Bentley & Districts Community Financial Services Limited

Financial Statements

as at

30 June 2015

Bentley & Districts Community Financial Services Limited
ABN 99 109 035 967
Directors' report

Your Directors present their report of the company for the financial year ended 30 June 2015.

Directors

The following persons were directors of Bentley & Districts Community Financial Services Limited during or since the end of the financial year up to the date of this report:

Name and position held	Qualifications	Experience and Other Directorships
Peter Lam Chairman/Secretary Board member since 2010	Bachelor of Commerce (Accounting & Financial Planning), CFP®	Accountant and Financial Planner
Kevin Maurice Taylforth Director Board member since 2008	Diploma of Science	Holds directorships with the Global Good foundation Directions WA Inc, and Chair of Southeast Metropolitan working group for at risk children
Paul Hansen Treasurer Board member since 2010	Bachelor of Business (Accounting), CPA	Owner of Hansen Business Management with over 30 years experience
Rosa Cummins Non-Executive Director Board member since 2010	Bachelor of Commerce (Accounting and Finance)	Secretary and Director of Freo Group Limited
Joseph Tilli Non-Executive Director Board member since 2010	Bachelor of Business	Owner of a construction and plumbing business
Dominic Reynolds Non-Executive Director Board member since 2010	BSc (hons) Chemistry, Leicester University PhD Chemistry Liverpool University	16 years in forensic lab at ChemCentre, current position Manager of Forensic Chemistry

Directors were in office for this entire year unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the company.

Principal activities

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

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

Review of operations

The loss of the company for the financial year after provision for income tax was $33,685 (2014 loss: $106,490), which is a 68% reduction in the trading loss compared with the previous year.

The net liabilities of the company have decreased to $453,726 (2014: $420,041). The decrease is largely due to the ongoing losses.

Dividends

The directors recommend that no dividend be paid for the current year.

Options

No options over issued shares were granted during or since the end of the financial year and there were no options outstanding as at the date of this report.

Significant changes in the state of affairs

No significant changes in the company's state of affairs occurred during the financial year.

Events subsequent to the end of the reporting period

No matters or circumstances have arisen since the end of the financial year that significantly affect or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company, in future financial years.

Remuneration report

Remuneration policy

There has been no remuneration policy developed as Director positions are held on a voluntary basis and Directors are not remunerated for their services.

Remuneration benefits and payments

Other than detailed below, 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. 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.

Director Kevin Taylforth (on behalf of KZJ International Pty Ltd) was paid $2,200 (exclusive of GST) (2014: $22,909) for administration duties/services for the year ended 30 June 2015.

Indemnifying officers or Auditor

The company has agreed to indemnify each Officer (Director, Secretary or employee) out of assets of the company to the relevant extent against any liability incurred by that person arising out of the discharge of their duties, except where the liability arises out of conduct involving dishonesty, negligence, breach of duty or the lack of good faith. The company also has Officers Insurance for the benefit of Officers of the company against any liability occurred by the Officer, which includes the Officer's liability for legal costs, in or arising out of the conduct of the business of the company or in or arising out of the discharge of the Officer's duties.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for an Auditor of the company.

Directors' meetings

The number of Directors' meetings held during the year was 9. Attendances by each Director during the year were as follows:

Director	Board meetings #	Audit Committee meetings #
Peter Lam	9 (9)	1 (1)
Kevin Maurice Tayiforth	8 (9)	1 (1)
Paul Hansen	9 (9)	1 (1)
Rosa Cummins	6 (9)	N/A
Joseph Tilli	0 (9)	N/A
Dominic Reynolds	5 (7)	N/A

 # The first number is the meetings attended while in brackets is the number of meetings eligible to attend.
N/A - not a member of that committee.

Likely developments

The company will continue its policy of providing banking services to the community.

Environmental regulations

The company is not subject to any significant environmental regulation.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or 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 any part of those proceedings. The company was not a party to any such proceedings during the year.

Company Secretary

Peter Lam was appointed the company Secretary of Bentley & Districts Community Financial Services Limited on 25 June 2012. Peter Lam's qualifications and experience include a Bachelor of Commerce (Accounting and Financial Planning), CFP® with 6 years experience in the finance industry.

Auditor independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set at page 4 of this financial report. No officer of the company is or has been a partner of the Auditor of the company.

Signed in accordance with a resolution of the Board of Directors at Bentley on 29th October 2015.

Peter Lam
Chairman

Richmond Sinnott & Delahunty
Chartered Accountants
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Bendigo, VICTORIA
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30th October 2015

The Directors
Bentley & Districts Community Financial Services Limited
9/940 Albany Highway
East Victoria Park WA 6981

Dear Directors

To the Directors of Bentley & Districts Community Financial Services Limited

Auditor's Independence Declaration under section 307C of the Corporations Act 2001

I declare that to the best of my knowledge and belief, during the year ended 30 June 2014 there has been no contraventions of:

(i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

P. P. Delahunty
Partner
Richmond Sinnott & Delahunty

Bentley & Districts Community Financial Services Limited
ABN 99 109 035 967
Statement of profit or loss and Other Comprehensive Income
for the year ended 30 June 2015

	Notes	2015 $	2014 $
Revenue	2	456,138	471,066
Employee benefits expense	3	(280,343)	(329,370)
Depreciation and amortisation expense	3	(16,017)	(16,514)
Finance costs	3	(22,927)	(18,076)
Bad and doubtful debts expense	3	(1,049)	(818)
Rental expense		(59,043)	(56,892)
Other expenses		(107,644)	(138,922)
Operating loss before charitable donations & sponsorships		(30,885)	(89,526)
Charitable donations and sponsorships		(2,800)	(16,964)
Loss before income tax		(33,685)	(106,490)
Tax expense	4	-	-
Loss for the year		(33,685)	(106,490)
Other comprehensive income		-	-
Total comprehensive income		(33,685)	(106,490)
Loss attributable to members of the company		(33,685)	(106,490)
Total comprehensive income attributable to members of the company		(33,685)	(106,490)
Earnings per share (cents per share)			
- basic earnings per share	23	(3.80)	(12.01)

The accompanying notes form part of these financial statements

Bentley & Districts Community Financial Services Limited
ABN 99 109 035 967
Statement of financial position
As at 30 June 2015

	Notes	2015 $	2014 $
Assets			
Current assets			
Cash and cash equivalents	6	750	750
Trade and other receivables	7	39,497	33,674
Total current assets		40,247	34,424
Non-current assets			
Property, plant and equipment	8	3,824	6,883
Intangible assets	9	63,723	5,417
Total non-current assets		67,547	12,300
Total assets		107,794	46,724
Liabilities			
Current liabilities			
Trade and other payables	10	34,701	25,048
Borrowings	11	482,208	431,959
Provisions	12	1,852	9,758
Total current liabilities		518,761	466,765
Non-Current liabilities			
Trade and other payables	10	42,759	-
Total current liabilities		42,759	-
Total liabilities		561,520	466,765
Net liabilities		(453,726)	(420,041)
Equity			
Issued capital	14	886,710	886,710
Accumulated losses	15	(1,340,436)	(1,306,751)
Total equity		(453,726)	(420,041)

The accompanying notes form part of these financial statements

Bentley & Districts Community Financial Services Limited
ABN 99 109 035 967
Statement of changes in equity
for the year ended 30 June 2015

		Issued capital $	Accumulated losses $	Total equity $
Balance at 1 July 2013		886,710	(1,200,261)	(313,551)
Loss for the year			(106,490)	(106,490)
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	(106,490)	(106,490)
Transactions with owners, in their capacity as owners				
Shares issued during the year		-	-	-
Dividends paid or provided	24	-	-	-
Balance at 30 June 2014		**886,710**	**(1,306,751)**	**(420,041)**
Balance at 1 July 2014		886,710	(1,306,751)	(420,041)
Profit for the year		-	(33,685)	(33,685)
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	(33,685)	(33,685)
Transactions with owners, in their capacity as owners				
Shares issued during the year		-	-	-
Dividends paid or provided	24	-	-	-
Balance at 30 June 2015		**886,710**	**(1,340,436)**	**(453,726)**

The accompanying notes form part of these financial statements

Bentley & Districts Community Financial Services Limited
ABN 99 109 035 967
Statement of cash flows
For the year ended 30 June 2015

	Notes	2015 $	2014 $
Cash flows from operating activities			
Receipts from clients		450,315	503,968
Payments to suppliers and employees		(406,373)	(582,033)
Interest paid		(22,927)	(18,076)
Net cash used in operating activities	16b	21,015	(96,141)
Cash flows from investing activities			
Purchase of intangible assets		(71,264)	-
Net cash flows used in investing activities		(71,264)	-
Net decrease in cash held		(50,249)	(96,141)
Cash and cash equivalents at beginning of financial year		(431,209)	(335,068)
Cash and cash equivalents at end of financial year	16a	(481,458)	(431,209)

The accompanying notes form part of these financial statements

These financial statements and notes represent those of Bentley & Districts Community Financial Services Limited.

Bentley & Districts Community Financial Services Limited ('the company') is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the Directors on 29 October 2015.

1. Summary of significant accounting policies

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The company is a for profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, were applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Economic Dependency

The company has entered into a franchise agreement with Bendigo and Adelaide Bank Limited that governs the management of the **Community Bank®** branches at Bentley.

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

All deposits are made with Bendigo and Adelaide Bank Limited, and all personal and investment products are products of Bendigo and Adelaide Bank Limited, 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 and Adelaide Bank Limited, must be approved by Bendigo and Adelaide Bank Limited. All credit transactions are made with Bendigo and Adelaide Bank Limited, and all credit products are products of Bendigo and Adelaide Bank Limited.

1. Summary of significant accounting policies

(a) Basis of preparation

Economic Dependency (continued)

Bendigo and Adelaide Bank Limited provides significant assistance in establishing and maintaining the **Community Bank®** branch 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 in relation to:

- Advice and assistance in relation to the design, layout and fit out of the Community Bank® branch;
- Training for the branch managers 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; and
- Sale techniques and proper customer relations.

(b) Going concern

The net liabilities of the company as at 30 June 2015 were $453,726 and the loss made for the year was $33,685, bringing accumulated losses to $1,340,436.

The company meets its day to day working capital requirements through an overdraft facility that is due for renewal on 30 September 2016. The overdraft has an approved limit of $525,000 and was drawn to $482,208 as at 30 June 2015.

The company has incurred losses during the development of the business. Following the development stage, the low interest environment of recent years has impacted on the earnings of the company. Total customer footings (loans and deposits arranged through Bentley & District Community Financial Services Ltd) have increased from $42 million at 30 June 2011, to $64 million at 30 June 2015. This growth in footings will provide a stronger earnings base in future years, although the low interest rate environment will continue to suppress commission rates. The directors have acted to contain costs and renew staff and director positions to enhance the company's operations, including recent appointments of two experienced and proven managers.

The company recognises that losses will be incurred during the development of the business and while market access is being developed within the district. The directors will continue to review their growth forecast budget and cash flows throughout the 2015/16 year, and measure to preserve cash and secure additional finance, these circumstances create material uncertainties over future trading results and cash flow.

Bendigo and Adelaide Bank Limited has confirmed that it will continue to support the Company and its operations for the 2015/16 financial year, and beyond through the provision of an overdraft facility on normal commercial terms and conditions to assist with working capital requirements. The support is provided on the basis that the company continues to fulfil its obligations under the franchise agreement and continues to work closely with Bendigo and Adelaide Bank Limited to further develop its business.

In addition, Bendigo and Adelaide Bank Ltd are providing further business banking resource support to facilitate growth in commercial customer services.

Based on the above, and after making additional enquiries, the directors believe that it is reasonabe foreseeable that the company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements. The company does acknowledge that there is a material uncertainty related to the conditions described above that may cast significant doubt on the entity's ability to continue as a going concern.

1. Summary of significant accounting policies (continued)

(c) Income tax

The income tax expense / (income) for the year comprises current income tax expense / (income) and deferred tax expense / (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred income tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

(d) Fair value of assets and liabilities

The company may measure some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the company would receive to sell an assets or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair value of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

1. Summary of significant accounting policies (continued)

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

Class of asset	*Depreciation rate*
Plant & equipment	10-20%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

1. Summary of significant accounting policies (continued)

(f) Impairment of assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

(g) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset - but not the legal ownership - are transferred to the company, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

(h) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(i) Employee benefits

Short-term employee benefits
Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

1. Summary of significant accounting policies (continued)

(i) Employee benefits (continued)

The company's obligation for short-term employee benefits such as wages and salaries are recognised as part of current trade and other payables in the statement of financial position. The company's obligation for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurement for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The company's obligation for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(j) Intangible assets and franchise fees

Establishment costs have been initially recorded at cost and amortised on a straight line basis at a rate of 20% per annum. The current amortisation charges for intangible assets are included under depreciation and amortisation expense in the Statement of Profit or Loss and Other Comprehensive Income.

(k) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

(l) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts and volume rebates allowed. Revenue comprises service commissions and other income received by the company.

Interest, dividend and fee revenue is recognised when earned.

All revenue is stated net of the amount of goods and services tax (GST).

1. Summary of significant accounting policies (continued)

(m) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(n) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(o) Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

(p) New and amended accounting policies adopted by the company

There are no new and amended accounting policies that have been adopted by the company this financial year.

(q) New accounting standards for application in future periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company.

The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in the future reporting periods is set below:

(i) AASB 9 *Financial Instruments* and associated Amending Standards (applicable for annual reporting periods beginning on or after 1 January 2018).

This Standard will be applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the company on initial application include certain simplifications to the classification of financial assets.

Although the Directors anticipate that the adoption of AASB 9 may have an impact on the company's financial instruments, it is impractical at this stage to provide a reasonable estimate of such impact.

1. Summary of significant accounting policies (continued)

(q) New accounting standards for application in future periods

(ii) AASB 15: *Revenue from Contracts with Customers* (applicable for annual reporting periods commencing on or after 1 January 2017).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in change for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:
- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosure regarding revenue.

Although the Directors anticipate that the adoption of AASB 15 may have an impact on the company's financial instruments, it is impractical at this stage to provide a reasonable estimate of such impact.

(r) Loans and borrowings

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

(s) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which is probable that the outflow of economic benefits will result and the outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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

(t) Share capital

Issued and paid up capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

1. Summary of significant accounting policies (continued)

(u) Comparative figures

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

(v) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. Estimates and judgements are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The estimates and judgements that have a significant risk of causing material adjustments to the carrying values of assets and liabilities are as follows:

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 intangible assets. The depreciation and amortisation charge will increase where useful lives are less than previously estimated lives.

Fair value assessment of non-current physical assets

The AASB 13 Fair Value standard requires fair value assessments that may involved both complex and significant judgement and experts. The value of land and buildings may be materially misstated and potential classification and disclosure risks may occur.

Employee benefits provision

Assumptions are required for wage growth and CPI movements. The likelihood of employees reaching unconditional service is estimated. The timing of when employee benefit obligations are to be settled is also estimated.

Income tax

The company is subject to income tax. Significant judgement is required in determining the deferred tax asset. Deferred tax assets are recognised only when it is considered sufficient future profits will be generated. The assumptions made regarding future profits is based on the company's assessment of future cash flows.

Impairment

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate various key assumptions.

1. Summary of significant accounting policies (continued)

(w) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to the profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method.*

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discount estimated future cash payments or receipts over the expected life (or where this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in the profit or loss.

(i) Loans and receivables
Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Financial liabilities
Non derivative financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

A financial asset (or group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency on interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

1. Summary of significant accounting policies (continued)

(w) Financial instruments (continued)

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial asset is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

2. Revenue and other income	2015 $	2014 $
Revenue		
- services commissions	456,138	470,777
	456,138	470,777
Other revenue		
- other revenue	-	289
	-	289
Total revenue	456,138	471,066

3. Expenses

Employee benefits expense		
- wages and salaries	254,534	278,983
- superannuation costs	20,460	27,780
- workers' compensation costs	1,495	1,041
- other costs	3,854	21,566
	280,343	329,370
Depreciation of non-current assets:		
- plant and equipment	3,059	3,061
Amortisation of non-current assets:		
- intangible assets	12,958	13,453
	16,017	16,514

	2015	2014
3. Expenses (continued)	**$**	**$**
Finance costs:		
- Interest paid	22,927	18,076
Bad debts	1,049	818

4. Tax Expense

The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2015	2014
Prima facie tax on profit/(loss) before income tax at 30% (2014: 30%)	(10,106)	(31,947)
Add tax effect of:		
- Tax loss not brought to account	10,106	31,947
- Non-deductible expenses	-	-
Current income tax expense	-	-
Income tax attributable to the entity	-	-
The applicable weighted average effective tax rate is	0.00%	0.00%

	2015	2014
5. Auditors' remuneration	**$**	**$**
Remuneration of the Auditor for:		
- Audit or review of the financial report	4,200	3,900
- Taxation services	800	500
	5,000	4,400

6. Cash and cash equivalents

Cash at bank and on hand	750	750

7. Trade and other receivables

Current		
Trade receivables	39,497	33,674
	39,497	33,674

Credit risk

The main source of credit risk relates to a concentration of trade receivables owing by Bendigo and Adelaide Bank Limited, which is the source of the majority of the company's income.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled, within the terms and conditions agreed between the company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table below) are considered to be high credit quality.

	Gross amount	Past due and impaired	Past due but not impaired < 30 days	Past due but not impaired 31-60 days	Past due but not impaired > 60 days	Not past due
2015	$	$	$	$	$	$
Trade receivables	35,802	-	-	-	3,695	35,802
Total	35,802	-	-	-	3,695	35,802
2014						
Trade receivables	29,979	-	-	-	3,695	29,979
Total	29,979	-	-	-	3,695	29,979

8. Property, plant and equipment

	2015 $	2014 $
Plant and equipment		
At cost	28,283	28,283
Less accumulated depreciation	(27,829)	(27,589)
Total written down amount	454	694
Computer Equipment		
At cost	142	142
Less accumulated depreciation	(128)	(100)
Total written down amount	14	42

8. Property, plant and equipment (continued)

Furniture and fittings		
At cost	86,407	86,407
Less accumulated depreciation	(84,712)	(84,114)
Total written down amount	1,695	2,293
Leasehold improvements		
At cost	109,457	109,457
Less accumulated depreciation	(107,796)	(105,603)
Total written down amount	1,661	3,854
Total written down amount	3,824	6,883

Movements in carrying amounts

Plant and equipment		
Balance at the beginning of the reporting period	694	934
Additions	-	-
Disposals	-	-
Depreciation expense	(240)	(240)
Balance at the end of the reporting period	454	694
Computer Equipment		
Balance at the beginning of the reporting period	42	70
Additions	-	-
Disposals	-	-
Depreciation expense	(28)	(28)
Balance at the end of the reporting period	14	42
Furniture and fittings		
Balance at the beginning of the reporting period	2,293	2,893
Additions	-	-
Disposals	-	-
Depreciation expense	(598)	(600)
Balance at the end of the reporting period	1,695	2,293
Leasehold improvements		
Balance at the beginning of the reporting period	3,854	6,047
Additions	-	-
Disposals	-	-
Depreciation expense	(2,193)	(2,193)
Balance at the end of the reporting period	1,661	3,854

9. Intangible assets

	2015 $	2014 $
Franchise fee		
At cost	71,264	67,268
Less accumulated amortisation	(8,474)	(62,784)
	62,790	4,484
Preliminary expenses		
At cost	933	933
Less accumulated amortisation	-	-
	933	933
Total Intangible assets	63,723	5,417

Movements in carrying amounts

	2015 $	2014 $
Franchise fee		
Balance at the beginning of the reporting period	4,484	17,937
Additions	71,264	-
Disposals	-	-
Amortisation expense	(12,958)	(13,453)
Balance at the end of the reporting period	62,790	4,484
Preliminary expenses		
Balance at the beginning of the reporting period	933	933
Additions	-	-
Disposals	-	-
Amortisation expense	-	-
Balance at the end of the reporting period	933	933

10. Trade and other payables

	2015 $	2014 $
Current		
Unsecured liabilities:		
Trade payables	17,873	1,094
GST payable	2,575	22,885
Accrued Salaries and Wages	-	1,069
Franchise Renewal Fees	14,253	-
	34,701	25,048

The average credit period on trade and other payables is one month.

	2015 $	2014 $
Non Current		
Franchise Renewal Fees	42,759	-
	42,759	-

11. Borrowings

	2015 $	2014 $
Bank overdraft	482,208	431,959
	482,208	431,959

The company has an overdraft facility of $525,000 which is subject to normal commercial terms and conditions.

	2015 $	2014 $
12. Provisions		
Employee benefits	1,852	9,758
Movement in employee benefits		
Opening balance	9,758	6,925
Additional provisions recognised	19,580	24,211
Amounts utilised during the year	(27,486)	(21,378)
Closing balance	1,852	9,758
Current		
Annual leave	1,852	9,758
	1,852	9,758

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

	2015 $	2014 $
13. Tax balances		
(a) Tax Assets		
CURRENT		
Income tax receivable	-	-
	-	-
NON-CURRENT		
Deferred tax asset comprises:		
- accumulated future income tax benefits arising from tax losses which have not been recognised at reporting date.	392,884	312,564
	392,884	312,564
(b) Tax Liabilities		
CURRENT		
Income tax payable	-	-
	-	-

14. Share capital

	2015 $	2014 $
886,710 Ordinary shares fully paid	886,710	886,710
Less: Equity raising costs	-	-
	886,710	886,710

Movements in share capital

Fully paid ordinary shares:		
At the beginning of the reporting period	886,710	886,710
Shares issued during the year	-	-
At the end of the reporting period	886,710	886,710

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At the shareholders' meetings each shareholder is entitled to one vote when a poll is called, or on a show of hands. The company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. All shares rank equally with regard to the company's residual assets.

Capital management

The Board's policy is to maintain a strong capital base so as to sustain future development of the company. The Board of Directors monitor the return on capital and the level of dividends 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.

(i) the Distribution Limit is the greater of:
  (a) 20% of the profit or funds of the company otherwise available for distribution to shareholders in that 12 month period; and
  (b) subject to the availability of distributable profits, the Relevant Rate of Return multiplied by the average level of share capital of the Franchisee over that 12 month period; and

(ii) 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 can be seen in the Statement of Profit or Loss and Comprehensive Income.

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

15. Accumulated losses

	2015 $	2014 $
Balance at the beginning of the reporting period	(1,306,751)	(1,200,261)
Loss after income tax	(33,685)	(106,490)
Balance at the end of the reporting period	(1,340,436)	(1,306,751)

16. Statement of cash flows

	2015 $	2014 $
***(a)** Cash and cash equivalents balances as shown in the statement of financial position can be reconciled to that shown in the statement of cash flows as follows*		
As per the statement of financial position	750	750
less Bank overdraft	(482,208)	(431,959)
As per the statement of cash flow	(481,458)	(431,209)
***(b)** Reconciliation of cash flow from operations with profit after income tax*		
Loss after income tax	(33,685)	(106,490)
Non cash flows in profit		
- Depreciation	3,059	3,061
- Amortisation	12,958	13,453
Changes in assets and liabilities		
- (Increase) decrease in receivables	(5,823)	21
- Increase (decrease) in payables	52,412	(9,019)
- Increase (decrease) in provisions	(7,906)	2,833
Net cash flows from/(used in) operating activities	21,015	(96,141)

(c) Credit standby arrangement and loan facilities

The company has a bank overdraft and commercial bill facility amounting to $525,000 (2014: $525,000). This may be terminated at any time at the option of the bank. At 30 June 2015, $482,208 of this facility was used (2014: $431,959). Variable interest rates apply to these overdraft and bill facilities.

17. Related party transactions

The company's main related parties are as follows:

(a) Key management personnel
Any person(s) having authority or responsibility for planning, directing or controlling the activities of the entity, directly or indirectly including any Director (whether executive or otherwise) of that company is considered key management personnel.

(b) Other related parties
Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

(c) Transactions with key management personnel and related parties
Other than detailed below, no key management personnel or related party has entered into any contracts with the company. No Director fees have been paid as the positions are held on a voluntary basis.

During the year, the company purchased goods and services under normal terms and conditions, from related parties as follows:

17. Related party transactions (continued)

Director Kevin Taylforth (on behalf of KZJ International Pty Ltd) was paid $2,200 (inclusive of GST) (2014: $22,909) for administration duties/services for the year ended 30 June 2015.

(d) Key management personnel shareholdings
The number of ordinary shares in Bentley & Districts Community Financial Services Limited held by each key management personnel of the company during the financial year is as follows:

	2015	2014
Peter Lam	-	-
Kevin Maurice Taylforth	550	550
Paul Hansen	150	150
Rosa Cummins	-	-
Joseph Tilli	13,000	13,000

There was no movement in key management personnel shareholdings during the year. Each share held has a paid up value of $1 and is fully paid.

(e) Other key management transactions
There has been no other transactions involving equity instruments other than those described above.

18. Events after the reporting period

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

19. Contingent liabilities and contingent assets

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

20. Operating segments

The company operates in the financial services sector where it provides banking services to its clients. The company operates in one geographic area being Bentley, Western Australia. The company has a franchise agreement in place with Bendigo and Adelaide Bank Limited who account for 100% of the revenue (2014: 100%).

21. Leases	**2015**	**2014**
	$	$
Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the Statement of Financial Position		
Payable - minimum lease payments		
- no later than 12 months	37,792	-
- between 12 months and 5 years	204,208	-
- greater than 5 years	-	-
	242,000	-

The property lease is a non-cancellable lease with a 5 year term, with rent payable monthly in advance and with CPI increases each year.

22. Company details

The registered office is:	9/940 Albany Highway, East Victoria Park WA 6981
The principal place of business is:	Shop 13, 1140 Albany Highway, Bentley, WA 6102

23. Earnings per share

Basic earnings per share amounts are calculated by dividing loss after income tax by the weighted average number of ordinary shares outstanding during the year. There were no options or preference shares on issue during the year.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2015 $	2014 $
Loss after income tax expense	(33,685)	(106,490)
Weighted average number of ordinary shares for basic and diluted earnings per share	886,710	886,710

24. Dividends paid or provided for on ordinary shares

No dividends were paid or proposed by the company during the period.

25. Financial risk management

The company's financial instruments consist mainly of deposits with banks, short-term investments, account receivables and payables, bank overdraft and loans. The totals for each category of financial instruments measured in accordance with AASB 139 *Financial Instruments: Recognition and Measurement* as detailed in the accounting policies are as follows:

	Note	2015 $	2014 $
Financial assets			
Cash and cash equivalents	6	750	750
Trade and other receivables	7	39,497	33,674
Total financial assets		40,247	34,424
Financial liabilities			
Trade and other payables	10	77,460	25,048
Bank overdraft	11	482,208	431,959
Total financial liabilities		559,668	457,007

Financial risk management policies

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Specific financial risk exposure and management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk and other price risk. There have been no substantial changes in the types of risks the company is exposed to, how the risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that clients and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms for normal fee income are generally 30 days from the date of invoice. For fees with longer settlements, terms are specified in the individual client contracts. In the case of loans advanced, the terms are specific to each loan.

Credit risk exposure

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets as presented in the statement of financial position.

The company has no significant concentrations of credit risk with Bendigo and Adelaide Bank Limited. The company's exposure to credit risk is limited to Australia by geographic area.

None of the assets of the company are past due (2014: nil past due) and based on historic default rates, the company believes that no impairment allowance is necessary in respect of assets not past due.

25. Financial risk management (continued)

(a) Credit risk (continued)

The company limits its exposure to credit risk by only investing in liquid securities with Bendigo and Adelaide Bank Limited and therefore credit risk is considered minimal.

	2015 $	2014 $
Cash and cash equivalents:		
A rated	750	750

(b) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company ensures it will have enough liquidity to meet its liabilities when due under both normal and stressed conditions. Liquidity management is carried out within the guidelines set by the Board.

Typically, the company maintains sufficient cash on hand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

In addition the company has established an overdraft facility of $525,000 with Bendigo and Adelaide Bank Limited.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. Bank overdrafts have been deducted in the analysis as management does not consider there is any material risk the bank will terminate such facilities. The Bank does however maintain the right to terminate the facilities without notice and therefore the balances of overdrafts outstanding at year end could become repayable within 12 months.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis:

30 June 2015	**Note**	**Total $**	**Within 1 year $**	**1 to 5 years $**	**Over 5 years $**
Financial liabilities due for payment					
Trade and other payables	10	77,460	34,701	42,759	-
Bank overdraft	11	482,208 *	482,208	-	-
Total expected outflows		559,668	516,909	42,759	-
Financial assets - cash flows realisable					
Cash & cash equivalents	6	750	750	-	-
Trade and other receivables	7	39,497	39,497	-	-
Total anticipated inflows		40,247	40,247	-	-
Net (outflow)inflow on financial instruments		(519,421)	(476,662)	(42,759)	-

* The Bank overdraft has no set repayment period and as such all has been included as current.

25. Financial risk management (continued)

(b) Liquidity risk (continued)

30 June 2014		Total $	Within 1 year $	1 to 5 years $	Over 5 years $
Financial liabilities due for payment					
Trade and other payables	10	25,048	25,048	-	-
Bank overdraft	11	431,959 *	431,959	-	-
Total expected outflows		457,007	457,007	-	-
Financial assets - cash flows realisable					
Cash & cash equivalents	6	750	750	-	-
Trade and other receivables	7	33,674	33,674	-	-
Total anticipated inflows		34,424	34,424	-	-
Net (outflow)/inflow on financial instruments		(422,583)	(422,583)	-	-

* The Bank overdraft has no set repayment period and as such all has been included as current.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The financial instruments that primarily expose the company to interest rate risk are borrowings, fixed interest securities, and cash and cash equivalents.

Sensitivity analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit $	Equity $
Year ended 30 June 2015		
+/- 1% in interest rates (interest income)	(4,815)	(4,815)
'+/- 1% in interest rates (interest expense)		
	(4,815)	(4,815)
Year ended 30 June 2014		
+/- 1% in interest rates (interest income)	(4,312)	(4,312)
'+/- 1% in interest rates (interest expense)		
	(4,312)	(4,312)

25. Financial risk management (continued)

(c) Market risk (continued)

There have been no changes in any of the methods or assumptions used to prepare the above sensitivity analysis from the prior year.

(d) Price risk

The company is not exposed to any material price risk.

Fair values

Fair value estimation

The fair values of financial assets and liabilities approximate the carrying values as disclosed in the Statement of Financial Position. Fair value is the amount at which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction. The company does not have any unrecognised financial instruments at year end.

		2015		2014	
	Note	Carrying amount $	Fair value $	Carrying amount $	Fair value $
Financial assets					
Cash and cash equivalents	6	750	750	750	750
Trade and other receivables	7	39,497	39,497	33,674	33,674
Total financial assets		40,247	40,247	34,424	34,424
Financial liabilities					
Trade and other payables	10	77,460	77,460	25,048	25,048
Loans and borrowings	11	482,208	482,208	431,959	431,959
Total financial liabilities		559,668	559,668	457,007	457,007

Bentley & Districts Community Financial Services Limited
ABN 99 109 035 967
Directors' Declaration

In accordance with a resolution of the Directors of Bentley & Districts Community Financial Services Limited, the Directors of the company declare that:

1. the financial statements and notes, as set out on pages 5 to 32 are in accordance with the Corporations Act 2001 and:

   (i) comply with Australian Accounting Standards which, as stated in accounting policy Note 1(a) to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

   (ii) give a true and fair view of the company's financial position as at 30 June 2015 and of the performance for the year ended on that date;

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Peter Lam
Chairman

Signed at Bentley on 29th October 2015.