.



Health and Wellbeing

Increase the health and wellbeing of our community through enhanced access to services and programs.



Social Cohesion

Drive opportunities for enhanced social connectedness across specific 'at risk' community segments.



Financial Inclusion

Increase the financial capability of community members through the delivery of training and resources.



Education

Support education opportunities aimed at enhancing respectful behaviours and allowing young people to achieve their potential.

To celebrate our significant milestone, Community Bank Blackburn South will embark on three year partnerships with the following organisations:



Together in partnership with Community Bank Blackburn South, SALT is aiming to transform Australian culture through sport. Ultimately, we want to prepare the next generation of young people to have the strengths and support networks they need to become resilient, successful adults.



Umbrella Dementia Cafés are a network of informal and multigenerational community peer support groups, called 'cafés', designed for families and people living dementia to improve social health and well-being. This three-year project will transform Umbrella Dementia Cafés (UDC) into a viable national network, providing vital support for individuals with dementia and their families.



Whitehorse Churches Care (WCC) is a partnership of 28 churches, working together with Whitehorse City Council, local police, service providers and other community groups. WCC raises awareness of, and responds to needs across the City of Whitehorse, including social isolation, mental ill-health and crisis interventions (food insecurity, homelessness and family violence). WCC was established in mid-2019 and in June 2022 the Forest Hill Chase Community Space was opened. With over 300 people visiting the Community Space each week and a further 100-150 engaged via phone calls through the Whitehorse Community Support Register, WCC works with 85 volunteers to deliver their services. In partnership with Community Bank Blackburn South, WCC will continue to grow the reach and impact of the wide range of services they provide.



Congratulations Marcy!

Let's raise a toast to Marcy as she celebrates her remarkable 20-year journey with Community Bank Blackburn South! Thank you for two decades of invaluable contributions and for being an inspiration to us all and making a positive impact in our community!

Directors' report

For the financial year ended 30 June 2024

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

Directors

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



David Stewart Spong

Title: Non-executive director

Experience and expertise: David is the Australia and New Zealand Chief Financial Officer and Executive Director for Ericsson, working for both the Australian subsidiary and the parent company, LM Ericsson, since 1997. David's roles have included General Manager Finance, CFO & Finance Director (Saudi Arabia) and Group Business Controller for the Global Ericsson Organization. David has over twenty-five years corporate, SME and not for-profit experience and has worked in Sweden, Saudi Arabia, United Arab Emirates and Australia. Outside his executive career, David has been actively involved in local community not for profit organizations along with a strong engagement with CPA Australia Limited having held the role of Deputy Victorian President in 2014 and Non-Executive Director from 2014 to 2017. In addition to David's CPA involvement he was a member of the RMIT School of Accounting advisory board and was approached by The Prince's Accounting for Sustainability Project to assist in determining the viability of the establishment of an Australian and New Zealand chapter for this key focus area of the Prince of Wales. Bachelor of Business, FCPA (CPA Australia), GAICD (Australian Institute of Company Directors).

Special responsibilities: Chairman, Member of the Finance, Governance and Risk Committee, Member of the Strategy Committee, Member of the Branch Operations Committee



Stuart Craig Burdack

Title: Non-executive director (appointed 1 October 2023)

Experience and expertise: Stuart is an accomplished Director & CEO with Master of Business and Company Director qualifications. He has governance and business leadership experience across government, not-for-profit, educational and public purpose enterprises. He has been responsible for the successful planning and delivery of complex projects involving multi-stakeholder management and negotiations. He has worked for more than 30 years as a local government senior executive and CEO and as CEO of a national not-for-profit company protecting more than \$400 billion of member infrastructure. Stuart also holds directorships at Caulfield Racecourse Reserve Trust & DBYD Certification Ltd.

Special responsibilities: Member of Branch Operations Committee and Community Engagement Committee

Directors' report (continued)

Directors (continued)



Peter John Enlund

Title: Non-executive director

Experience and expertise: Fellow of the Institute of Chartered Accountants in Australia and New Zealand, admitted in 1977. Peter holds a Bachelor of Arts (Honours) degree with High Distinction from Monash University. Active member of the Rotary Club of Box Hill Central and a Rotarian for over 35 years. Treasurer of two not-for-profit entities 2015 – 2017. Peter has extensive experience in Australia and USA in a range of executive and Board positions such as Chief Operating Officer, Chief Financial Officer, Group General Manager – Finance and Administration and Company Secretary in a variety of businesses, including four Australian universities, two ASX-listed companies and Divisions of a major Australian ASX-listed manufacturer.

Special responsibilities: Member of the Finance, Governance and Risk Committee; Company Secretary



Diane Elizabeth Fisher

Title: Non-executive director

Experience and expertise: Diane is Principal of The Balance Approach Pty Ltd and has over 25 years consulting experience with a range of industries from health care delivery, financial services, to logistics transport and utilities. Diane is a member of the Rotary Club of Box Hill Central. Diane serves on the Peter McCallum Consumer Engagement team with an interest in the funding of research projects.

Special responsibilities: Chair – Branch Operations Committee



Donna Louise Goldsmith

Title: Non-executive director (appointed 1 December 2023)

Experience and expertise: Donna is an intensive care registered nurse who was born and bred in Blackburn South and has long standing involvement in local sporting and community groups. Donna holds a Masters in Nursing, a MBA and is a graduate of the AICD Company Directors Course. Donna also has experience as a small business owner which focused on community engagement in particular providing work experience for adults living with a disability. Donna also holds directorships at Box Hill Cemetery Trust, LaTrobe Community Health Service, Victorian Voluntary Assisted Dying Review Board and VCAT Sessional Member.

Special responsibilities: Member of Branch Operations Committee and Community Engagement Committee

Directors' report (continued)

Directors (continued)



Umberto Mecchi

Title: Non-executive director (resigned 9 August 2023)

Experience and expertise: Umberto is the Group Executive, Marketing, Corporate Relations, Policy and Stakeholder relationships at leading Industry super fund Hostplus. Prior to this appointment he was Founder and CEO of Mecchinism Pty Ltd – a marketing consultancy firm between 2019 and 2022. Past experiences include, Chief Marketing Officer at Hostplus where he managed the strategy, business intelligence, PMO, Client Sales and Services and the Marketing portfolios. Umberto's roles have included senior marketing positions with the ANZ Bank, National Mutual/AXA and Zurich Financial Services in addition to working as a campaign strategist for The Shannon Company agency. In 2017, Umberto was ranked 11th in the coveted CMO Top 50 list in Australia in recognition of his marketing Influence and Excellence. Umberto holds a Bachelor of Business (Marketing) from RMIT and a Graduate Diploma in Organisational Leadership from Melbourne Business School. In 2021 Umberto also became a Graduate of the Australian Institute of Company Directors. He is also a Board Director of the Boroondara Eagles Football Club.

Special responsibilities: Member of the Community Engagement Committee, Member of the Strategy Committee



Priscilla Helen Mellado

Title: Non-executive director

Experience and expertise: Priscilla is a strategic marketing professional with over twenty years leadership experience in consumer-focused businesses across a range of industries including FMCG, retail, fast food, community radio broadcasting, telecommunications, international mission development and corporate wellbeing services. Outside her corporate responsibilities, Priscilla is actively involved in not for profit community and missions organisations. Priscilla holds a Bachelor of Business (Marketing) and GAICD (Australian Institute of Company Directors)

Special responsibilities: Deputy chair, Chair – Community Engagement Committee



Andrew Stephen Munroe

Title: Non-executive director

Experience and expertise: Telecommunications Engineer – Telstra. Holds a Bachelor of Business degree from Royal Melbourne Institute of Technology. Past executive member and treasurer of a range of community organisations, many in the catchment area of the Blackburn South Branch. Presently a City of Whitehorse Councillor of fifteen years standing, including three terms as Mayor 2012/13, 2014/15 & 2020/21.

Special responsibilities: Member of the Strategy Committee

Directors' report (continued)

Directors (continued)



Fotis Pantelis Pourgoutzidis

Title: Non-executive director (appointed 1 October 2023)

Experience and expertise: Foti is a Cybersecurity engineer and has over 15 years consulting experience across financial services, telecommunications and retail. Furthermore, Foti has over 10 years experience in funds management, working with a number of Australian fund managers. He holds a Bachelor of Information Technology degree, is a 2022 Graduate of the AICD Company Directors Course and has served four years as an Honorary Bail Justice in Victoria.

Special responsibilities: Member of Finance, Governance and Risk Committee, Member of Community Engagement Committee



Daniel Robert Watts

Title: Non-executive director

Experience and expertise: Dan is a Chartered Accountant and has a finance, accounting and reporting background. Dan is presently a senior finance manager with BHP and has led financial accounting, management accounting, tax accounting, merger and acquisition transactions and various finance project teams over the past ten years. Prior to BHP, Dan was a manager in the assurance and advisory service line of Deloitte in Australia and Canada. Dan was President of Blackburn Lake Primary School Council from 2017-2020 and has been actively involved in a number of community clubs.

Special responsibilities: Treasurer, Chair of the Finance, Governance and Risk Committee, Member of the Branch Operations Committee

Company secretary

The company secretary is Peter John Enlund. Peter was appointed to the position of secretary from 1 July 2019.

Principal activity

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

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

Review of operations

The profit for the company after providing for income tax amounted to \$713,101 (30 June 2023: \$908,480). Operations have continued to perform in line with expectations.

Dividends

During the financial year, the following dividends were declared.

	2024 \$	2023 \$
Fully franked dividend of 25 cents per share (2023: 10 cents)	164,253	65,701

Directors' report (continued)

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.

On 5 April 2024, the company entered into a new 5-year franchise agreement with Bendigo Bank, which increased the company's intangible assets and trade and other payables.

On 20 June 2024, the company entered into a new lease agreement for its branch premises located at Blackburn South, Victoria. The lease agreement contains an initial lease period of five years, plus two further optional terms of five years each. As a result, the company has recorded a material increase to its right-of-use assets and lease liabilities at 30 June 2024. Refer to note 14 and note 17 for further information.

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

On 16 July 2024 the company entered into arrangement with Bendigo Bank to project manage the refurbishment of its branch premises. The expected costs of the refurbishment is \$364,354 (ex GST) including contingencies. The refurbishment work is scheduled to be completed in September 2024. Once complete, the refurbishment will increase the company's property, plant and equipment and decrease cash and cash equivalents.

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

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 attended by each of the directors of the company during the financial year were:

	Board	
	Eligible	Attended
David Stewart Spong	10	10
Stuart Craig Burdack	9	8
Peter John Enlund	10	9
Diane Elizabeth Fisher	10	7
Donna Louise Goldsmith	7	7
Umberto Mecchi (resigned 9 August 2023)	1	1
Priscilla Helen Mellado	10	9
Andrew Stephen Munroe	10	10
Fotis Pantelis Pourgoutzidis	9	9
Daniel Robert Watts	10	8

Directors' report (continued)

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 notes 22 and 23 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
David Stewart Spong	1,000	-	1,000
Stuart Craig Burdack	-	-	-
Peter John Enlund	6,000	-	6,000
Diane Elizabeth Fisher	8,500	-	8,500
Donna Louise Goldsmith	-	-	-
Priscilla Helen Mellado	-	-	-
Andrew Stephen Munroe	21,002	500	21,502
Fotis Pantelis Pourgoutzidis	-	5,000	5,000
Daniel Robert Watts	500	-	500

Shares under option

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

Shares issued on the exercise of options

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

Indemnity and insurance of directors and officers

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

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

Proceedings on behalf of the company

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

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

Directors' report (continued)

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 24 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



David Stewart Spong
Chairman

5 September 2024

Auditor's independence declaration



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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Whitehorse Community Enterprises Ltd

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

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 5 September 2024

A handwritten signature in black ink, appearing to read 'Lachlan Tatt'.

Lachlan Tatt
Lead Auditor

Financial statements

Statement of profit or loss and other comprehensive income For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue from contracts with customers	7	2,066,412	2,221,500
Finance revenue		101,662	12,687
Total revenue		2,168,074	2,234,187
Employee benefits expense	8	(709,219)	(615,550)
Advertising and marketing costs		(2,905)	(33,352)
Occupancy and associated costs		(17,617)	(7,822)
System costs		(18,207)	(17,567)
Depreciation and amortisation expense	8	(64,916)	(71,435)
Impairment of assets	8	(66,082)	-
Loss on disposal of assets		(169)	(1,375)
Finance costs	8	(14,702)	(4,120)
General administration expenses		(181,469)	(196,852)
Total expenses before community contributions and income tax expense		(1,075,286)	(948,073)
Profit before community contributions and income tax expense		1,092,788	1,286,114
Charitable donations and sponsorships expense		(141,024)	(72,601)
Profit before income tax expense		951,764	1,213,513
Income tax expense	9	(238,663)	(305,033)
Profit after income tax expense for the year		713,101	908,480
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		713,101	908,480
		Cents	Cents
Basic earnings per share	26	108.54	138.27
Diluted earnings per share	26	108.54	138.27

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

Financial statements (continued)

Statement of financial position As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	10	600,985	352,917
Trade and other receivables	11	237,041	229,858
Investments	12	2,311,018	2,030,471
Total current assets		3,149,044	2,613,246
Non-current assets			
Property, plant and equipment	13	20,321	92,499
Right-of-use assets	14	575,996	35,009
Intangible assets	15	66,627	9,688
Deferred tax assets	9	9,610	-
Total non-current assets		672,554	137,196
Total assets		3,821,598	2,750,442
Liabilities			
Current liabilities			
Trade and other payables	16	124,627	168,321
Lease liabilities	17	51,944	43,363
Current tax liabilities	9	205,577	231,865
Employee benefits		29,730	26,713
Total current liabilities		411,878	470,262
Non-current liabilities			
Trade and other payables	16	46,402	-
Lease liabilities	17	533,409	-
Deferred tax liabilities	9	-	1,155
Employee benefits		4,906	2,870
Total non-current liabilities		584,717	4,025
Total liabilities		996,595	474,287
Net assets		2,825,003	2,276,155
Equity			
Issued capital	18	464,870	464,870
Retained earnings		2,360,133	1,811,285
Total equity		2,825,003	2,276,155

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

Financial statements (continued)

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

	Note	Issued capital \$	Retained earnings/ \$	Total equity \$
Balance at 1 July 2022		464,870	968,506	1,433,376
Profit after income tax expense				
Other comprehensive income, net of tax		--	908,480-	908,480-
Total comprehensive income		-	908,480	908,480
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	20	-	(65,701)	(65,701)
Balance at 30 June 2023		464,870	1,811,285	2,276,155
Balance at 1 July 2023		464,870	1,811,285	2,276,155
Profit after income tax expense				
Other comprehensive income, net of tax		--	713,101-	713,101-
Total comprehensive income		-	713,101	713,101
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	20	-	(164,253)	(164,253)
Balance at 30 June 2024		464,870	2,360,133	2,825,003

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

Financial statements (continued)

Statement of cash flows For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,303,537	2,352,469
Payments to suppliers and employees (inclusive of GST)		(1,311,635)	(1,174,148)
Interest received		67,720	6,952
Interest and other finance costs paid		-	(257)
Income taxes paid		(293,479)	(42,423)
Net cash provided by operating activities	25	766,143	1,142,593
Cash flows from investing activities			
Payments for investments		(280,547)	(1,006,952)
Payments for property, plant and equipment	13	(1,540)	(11,615)
Payments for intangible assets		(14,061)	(13,404)
Net cash used in investing activities		(296,148)	(1,031,971)
Cash flows from financing activities			
Interest and other finance costs paid		(14,702)	(3,863)
Dividends paid	20	(164,253)	(65,701)
Repayment of lease liabilities		(42,972)	(43,680)
Net cash used in financing activities		(221,927)	(113,244)
Net increase/(decrease) in cash and cash equivalents		248,068	(2,622)
Cash and cash equivalents at the beginning of the financial year		352,917	355,539
Cash and cash equivalents at the end of the financial year	10	600,985	352,917

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

Notes to the financial statements

For the year ended 30 June 2024

Note 1. Reporting entity

The financial statements cover Whitehorse Community Enterprises 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 1/134 Canterbury Road, Blackburn South VIC 3130.

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 5 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.

Notes to the financial statements (continued)

Note 3. Material accounting policy information (continued)

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. Investments are carried at amortised cost using the effective interest rate method.

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. The loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Impairment of non-financial assets

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

Timing of revenue recognition associated with trail commission

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

Allowance for expected credit losses on trade and other receivables

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

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

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

Notes to the financial statements (continued)

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

Impairment of non-financial assets

The company assesses impairment of non-financial assets 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.

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

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 April 2029.

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:

Notes to the financial statements (continued)

Note 5. Economic dependency (continued)

- 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 even if they had initial investment periods greater than three months.

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

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

- Cash and cash equivalents decreased and investments increased by \$2,030,471 at 30 June 2023 as reported in the Statement of financial position.
- Opening and closing cash balances were reduced to exclude term deposits with initial investment periods greater than three months as reported in the Statement of cash flows.
- Investments in and redemptions of term deposits with initial investment periods greater than three months are now classified within investment activities as reported in the Statement of cash flows.

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

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

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

During the financial year the company recorded a change in accounting policy, whereby it elected to recognise the right-of-use asset net of accumulated depreciation on initial adoption of AASB 16. The change in accounting policy had no impact on the company's net profit or net asset position, however it did reduce the company's right-of-use asset cost and accumulated depreciation at 30 June 2023 by \$10,323.

Note 7. Revenue from contracts with customers

	2024 \$	2023 \$
Margin income	1,956,761	2,110,183
Fee income	66,097	66,924
Commission income	43,554	44,393
	2,066,412	2,221,500

Accounting policy for revenue from contracts with customers

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

Notes to the financial statements (continued)

Note 7. Revenue from contracts with customers (continued)

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

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

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

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

Revenue calculation

The franchise agreement provides that three forms of revenue may be earned by the company which are margin, commission and fee income. Bendigo Bank decides the form of revenue the company earns on different types of products and services. The revenue earned by the company is dependent on the business that it generates, interest rates and funds transfer pricing and other factors, such as economic and local conditions.

Margin income

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

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

Notes to the financial statements (continued)

Note 8. Expenses

Employee benefits expense

	2024 \$	2023 \$
Wages and salaries	602,794	557,054
Superannuation contributions	55,759	56,441
Expenses related to long service leave	3,360	(32,168)
Other expenses	47,306	34,223
	709,219	615,550

Depreciation and amortisation expense

	2024 \$	2023 \$
<i>Depreciation of non-current assets</i>		
Leasehold improvements	6,598	10,867
Plant and equipment	844	1,523
Furniture and fittings	25	34
	7,467	12,424
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	44,082	45,828
<i>Amortisation of intangible assets</i>		
Franchise fee	2,197	2,197
Franchise renewal fee	11,170	10,986
	13,367	13,183
	64,916	71,435

Finance costs

	2024 \$	2023 \$
Lease interest expense	14,702	3,863
Other	-	257
	14,702	4,120

Leases recognition exemption

	2024 \$	2023 \$
Expenses relating to low-value leases	5,921	5,838

Impairment of assets

	2024 \$	2023 \$
Property, plant and equipment impairment	66,082	-

The company recorded an impairment loss related to assets at its branch in connection with an upcoming refurbishment. These assets were written down to their recoverable amounts, as they are expected to be replaced or disposed of.

Notes to the financial statements (continued)

Note 9. Income tax

	2024 \$	2023 \$
<i>Income tax expense</i>		
Current tax	250,880	289,990
Movement in deferred tax	(10,764)	15,043
Under/over adjustment	(1,453)	-
Aggregate income tax expense	238,663	305,033
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	951,764	1,213,513
Tax at the statutory tax rate of 25%	237,941	303,378
Tax effect of:		
Non-deductible expenses	2,175	1,655
	240,116	305,033
Under/over adjustment	(1,453)	-
Income tax expense	238,663	305,033

	2024 \$	2023 \$
<i>Deferred tax attributable to:</i>		
expense accruals	1,050	999
employee benefits	8,659	7,396
lease liabilities	146,338	10,841
income accruals	(9,919)	(1,434)
property, plant and equipment	7,481	(10,205)
right-of-use assets	(143,999)	(8,752)
Deferred tax asset/(liability)	9,610	(1,155)

	2024 \$	2023 \$
Provision for income tax	205,577	231,865

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.

Notes to the financial statements (continued)

Note 10. Cash and cash equivalents

	2024 \$	2023 \$
Cash at bank and on hand	600,985	352,917

Note 11. Trade and other receivables

	2024 \$	2023 \$
Trade receivables	186,585	217,069
Accrued income	39,677	5,735
Prepayments	10,779	7,054
	50,456	12,789
	237,041	229,858

Accounting policy for trade and other receivables

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

Note 12. Investments

	2024 \$	2023 \$
<i>Current assets</i>		
Term deposits	2,311,018	2,030,471

Note 13. Property, plant and equipment

	2024 \$	2023 \$
Leasehold improvements - at cost	239,097	245,231
Less: Accumulated depreciation and impairment	(225,308)	(161,342)
	13,789	83,889
Plant and equipment - at cost	48,239	54,856
Less: Accumulated depreciation	(43,247)	(46,511)
	4,992	8,345
Furniture and fittings - at cost	4,480	4,480
Less: Accumulated depreciation	(4,480)	(4,215)
	-	265
Works in progress - at cost	1,540	-
	20,321	92,499

Notes to the financial statements (continued)

Note 13. Property, plant and equipment (continued)

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

	Leasehold improvements \$	Plant and equipment \$	Furniture and fittings \$	Works in progress \$	Total \$
Balance at 1 July 2022	84,516	9,868	299	-	94,683
Additions	11,615	-	-	-	11,615
Disposals	(1,375)	-	-	-	(1,375)
Depreciation	(10,867)	(1,523)	(34)	-	(12,424)
Balance at 30 June 2023	83,889	8,345	265	-	92,499
Additions	-	-	-	1,540	1,540
Disposals	-	(169)	-	-	(169)
Impairment	(63,502)	(2,340)	(240)	-	(66,082)
Depreciation	(6,598)	(844)	(25)	-	(7,467)
Balance at 30 June 2024	13,789	4,992	-	1,540	20,321

Accounting policy for property, plant and equipment

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

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

Leasehold improvements	5 to 40 years
Plant and equipment	2 to 40 years
Furniture and fittings	6 to 9 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.

Impairment

Refer to note 8 for more information.

Note 14. Right-of-use assets

	2024 \$	2023 \$
Land and buildings - right-of-use	804,024	218,954
Less: Accumulated depreciation	(228,028)	(183,945)
	575,996	35,009

Notes to the financial statements (continued)

Note 14. 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	79,456
Remeasurement adjustments	1,381
Depreciation expense	(45,828)
Balance at 30 June 2023	35,009
Remeasurement adjustments	585,069
Depreciation expense	(44,082)
Balance at 30 June 2024	575,996

Accounting policy for right-of-use assets

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

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

Refer to note 17 for more information on lease arrangements and the remeasurement adjustments during the year.

Note 15. Intangible assets

	2024 \$	2023 \$
Franchise fee	105,635	93,917
Less: Accumulated amortisation	(94,490)	(92,291)
	11,145	1,626
Franchise renewal fee	228,166	169,577
Less: Accumulated amortisation	(172,684)	(161,515)
	55,482	8,062
	66,627	9,688

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

	Franchise fee \$	Franchise renewal fee \$	Total \$
Balance at 1 July 2022	3,823	19,048	22,871
Amortisation expense	(2,197)	(10,986)	(13,183)
Balance at 30 June 2023	1,626	8,062	9,688
Additions	11,716	58,590	70,306
Amortisation expense	(2,197)	(11,170)	(13,367)
Balance at 30 June 2024	11,145	55,482	66,627

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.

Notes to the financial statements (continued)

Note 15. Intangible assets (continued)

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

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

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

Asset class	Method	Useful life	Expiry/renewal date
Franchise fee	Straight-line	Over the franchise term (5 years)	April 2029
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	April 2029

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

Change in estimates

During the financial year, the company assessed estimates used for intangible assets including useful lives, residual values, and amortisation methods. There were no changes in estimates for the current reporting period.

Note 16. Trade and other payables

	2024 \$	2023 \$
<i>Current liabilities</i>		
Trade payables	100,568	163,170
Other payables and accruals	24,059	5,151
	124,627	168,321
<i>Non-current liabilities</i>		
Trade payables	46,402	-

	2024 \$	2023 \$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	171,029	168,321
Less: other payables and accruals (net GST payable to the ATO)	(79,113)	(96,390)
	91,916	71,931
	91,916	71,931

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

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

Note 17. Lease liabilities

	2024 \$	2023 \$
<i>Current liabilities</i>		
Land and buildings lease liabilities	51,944	43,363
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	533,409	-

Notes to the financial statements (continued)

Note 17. Lease liabilities (continued)

Reconciliation of lease liabilities

	2024 \$	2023 \$
Opening balance	43,363	85,662
Remeasurement adjustments	584,962	1,381
Lease interest expense	14,702	3,863
Lease payments - total cash outflow	(57,674)	(47,543)
	585,353	43,363

Remeasurement adjustments

On 20 June 2024, the company entered into a new lease agreement during the year for a term of 5 years plus 2 x 5 year renewal options which the board are reasonably certain to exercise. As a result the lease liability and right-of-use asset were recalculated to 2039.

Accounting policy for lease liabilities

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

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

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

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
Blackburn Branch	7.50%	5 years	2 x 5 years	Yes	March 2039

Note 18. Issued capital

	2024 Shares	2023 Shares	2024 \$	2023 \$
Ordinary shares - fully paid	657,010	657,010	657,010	657,010
Less: Equity raising costs	-	-	(27,887)	(27,887)
Less: Return of capital (2009)	-	-	(59,131)	(59,131)
Less: Return of capital (2010)	-	-	(59,131)	(59,131)
Less: Return of capital (2011)	-	-	(45,991)	(45,991)
	657,010	657,010	464,870	464,870

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.

Notes to the financial statements (continued)

Note 18. Issued capital (continued)

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

Dividends

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

Transfer

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

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

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").

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.

Notes to the financial statements (continued)

Note 19. 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.

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

Note 20. Dividends

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 25 cents per share (2023: 10 cents)	164,253	65,701

Franking credits

	2024 \$	2023 \$
Franking account balance at the beginning of the financial year	441,122	438,361
Franking credits (debits) arising from income taxes paid (refunded)	293,479	24,661
Franking debits from the payment of franked distributions	(54,751)	(21,900)
	679,850	441,122
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	679,850	441,122
Franking credits (debits) that will arise from payment (refund) of income tax	205,577	249,628
Franking credits available for future reporting periods	885,427	690,750

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 21. Financial risk management

Financial risk management objectives

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

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

Notes to the financial statements (continued)

Note 21. Financial risk management (continued)

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 BBB+ on Standard & Poor's credit ratings.
- The company has no direct exposure to movements in commodity prices.
- The company's interest-bearing instruments are held at amortised cost which have fair values that approximate their carrying value since all cash and payables have maturity dates within 12 months.
- The company has no borrowings.

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

	2024 \$	2023 \$
Financial assets		
Trade and other receivables	226,262	222,804
Cash and cash equivalents	600,985	352,917
Investments	2,311,018	2,030,471
	3,138,265	2,606,192

	2024 \$	2023 \$
Financial liabilities		
Trade and other payables	91,916	71,931
Lease liabilities	585,353	43,363
	677,269	115,294

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

Accounting policy for financial instruments

Financial assets

Classification

The company classifies its financial assets into the following categories:

- Amortised cost

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

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

Derecognition

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

Impairment of trade and other receivables

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

Financial liabilities

Classification

The company classifies its financial liabilities at amortised cost.

Notes to the financial statements (continued)

Note 21. Financial risk management (continued)

Derecognition

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

Market risk

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

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.

The company held cash and cash equivalents of \$600,985 and investments of \$2,311,018 at 30 June 2024 (2023: \$352,917 and \$2,030,471).

Liquidity risk

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

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

2024	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Trade and other payables	124,627	46,402	-	171,029
Lease liabilities	51,944	233,744	701,413	987,101
Total non-derivatives	176,571	280,146	701,413	1,158,130

2023	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Trade and other payables	168,321	-	-	168,321
Lease liabilities	44,365	-	-	44,365
Total non-derivatives	212,686	-	-	212,686

Note 22. Key management personnel disclosures

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

David Stewart Spong	Umberto Mecchi (resigned 9 August 2023)
Stuart Craig Burdack	Priscilla Helen Mellado
Peter John Enlund	Andrew Stephen Munroe
Diane Elizabeth Fisher	Fotis Pantelis Pourgoutzidis
Donna Louise Goldsmith	Daniel Robert Watts

Key management personnel compensation comprised the following.

	2024 \$	2023 \$
Short-term employment benefits	79,000	31,307
Post-employment benefits	8,690	3,287
	87,690	34,594

Notes to the financial statements (continued)

Note 22. Key management personnel disclosures (continued)

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

Key management personnel

Disclosures relating to key management personnel are set out in note 22.

Receivable from and payable to related parties

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

Terms and conditions of transactions with related parties

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

Transactions with related parties

The following transactions occurred with related parties:

	2024 \$	2023 \$
The company secretary has provided the company with secretarial and board support services.	18,860	14,763
Diane Fisher is involved with the Whitehorse International Women's Day Breakfast which received sponsorships worth:	3,000	-

Note 24. 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	6,835	5,400
<i>Other services</i>		
Taxation advice and tax compliance services	700	660
General advisory services	3,970	3,755
Share registry services	5,332	4,210
	10,002	8,625
	16,837	14,025

Notes to the financial statements (continued)

Note 25. Reconciliation of profit after income tax to net cash provided by operating activities

	2024 \$	2023 \$
Profit after income tax expense for the year	713,101	908,480
Adjustments for:		
Depreciation and amortisation	64,916	71,435
Impairment	66,082	-
Net loss on disposal of non-current assets	169	1,375
Lease liabilities interest	14,702	3,863
Change in operating assets and liabilities:		
Increase in trade and other receivables	(7,183)	(86,431)
Decrease in income tax refund due	-	15,702
Decrease/(increase) in deferred tax assets	(9,610)	13,888
Increase/(decrease) in trade and other payables	(53,644)	39,355
Increase/(decrease) in provision for current tax liabilities	(26,288)	231,865
Increase/(decrease) in deferred tax liabilities	(1,155)	1,155
Increase/(decrease) in employee benefits	5,053	(58,094)
Net cash provided by operating activities	766,143	1,142,593

Note 26. Earnings per share

	2024 \$	2023 \$
Profit after income tax	713,101	908,480
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	657,010	657,010
Weighted average number of ordinary shares used in calculating diluted earnings per share	657,010	657,010
	Cents	Cents
Basic earnings per share	108.54	138.27
Diluted earnings per share	108.54	138.27

Accounting policy for earnings per share

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

Note 27. Commitments

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

Note 28. Contingencies

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

On 16 July 2024 the company entered into arrangement with Bendigo Bank to project manage the refurbishment of its branch premises. The expected costs of the refurbishment is \$364,354 (ex GST) including contingencies. The refurbishment work is scheduled to be completed in September 2024. Once complete, the refurbishment will increase the company's property, plant and equipment and decrease cash and cash equivalents.

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

Directors' declaration

For the financial year ended 30 June 2024

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- 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



David Stewart Spong
Chairman

5 September 2024

Independent audit report



Andrew Frewin Stewart
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03 5443 0344

Independent auditor's report to the Directors of Whitehorse Community Enterprises Ltd

Report on the Audit of the Financial Report

Opinion

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

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

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

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

Basis for Opinion

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

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

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



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Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's responsibilities for the Audit of the Financial Report

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



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

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

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

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 5 September 2024

A handwritten signature in black ink, appearing to read 'Lachlan Tatt'.

Lachlan Tatt
Lead Auditor

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 /communitybankblackburnsouth

 **Bendigo Bank**