Coleambally **Community Bank**® Branch
Darlington Point Agency
Jerilderie Agency

2016 ANNUAL REPORT

Coleambally Finance Group Limited
ABN 52 086 241 509

Western Riverina Community Financial Services Partnership
ABN 92 986 178 608

Coleambally Finance Group Limited

ABN 52 086 241 509

Contents

Coleambally Finance Group Ltd **ABN 52 086 241 509**
Registered Office: 1 Brolga Place, Coleambally

Chairman: Adrian Hayes P O Box 110, Coleambally NSW 2707

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the eighteenth ANNUAL GENERAL MEETING of COLEAMBALLY FINANCE GROUP LIMITED will be held at the Coleambally Community Club on Thursday, 24 November 2016 at 7:00 pm.

AGENDA

1. Minutes of Annual General Meeting dated 26 November 2015

2. Ordinary Business

Chairman's Report
The Chairman, Adrian Hayes will present his report on the operations of the Company for the year ended 30 June 2016.

Adoption of Accounts
To receive and consider the financial statements and reports to the members comprising:

1. The Profit and Loss accounts for the year ended 30 June 2016 and Balance Sheet of the Company as at 30 June 2016.
2. The Directors' Declaration and Report by auditors for the financial year ended 30 June 2016.
3. The Directors' Report for the financial year ended 30 June 2016.

Election of Directors
To elect two (2) Directors:

Adrian Hayes and Sharon Sutherland retire in accordance with the provisions of the constitution and being eligible, may offer to re-elect. Sharon Sutherland is retiring and does not seek re-election.

3. General Business
To transact any business that may be lawfully brought forward.

By Order of the Board

Adrian Hayes
Chairman
12 October 2016

Notes:

1. Adrian Hayes and Sharon Sutherland will retire under Section 45 of the Constitution of Coleambally Finance Group Ltd and being eligible, may offer to re-elect.

2. As per the company constitution any two members of the company shall be at liberty to nominate any other member to serve as an office-bearer or other Director.

3. Nomination and Consent to Act forms may be collected from the Coleambally Community Bank® Branch, 1 Brolga Place, Coleambally or the Secretary.

4. Nomination and Consent to Act forms must be lodged with the Secretary by 5:00 pm, 10 November 2016.

5. A list of candidates' names in alphabetical order with the nominators' and seconders' names shall be posted in the registered office for at least seven days immediately preceding the Annual General Meeting.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his/her stead. That person need not be a member of the company but should be a natural person over the age of 18 years. Proxy forms will be available once nominations close from the Coleambally Community Bank® Branch, 1 Brolga Place, Coleambally or the Secretary and must be lodged at the registered office of the company not less than 48 hours before the timing of the meeting.

MINUTES OF THE ANNUAL MEETING

COLEAMBALLY FINANCE GROUP LIMITED

Held at the Coleambally Community Club, Thursday 26th November, 2015

Meeting Opened:	Mr. A Howe opened the meeting at 7.10pm and welcomed everyone in attendance.
Present:	As per attendance book.
Representative From Bendigo:	Mr T. Butt. Area Manager
Apologies:	A. Hayes, K. Coster & I. Sutherland
Previous Minutes:	It was resolved that it was a true & correct record.
Chairman's Report:	Mr Howe presented his report. Resolved. That his report be tabled & accepted.
Treasurers Report:	Mr C. Noack presented the treasurers report. Margin squeeze explained. Investigations in to increasing the shop front. Branch alterations still ongoing. Resolved. That his report be tabled and accepted.
Reports:	Director's Declaration & Report by Auditors for the Financial Year ended 30th June, 2015. Directors Report for the Financial Year ended 30th June, 2015.
Manager's Report:	Mr C. Noack presented his report. Resolved. That the Manager's report be tabled & accepted.
Election of Directors:	Renomination was received from Mr K Boyle and a nomination from Mr. Terry Inglis was received. Mr Boyle & Mr Inglis were duly elected.
General Business:	Mr Butt spoke on the relationship with Bendigo over the time Tony has been on the board. He wished to thank Tony for the time he has spent on the board. The future is bright for the bank when things start to turn around. Mr R Kerr Thanked Tony for the service to Coleambally through his time as a board member and following as the Chairman.
Meeting Closed:	7.20pm.

Special thanks go to the contributors for attending Annual General Meetings, the staff and board members.

CHAIRMAN'S REPORT 2016 - Year in Review

Globally the 2015 Financial Year has continued with challenging financial markets and ongoing market volatility. Interest rates have remained low which is good if you're borrowing money but for our bank business it certainly squeezes the profit potential.

At the end of the financial year the company profit after provision for income tax was $25,182 and the net company assets value has increased to $206,824 (2015: $191,055).

This year as you will have noticed we commenced a major renovation of the bank building to provide better customer service capacity and improve the work area within the branch. As a Board we felt this renovation was very important so as we can continue to provide easily accessible facilities for you the customers and provide our staff with a good work area.

In 2015 financial year we reinvested $66,993 into the community via grants and sponsorships. The majority of this was a continuation of our long term commitment to Cypress View Lodge to help fund the extra accommodation units. We also continued to run the very successful driver education program for our learner drivers. A total of $16,802 was paid out to you our contributors in recognition of the financial stake you have in the business.

Our two agencies, Darlington Point and Jerilderie continue to grow and build capacity. Combined the agencies hold approx. $28 Million of business with 131 customers residing within the area. We have continued to develop very good working relationships with our agents which has been further enhanced by the recent Council amalgamation.

Our partnership with Hillston **Community Bank**® is starting to show good business growth in Hillston, Lake Cargelligo agency, Condobolin agency and more recently Hay agency which is expanding the banking services and plan to open a Customer Service Centre in early 2017. I would like to thank the Hillston staff lead by Paul Lenon for their ongoing contribution to the banking business.

Our **Community Bank**® would not operate as the successful business providing the banking facilities that a community requires without the support from the branch staff lead by Chris Noack and supported by Mary Crowley, Ralph Twaddell, Kate Jones, Jessica Walsh, Michael Hodgson and Sarah Hardy.

I would also like to thank my fellow board members Kevan Boyle, Sharon Sutherland, Rob Kerr, Lynne Stuckings and Terry Inglis for the time and effort you all contribute voluntarily to help with the direction and smooth running of the bank. I appreciate your support and the ongoing input and attention to the board matters throughout the year.

The Coleambally **Community Bank**® was opened in March 1999 and has continued to grow and benefit the community. We welcome any community member who may be interested in joining the board and contributing to the success of our local bank.

Finally thank you, the bank contributors and customers for your ongoing support by simply doing your banking with your local **Community Bank**® Branch.

Adrian Hayes
Chairman

Manager's Report 2016

The merger of Coleambally Finance Group Ltd and Hillston & District Financial Services Ltd took effect 1 October 2011, and saw the creation of Western Riverina Community Financial Services Pty Ltd (WRCFS). This company is responsible for the partnership that was created. The assets and liabilities of Coleambally & Hillston and the rights to operate the branches and the agencies were transferred to the new partnership. This partnership sees the assets, liabilities, income and expenses of the combined entity split between the two partners with 60 per cent going to Coleambally and Hillston receiving 40 per cent.

The 2015/16 financial year saw the banking business levels of Coleambally Community Bank branch grow by $23.185 million to $135.902M. This level of growth exceeded budget by some $17.885M.

Total revenue continues to be strong and has increased slightly to $941,678 against budget of $855,004. The growth in revenue comes despite continuing tightening of interest margins and is due mainly to strong business growth during the financial year. Expenses were held to $832,112 before donations and sponsorships. This was an increase of 3.7% on last year's result. The result of this is a profit before tax of $42,573. This is a significant improvement on 2015 result of ($10,295). Business activity continues to be strong and this year's results are tracking ahead of budget forecasts.

Our partner branch, Hillston has performed exceptionally well again with growth of $10.9 million taking business levels to $85.8 million at the end of June. Paul Lenon, the Manager and his team are to be congratulated for this excellent result.

Business levels at the Hay agency have reached a point where the Board has taken the step to convert it to a Customer Service Centre (CSC). This a step closer to becoming a full branch. Building works are to commence shortly and the recruitment process for staff has commenced. The CSC is expected to open February 2017.

There have also been some exciting developments at our Jerilderie agency with the other Bank in town leaving town a few weeks ago. This has created an excellent opportunity for us, which we are working in partnership with the Murrumbidgee Council to take advantage of. We will be installing an ATM in Jerilderie at the front of the Council offices in late November. The agencies at Darlington Point, Lake Cargelligo and Condobolin are also doing well.

As Adrian has already indicated, the branch has been undergoing some renovations. The building work should all be completed by mid-November. Once the renovations are completed we will have the space to continue to grow the business.

The results that we have achieved would not be possible without the efforts of the staff at the Branch. I would like to sincerely thank Ralph Twaddell, Mary Crowley, Kate Jones, Jessica Walsh, Sarah Hardy and Michael Hodgson for their hard work and professionalism.

I would again like to thank the Board of Directors, capably lead by Adrian Hayes, for their continued support of me and our company.

I must again thank our customers for their support and patronage, because without you supporting us we would not be able to support the community to the extent that we have.

Chris Noack
Manager

Coleambally Finance Group
ABN 52 086 241 509
Directors' report

The Directors present their report of the company for the financial year ended 30 June 2016.

Directors

The following persons were Directors of Coleambally Finance Group Limited during or since the end of the financial year up to the date of this report:

Anthony Howe - Non-executive director	
Experience and expertise	Appointed 29 September 1999. Resigned as Director 26 November 2015.
Other current directorships	Electrical Appliance Repairer.
Former directorships in last 3 years	Nil.
Special responsibilities	Nil.

Sharon Sutherland - Non-executive director	
Experience and expertise	Appointed 28 April 2002.
Other current directorships	Farmer.
Former directorships in last 3 years	Nil.
Special responsibilities	Secretary.

Kevan Boyle - Non-executive director	
Experience and expertise	Appointed 11 February 1999.
Other current directorships	Post Master (retired).
Former directorships in last 3 years	Nil.
Special responsibilities	Nil.

Adrian Hayes - Non-executive director	
Experience and expertise	Appointed 24 November 2005. Farm Manager.
Other current directorships	Director of Coleambally Irrigation Mutual Co-operative Limited.
Former directorships in last 3 years	Nil.
Special responsibilities	Nil.

Robert Kerr - Non-executive director	
Experience and expertise	Appointed 26 April 2012.
Other current directorships	Farmer.
Former directorships in last 3 years	Nil.
Special responsibilities	Nil.

Lynne Stuckings - Non-executive director	
Experience and expertise	Appointed 27 November 2014.
Other current directorships	Farmer, Proprietor - Retail Business. Director of Cypress Vielw Lodge Limited.
Former directorships in last 3 years	Former Director of Coleambally Irrigation Co-operative Limited.
Special responsibilities	Nil.

Terry Inglis - Non-executive director	
Experience and expertise	Appointed 26 November 2015.
Other current directorships	Mobile Business Advisor. Director of Cypress View Lodge Limited.
Former directorships in last 3 years	Nil.
Special responsibilities	Nil.

	Board meetings	
Director	A	B
Anthony Howe	2	2
Sharon Sutherland	4	4
Kevan Boyle	4	4
Adrian Hayes	4	3
Robert Kerr	4	4
Lynne Stuckings	4	3
Terry Inglis	4	4

A - The number of meetings eligible to attend.
B - The number of meetings attended.
N/A - not a member of that committee.

Company Secretary

Sharon Sutherland has been the Company Secretary of Coleambally Financial Group Limited since 2013.
Sharon's experience includes farm management for the last 30 years.

Principal activities

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

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

Review of operations

The profit/(loss) of the company for the financial year after provision for income tax was $25,182 (2015: $12,818 loss), which is a 296% increase as compared with the previous year.

The net assets of the company have increased $206,824 (2015: $191,055).

Dividends

There were no dividends paid or provided for during the 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.

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.

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.

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.

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 5 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 Coleambally.

Adrian Hayes
Director

Dated: 27 September 2016

Richmond Sinnott & Delahunty
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28th September 2016

The Directors
Coleambally Finance Group Limited
1 Brolga Place
COLEAMBALLY NSW 2707

Dear Directors

To the Directors of Coleambally Finance Group 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 2016 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

Coleambally Finance Group
ABN 52 086 241 509
Statement of Profit or Loss and Other Comprehensive Income
for the year ended 30 June 2016

	Note	2016 $	2015 $
Revenue	2	941,678	874,553
Expenses			
Employee benefits expense	3	(496,796)	(480,922)
Depreciation and amortisation	3	(34,946)	(37,948)
Administration and general costs		(150,588)	(132,339)
Finance costs	3	(24,616)	(35,626)
Bad and doubtful debts expense	3	(678)	(109)
Occupancy expenses		(9,071)	(9,231)
IT costs		(23,785)	(23,877)
Other expenses		(91,632)	(82,355)
Operating profit before charitable donations and sponsorships		**109,566**	**72,146**
Charitable donations and sponsorships		(66,993)	(82,441)
Profit / (loss) before income tax		**42,573**	**(10,295)**
Income tax expense	4	(17,391)	(2,523)
Profit/(loss) for the year		**25,182**	**(12,818)**
Other comprehensive income		-	-
Total comprehensive income for the year		**25,182**	**(12,818)**
Profit / (loss) attributable to members of the company		25,182	(12,818)
Total comprehensive income attributable to members of the company		**25,182**	**(12,818)**

Coleambally Finance Group
ABN 52 086 241 509
Statement of Financial Position
as at 30 June 2016

	Note	2016 $	2015 $
Assets			
Current assets			
Cash and cash equivalents	5	15,119	24,778
Trade and other receivables	6	90,381	79,480
Financial assets	7	36,160	43,172
Current tax asset	4	-	10,075
Other assets	8	7,490	5,499
Total current assets		**149,150**	**163,004**
Non-current assets			
Cash and cash equivalents	5	327,537	327,527
Property, plant and equipment	9	355,404	354,706
Intangible assets	10	36,647	50,390
WRCFS interest	11	115,086	134,007
Deferred tax assets	4	24,445	23,261
Total non-current assets		**859,119**	**889,891**
Total assets		**1,008,269**	**1,052,895**
Liabilities			
Current liabilities			
Trade and other payables	12	87,687	102,210
Current tax liability	4	11,549	-
Borrowings	13	185,555	199,801
Provisions	14	80,112	77,536
Total current liabilities		**364,903**	**379,547**
Non-current liabilities			
Borrowings	13	94,813	146,241
Provisions	14	5,667	-
Restricted funds	15	336,062	336,052
Total non-current liabilities		**436,542**	**482,293**
Total liabilities		**801,445**	**861,840**
Net assets		**206,824**	**191,055**
Equity			
Retained earnings	16	212,473	187,291
Reserves	17	(5,649)	3,764
Total equity		**206,824**	**191,055**

Coleambally Finance Group
ABN 52 086 241 509
Statement of Changes in Equity
for the year ended 30 June 2016

	Note	Retained earnings $	Reserves $	Total equity $
Balance at 1 July 2014		200,109	3,636	203,745
Loss for the year		(12,818)	-	(12,818)
Other comprehensive income for the year		-	128	128
Total comprehensive income for the year		-	-	-
Transactions with owners, in their capacity as owners				
Balance at 30 June 2015		**187,291**	**3,764**	**191,055**
Balance at 1 July 2015		**187,291**	**3,764**	**191,055**
Profit for the year		25,182	(9,413)	15,769
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	-	-
Transactions with owners, in their capacity as owners				
Balance at 30 June 2016		**212,473**	**(5,649)**	**206,824**

Coleambally Finance Group
ABN 52 086 241 509
Statement of Cash Flows
for the year ended 30 June 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Receipts from customers		1,021,032	866,802
Payments to suppliers and employees		(939,828)	(789,113)
Dividends received		3,423	3,195
Interest paid		134	(35,626)
Interest received		(24,616)	2,591
Income tax paid		3,049	(18,606)
Net cash provided by operating activities	18b	**63,194**	**29,243**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		4,909	-
Proceeds from sale of investments		-	60,010
Purchase of property, plant and equipment		(28,608)	(62,939)
Purchase of investments		(2,401)	(2,235)
Purchase of intangible assets		-	(15,602)
Net cash flows used in investing activities		**(26,100)**	**(20,766)**
Cash flows from financing activities			
Proceeds from borrowings		24,443	-
Repayment of borrowings		(79,181)	(59,276)
Net movement in WRCFS investment		18,921	18,068
Net cash used in financing activities		**(35,817)**	**(41,208)**
Net decrease in cash held		**1,277**	**(32,731)**
Cash and cash equivalents at beginning of financial year		(146,770)	(114,039)
Cash and cash equivalents at end of financial year	18a	**(145,493)**	**(146,770)**

These financial statements and notes represent those of Coleambally Finance Group Limited.

Coleambally Finance Group Limited ('the company') is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the Directors on 27th September 2016.

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®** branch at Coleambally.

The branches operate as a franchise of Bendigo and Adelaide Bank Limited, using the name "Bendigo Bank", the logo, and systems of operation 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 (continued)

(a) Basis of preparation (continued)

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) 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 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.

(c) 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 asset 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.

1. Summary of significant accounting policies (continued)

(c) Fair value of assets and liabilities (continued)

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.

(d) Property, plant and equipment

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

Property

Freehold land and buildings are measured at cost and therefore are carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of land and buildings 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 land and buildings is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from 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.

1. Summary of significant accounting policies (continued)

(d) Property, plant and equipment (continued)

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, but excluding freehold land, is depreciated over the asset's useful life to the company commencing from the time the asset is held ready for use. Property improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of asset	*Rate*	*Method*
Buildings	2.5%	PC
Property improvements	2.5%	DV & PC
Plant and equipment	2.5% - 40%	DV & PC
Motor vehicles	25% - 30%	DV

The assets' 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)

(e) 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.

(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) 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.

(h) 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.

The liability for annual leave is recognised in the provision for employee benefits. All other short term employee benefit obligations are presented as payables.

1. Summary of significant accounting policies (continued)

(h) Employee benefits (continued)

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 obligations 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.

(i) Intangible assets

Establishment costs and franchise fees 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 in the Statement of Profit or Loss and Other Comprehensive Income.

(j) 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.

(k) 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 revenue is recognised on a time proportional basis that taken into account the effective yield on the financial asset.

Dividend revenue is recognised when the right to the income has been established.

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

1. Summary of significant accounting policies (continued)

(l) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss,
- loans and receivables,
- held to maturity investments, and
- available for sale assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term with the intention of making a profit. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. The company has not designated any financial assets at fair value through profit or loss.

Loans and receivables

This category is the most relevant to the company. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the period end, which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

Held to maturity investments

The group classifies investments as held-to-maturity if:

- they are non-derivative financial assets
- they are quoted in an active market
- they have fixed or determinable payments and fixed maturities
- the group intends to, and is able to, hold them to maturity.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which would be classified as current assets.

Available for sale financial asset

Investments are designated as available-for-sale financial assets if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for the medium to long-term. Financial assets that are not classified into any of the other categories (at FVPL, loans and receivables or held-to-maturity investments) are also included in the available-for-sale category.

The financial assets are presented as non-current assets unless they mature, or management intends to dispose of them within 12 months of the end of the reporting period.

(ii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

1. Summary of significant accounting policies (continued)

(l) Investments and other financial assets (continued)

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised as follows:

- for 'financial assets at fair value through profit or loss' – in profit or loss within other income or other expenses
- for available-for-sale financial assets that are monetary securities denominated in a foreign currency – translation differences related to changes in the amortised cost of the security are recognised in profit or loss and other changes in the carrying amount are recognised in other comprehensive income
- for other monetary and non-monetary securities classified as available-for-sale – in other comprehensive income.

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.

(iii) Impairment

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

1. Summary of significant accounting policies (continued)

(l) Investments and other financial assets (continued)

Assets classified as available for sale

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

(iv) 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.

(m) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less any provision for doubtful debts. Trade and other receivables are due for settlement usually no more than 30 days from the date of recognition.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off. A provision for doubtful debts is established when ther eis objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the assets carrying amount and the present value of estimated cash flows, discounted at the effective interest rate. The amount of the provision is recognised on profit or loss.

(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) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measures at amortised cost. Any diference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings as classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

1. Summary of significant accounting policies (continued)

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

(q) 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.

(r) Comparative figures

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

1. Summary of significant accounting policies (continued)

(s) 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).

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially-changed approach to hedge accounting.

These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are:

a) Financial assets that are debt instruments will be classified based on:
(i) the objective of the entity's business model for managing the financial assets; and
(ii) the characteristics of the contractual cash flows.

b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.

c) Introduces a 'fair value through other comprehensive income' measurement category for particular simple debt instruments.

d) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.

e) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:

- the change attributable to changes in credit risk are presented in Other Comprehensive Income (OCI)
- the remaining change is presented in profit or loss If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.

Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9:

- classification and measurement of financial liabilities; and
- derecognition requirements for financial assets and liabilities

AASB 9 requirements regarding hedge accounting represent a substantial overhaul of hedge accounting that enable entities to better reflect their risk management activities in the financial statements.

Furthermore, AASB 9 introduces a new impairment model based on expected credit losses. This model makes use of more forward-looking information and applies to all financial instruments that are subject to impairment accounting.

When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

1. Summary of significant accounting policies (continued)

(s) New accounting standards for application in future periods (continued)

(ii) AASB 15: ***Revenue from Contracts with Customers*** **(applicable for annual reporting periods commencing on or after 1 January 2018).**

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 exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:
- identify the contract(s) with customers;
- 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.

In May 2015, the AASB issued ED 260 Income of Not-forProfit Entities, proposing to replace the income recognition requirements of AASB 1004 Contributions and provide guidance to assist not-for-profit entities to apply the principles of AASB 15. The ED was open for comment until 14 August 2015 and the AASB is currently in the process of redeliberating its proposals with the aim of releasing the final amendments in late 2016.

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

When this Standard is first adopted for the year ending 30 June 2019, it is not expected that there will be a material impact on the transactions and balances recognised in the financial statements.

(iii) AASB 16: ***Leases*** **(applicable for annual reporting periods commencing on or after 1 January 2019).**

AASB 16:
- replaces AASB 117 Leases and some lease-related Interpretations;
- requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases;
- provides new guidance on the application of the definition of lease and on sale and lease back accounting;
- largely retains the existing lessor accounting requirements in AASB 117; and
- requires new and different disclosures about leases.

The entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

1. Summary of significant accounting policies (continued)

(t) 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.

2. Revenue	2016 $	2015 $
Revenue		
- services commissions	529,763	480,696
- other revenue	407,527	385,812
	937,290	866,508
Other revenue		
- interest received	133	2,591
- other revenue	4,255	5,454
	4,388	8,045
Total revenue	**941,678**	**874,553**

3. Expenses

Profit before income tax inculdes the following specific expenses:

Employee benefits expense		
- wages and salaries	430,053	419,445
- superannuation costs	58,502	52,295
- other costs	8,241	9,182
	496,796	480,922
Depreciation and amortisation		
Depreciation		
- plant and equipment	5,266	5,947
- buildings	4,068	4,068
- motor vehicles	10,090	12,943
- property improvements	1,779	1,247
	21,203	24,205
Amortisation		
- intangible assets	13,743	13,743
Total depreciation and amortisation	34,946	37,948
Finance costs		
- Interest paid	24,616	35,626
Bad and doubtful debts expenses	678	109
(Gain) / loss on disposal of property, plant and equipment	1,798	-
Auditors' remuneration		
Remuneration of the Auditor for:		
- Audit of the financial report - Richmond Sinnot & Delahunty	7,920	7,680

	2016	2015
	$	$
4. Income tax		
a. The components of tax expense comprise:		
Current tax expense	18,576	5,277
Deferred tax expense	(1,185)	(2,754)
	17,391	2,523
b. Prima facie tax payable		
The prima facie tax on profit / (loss) from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on profit / (loss) before income tax at 28.5% (2015: 30%)	12,133	-
Add tax effect of:		
- Utilisation of previously unrecognised carried forward tax losses		
- Under / (over) provision of prior years	-	-
- Non-deductible expenses and timing differences	5,258	2,523
Income tax attributable to the entity	17,391	2,523
The applicable weighted average effective tax rate is	40.85%	-19.68%
c. Current tax liability/receivable		
Current tax relates to the following:		
Current tax liabilities/receivables		
Opening balance	(10,075)	3,254
Income tax paid	3,048	(18,606)
Current tax	18,576	5,277
	11,549	(10,075)
d. Deferred tax asset		
Deferred tax relates to the following:		
Deferred tax assets balance comprises:		
Employee provisions	24,445	23,261
	24,445	23,261
Net deferred tax asset	24,445	23,261
e. Deferred income tax expense included in income tax expense comprises:		
Decrease / (increase) in deferred tax assets	(1,185)	(2,754)
	(1,185)	(2,754)

5. Cash and cash equivalents

Current		
Cash at bank and on hand	15,119	24,778
Non-current		
Cash at bank and on hand	327,537	327,527
	342,656	352,305

The company has received pledges (Note 15). A condition of the pledge is the funds must be held separately. As these funds will not be available for the company's use, they are disclosed as a non-current asset.

The effective interest rate on short term bank deposits was 2.45% (2015:3.2%); these deposits have an average maturity of 92 days.

6. Trade and other receivables

Current		
Trade receivables	90,350	79,204
Other receivables	31	276
	90,381	79,480

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.

6. Trade and other receivables (continued)

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
2016	$	$	$	$	$	$
Trade receivables	90,350	-	-	-	-	90,350
Other receivables	31					31
Total	**90,350**	-	-	-	-	**90,350**
2015						
Trade receivables	79,204	-	-	-	-	79,204
Other receivables	276					276
Total	**79,204**	-	-	-	-	**79,204**

	2016 $	2015 $
7. Financial assets		
Available for sale		
Listed investments	36,160	43,172
	36,160	43,172
8. Other assets		
Prepayments	6,963	4,971
Security bond	528	528
	7,491	**5,499**
9. Property, plant and equipment		
Land		
At cost	54,000	54,000
Buildings		
At cost	162,699	162,699
Less accumulated depreciation	(13,510)	(9,442)
	149,189	153,257
Property improvements		
At cost	76,995	73,582
Less accumulated depreciation	(7,097)	(5,317)
	69,898	68,265
Plant and equipment		
At cost	142,062	141,349
Less accumulated depreciation	(106,926)	(101,659)
	35,136	39,690

	2016	2015
	$	$
9. Property, plant and equipment (continued)		
Motor vehicles		
At cost	97,285	90,485
Less accumulated depreciation	(50,104)	(50,991)
	47,181	39,494
Total property, plant and equipment	355,404	354,706
Movements in carrying amounts		
Land		
Balance at the beginning of the reporting period	54,000	54,000
Additions	-	-
Disposals	-	-
Depreciation expense	-	-
Balance at the end of the reporting period	54,000	54,000
Buildings		
Balance at the beginning of the reporting period	153,257	157,325
Additions	-	-
Disposals	-	-
Depreciation expense	(4,068)	(4,068)
Balance at the end of the reporting period	149,189	153,257
Property improvements		
Balance at the beginning of the reporting period	68,265	27,104
Additions	3,413	42,407
Disposals	-	-
Depreciation expense	(1,779)	(1,246)
Balance at the end of the reporting period	69,899	68,265
Plant and equipment		
Balance at the beginning of the reporting period	39,690	43,796
Additions	713	1,840
Disposals	-	-
Depreciation expense	(5,266)	(5,946)
Balance at the end of the reporting period	35,137	39,690
Motor vehicles		
Balance at the beginning of the reporting period	39,494	33,747
Additions	24,482	18,986
Disposals	(6,707)	-
Depreciation expense	(10,090)	(13,239)
Balance at the end of the reporting period	47,179	39,494
Total property, plant and equipment		
Balance at the beginning of the reporting period	354,706	315,972
Additions	28,608	63,233
Disposals	(6,707)	-
Depreciation expense	(21,203)	(24,499)
Balance at the end of the reporting period	355,404	354,706

	2016	2015
	$	$

10. Intangible assets

	2016	2015
Franchise fee		
At cost	210,413	210,413
Less accumulated amortisation	(173,766)	(160,023)
	36,647	50,390

Movements in carrying amounts

	2016	2015
Franchise fee		
Balance at the beginning of the reporting period	50,390	64,132
Additions	-	-
Disposals	-	-
Amortisation expense	(13,743)	(13,742)
Balance at the end of the reporting period	36,647	50,390

11. WRCFS interest

	2016	2015
WRCFS Partner Distribution	196,672	162,317
WRCFS Employee adjustment to period ending 31/12/13	338	338
60% WRCFS Net Assets 30 June 16 $136,539 (2015: $47,747.61)	(81,924)	(28,648)
Interest WRCFS Joint Venture	115,086	134,007

This balance represents the company's share of the net amount of assets and liabilities of Western Riverina Community Financial Services Partnership.

12. Trade and other payables

	2016	2015
Current		
Unsecured liabilities:		
Trade creditors	57,833	61,198
Other creditors and accruals	17,316	26,961
GST Payable	12,538	14,051
	87,687	102,210

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

13. Borrowings

	2016	2015
Current		
Unsecured liabilities		
Bank overdraft	160,612	171,548
Secured liabilities		
Bank loans	3,033	2,823
Chattel mortgage	21,910	25,430
	185,555	199,801
Non-current		
Secured liabilities		
Bank loans	94,813	146,241
	94,813	146,241

13. Borrowings (continued)

(a) Bank overdraft and bank loans

The company has an overdraft facility of $196,050 which is subject to normal commercial terms and conditions.

The company has a $6 term loan (2015: $48,466) which is currently interest only at a rate of 4.285%pa (2015: 4.22%pa). This loan is secured by a general security deed.

The company has a $97,843 term loan (2015: $97,775) which is subject to normal terms and conditions. The current interest rate is 7.29% (2015: 7.29%pa). This loan is secured by a mortgage over the land and buildings.

The chattel mortgage is Coleambally Finance Group Limited's share of Western Riverina Community Financial Services liability, which is secured by a charge over the motor vehicle and a company guarantee.

	2016 $	2015 $
14. Provisions		
Current		
Employee benefits	80,112	77,536
Non Current		
Employee benefits	5,667	-
Total Provisions	85,779	77,536
15. Restricted funds		
Pledges	336,062	336,052

Coleambally Finance Group Limited is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards any outstanding obligations of the company.

16. Retained earnings

	2016	2015
Balance at the beginning of the reporting period	187,291	200,109
Profit/(loss) after income tax	25,182	(12,818)
Dividends paid	-	-
Balance at the end of the reporting period	212,473	187,291

17. Reserves

	2016	2015
Available for sale reserve		
Balance at the beginning of the reporting period	3,764	3,636
Fair value movements during the period	(9,413)	128
Balance at the end of the reporting period	(5,649)	3,764

18. Statement of cash flows

(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:

	2016	2015
Cash and cash equivalents (Note 5)	15,119	24,778
Less bank overdraft (Note 13)	(160,612)	(171,548)
As per the Statement of Cash Flow	(145,493)	(146,770)

	2016	2015
	$	$
18. Statement of cash flows (continued)		
(b) Reconciliation of cash flow from operations with profit after income tax		
Profit / (loss) after income tax	25,182	(12,818)
Non-cash flows in profit		
- Depreciation	21,203	24,205
- Amortisation	13,743	13,743
- Net (profit) / loss on disposal of property, plant & equipment	1,798	-
Changes in assets and liabilities		
- (Increase) / decrease in trade and other receivables	(11,155)	(4,502)
- (increase) / decrease in prepayments and other assets	(1,747)	2,537
- (Increase) / decrease in deferred tax asset	(1,184)	(2,754)
- Increase / (decrease) in trade and other payables	(14,523)	12,979
- Increase / (decrease) in current tax liability/asset	21,624	(13,328)
- Increase / (decrease) in provisions	8,243	9,182
- Increase / (decrease) in restricted funds	10	-
Net cash flows from / (used in) operating activities	63,194	29,244

(c) Credit standby arrangement and loan facilities

The company has a bank overdraft facility amounting to $196,050 (2015: $196,050). This may be terminated at any time at the option of the bank. At 30 June 2016, $160,612 of this facility was used (2015: $171,548). Variable interest rates apply to this overdraft facility.

19. Key management personnel and related party disclosures

(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.

The totals of remuneration paid to key management personnel of the company during the year are as follows:

	2016	2015
	$	$
Short-term employee benefits	101,481	94,827
Post-employment benefits	13,421	12,648
Other long-term benefits	-	-
Share-based payments	-	-
Total key management personnel compensation	114,902	107,475

Short-term employee benefits
These amounts include fees and benefits paid to the non-executive Chair and non-executive Directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to Executive Directors and other key management personnel.

Post-employment benefits
These amounts are the current year's estimated cost of providing the company's defined benefits scheme post-retirement, superannuation contributions made during the year and post-employment life insurance benefits.

19. Key management personnel and related party disclosures (continued)

(a) Key management personnel (continued)

Other long-term benefits
These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

Share-based payments
These amounts represent the expense related to the participation of key management personnel in equity-settled benefits schemes as measured by the fair value of the options, rights and shares granted on grant date.

(b) Other 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:

Name of Related Party	Description of goods/services	Value $
Hillston Tyre Service	Motor vehicle tyres	1,170.40
Hillston Hardware	Fuel	1,638.53

(c) Transactions with key management personnel and related parties

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.

No director of the Coleambally Finance Group Limited has accepted the Bendigo and Adelaide Bank Limited's **Community Bank®** Directors Privileges package. The package is available to all Directors who can elect to avail themselves of the benefits based on their personal banking with the branch. There is no requirement to own Bendigo and Adelaide Bank Limited shares and there is no qualification period to qualify to utilise the benefits.

The package mirrors the benefits currently available to Bendigo and Adelaide Bank Limited shareholders. The total benefits received from the Directors Privilege Package is $NIL for the year ended 30 June 2016.

(d) Key management personnel pledged funds
The pledged funds in Colemabally Finance Group Limited held by each key management personnel of the company during the financial year is as follows:

	2016	**2015**
Anthony Howe	1,500	1,500
Sharon Sutherland	1,250	1,250
Kevan Boyle	1,350	1,350
Adrian Hayes	5,000	5,000
Robert Kerr	500	-
Lynne Stuckings	-	-
Terry Inglis	-	-

There was no movement in key management pledged funds held during the year.

(e) Other key management transactions

There has been no other transactions involving equity instruments other than those described above.

20. Events after the reporting period

Other than detailed below there have been no events after the end of the financial year that would materially affect the financial statements.

The Bendigo & Adelaide Bank new Revenue Share Model has been implemented from 1 July 2016. The effect on revenue has been modelled. Such modelling indicates no material change to future revenues. The first actual results of the new Revenue Share Model, for the month of July 2016, was an overall reduction in revenue of 0.57%. This actual result is in line with the modelling previously prepared.

21. Contingent liabilities and contingent assets

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

22. 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 Coleambally & Hillston, NSW. The company has a franchise agreement in place with Bendigo and Adelaide Bank Limited who account for 100% of the revenue (2015: 100%).

23. Commitments	2016 $	2015 $
Operating lease commitments		

Non-cancellable operating leases contracted for but not capitalised in the Statement of Financial Position.

Payable:		
- no later than 12 months	9,978	16,630
- between 12 months and five years	22,450	54,047
- greater than five years	-	-
Minimum lease payments	32,428	70,677

The property lease at 174 High Street, Hillston is a non-cancellable lease with a five year term, with rent payable monthly in advance and with CPI increases each year. Two options exists to renew the lease at the end of each term for an additional five year period each.

24. Company details

The registered office and principle place of business is: 1 Brolga Place, Coleambally, NSW 2707

25. Fair value measurements

The company measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Listed investments

The company does not subsequently measure any liabilities at fair value on a non-recurring basis.

(a) Fair value hierarchy

AASB 13: *Fair value measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

Fair values 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. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the company are consistent with one or more of the following valuation approaches:

- *Market approach:* valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach:* valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach:* valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

25. Fair value measurements (continued)

(a) Fair value hierarchy (continued)

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

		30 June 2016			
		Level 1	Level 2	Level 3	Total
	Note	$	$	$	$
Recurring fair value measurements					
Financial assets					
Listed investments		36,160	-	-	36,160
Total financial assets recognised at fair value on a recurring basis		36,160	-	-	36,160

		30 June 2015			
		Level 1	Level 2	Level 3	Total
	Note	$	$	$	$
Recurring fair value measurements					
Financial assets					
Listed investments		43,172	-	-	43,172
Total financial assets recognised at fair value on a recurring basis		43,172	-	-	43,172

There were no transfers between Levels for assets measured at fair value on a recurring basis during the reporting period (2015: no transfers).

26. Financial risk management

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.

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	2016 $	2015 $
Financial assets			
Cash and cash equivalents	5	15,119	24,778
Trade and other receivables	6	90,381	79,480
Financial assets	7	36,160	43,172
Total financial assets		141,660	147,430
Financial liabilities			
Trade and other payables	12	87,687	102,210
Borrowings	13	119,756	174,494
Bank overdraft	13	160,612	171,548
Total financial liabilities		368,055	448,252

(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 exposures

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 table above.

The company has 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.

26. 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.

(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 $196,050 (2015: $196,050) with Bendigo and Adelaide Bank Limited. The undrawn amount of this facility is $35,438 (2015: $24,502).

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. The Bank overdraft facility is subject to annual review, may be drawn at any time, and may be terminated by the bank without notice. Therefore the balance of the overdraft facility 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 2016	Weighted average interest rate %	Total $	Within 1 year $	1 to 5 years $	Over 5 years $
Financial assets					
Cash and cash equivalents	2.45%	15,119	15,119	-	-
Trade and other receivables		90,381	90,381	-	-
Financial assets		36,160	36,160	-	-
Total anticipated inflows		141,660	141,660	-	-
Financial liabilities					
Trade and other payables		87,687	87,687	-	-
Borrowings	3%	119,759	119,759	-	-
Bank overdraft *		160,612	160,612	-	-
Total expected outflows		368,058	368,058	-	-
Net inflow / (outflow) on financial instruments		(226,398)	(226,398)	-	-

26. Financial risk management (continued)

(b) Liquidity risk (continued)

30 June 2015	Weighted average interest rate %	Total $	Within 1 year $	1 to 5 years $	Over 5 years $
Financial assets					
Cash and cash equivalents	3.2%	24,778	24,778	-	-
Trade and other receivables		79,480	79,480	-	-
Financial assets		43,172	43,172	-	-
Total anticipated inflows		147,430	147,430	-	-
Financial liabilities					
Trade and other payables		88,159	88,159	-	-
Borrowings	2%	174,494	28,253	146,241	-
Bank overdraft *		171,548	171,548	-	-
Total expected outflows		434,201	287,960	146,241	-
Net inflow / (outflow) on financial instruments		(286,771)	(140,530)	(146,241)	-

* 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 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.

Year ended 30 June 2016	Profit $	Equity $
+/- 1% in interest rates (interest income)	513	513
+/- 1% in interest rates (interest expense)	(409)	(409)
	104	104

26. Financial risk management (continued)

(c) Market risk (continued)

Year ended 30 June 2015

+/- 1% in interest rates (interest income)	(1,745)	(1,745)
+/- 1% in interest rates (interest expense)	1,779	1,779
	34	34

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

The company has no exposure to fluctuations in foreign currency.

(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 are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

Differences between fair values and the carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied to the market since their initial recognition by the company.

	2016		2015	
	Carrying amount	Fair value	Carrying amount	Fair Value
	$	$	$	$
Financial assets				
Cash and cash equivalents (i)	15,119	15,119	24,778	24,778
Trade and other receivables (i)	90,381	90,381	79,480	79,480
Financial assets	36,160	36,160	43,172	43,172
Total financial assets	141,660	141,660	147,430	147,430
Financial liabilities				
Trade and other payables (i)	87,687	87,687	102,210	102,210
Borrowings	119,756	119,756	174,494	174,494
Bank overdraft	160,612	160,612	171,548	171,548
Total financial liabilities	368,055	368,055	448,252	448,252

(i) Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments in nature whose carrying amounts are equivalent to their fair values.

Coleambally Finance Group
ABN 52 086 241 509
Directors' Declaration

In accordance with a resolution of the Directors of Coleambally Finance Group Limited, the Directors of the company declare that:

1. The financial statements and notes, as set out on pages 10 to 38 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 2016 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.

Adrian Hayes
Director

Signed at Griffith on 27 September 2016.

Richmond Sinnott & Delahunty
Chartered Accountants
Level 2, 10-16 Forest Street
Bendigo, VICTORIA
PO Box 30, Bendigo VICTORIA 3552
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COLEAMBALLY FINANCE GROUP LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Coleambally Finance Group Limited, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal 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 Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Coleambally Finance Group Limited, would be in the same terms if provided to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion:

(a) the financial report of Coleambally Finance Group Limited is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

(b) the financial report also complies with the International Financial Reporting Standards as disclosed in Note 1.

RICHMOND SINNOTT & DELAHUNTY
Chartered Accountants

P. P. DELAHUNTY
Partner

Dated at Bendigo, 28th of September 2016

Western Riverina Community Financial Services Partnership

ABN 92 986 178 608

Contents

WESTERN RIVERINA COMMUNITY FINANCIAL SERVICES PARTNERSHIP
ABN 92 986 178 608
Detailed Profit and Loss Statement
For the year ended 30 June 2016

	2016 $	2015 $
Income		
Gross Margin Income	882,938.06	801,159.37
Commissions		
- Upfront	43,499.32	26,316.01
- Fee Income	115,330.78	115,584.14
- Market Development	100,000.11	100,000.16
- Trailing	411,858.27	376,111.34
	670,688.48	618,011.65
Bus Income	2,818.18	909.09
Reimbursement Employee Expenses	-	18,773.81
Dividends - Franked		
- Bendigo Bank Ltd	3,994.11	3,727.68
	3,994.11	3,727.68
Interest Received		
- Bank	222.31	4,319.59
	222.31	4,319.59
Profit/Loss on Sale of Assets	(2,997.19)	-
Subsidies received	-	2,000.00
Rent received	7,090.98	7,090.98
Total income	1,564,754.93	1,455,992.17
Expenses		
Advertising & Promotions	41,379.72	57,855.00
Agency Expenses	706.64	-
Accommodation & Meals	12,593.12	8,941.74
ATM Maintenance & Costs	10,927.29	8,583.77
Audit Fees	13,200.00	12,800.00
Bad Debts Written Off	1,130.67	180.92
Bank Fees & Charges	5,208.01	1,579.24
Borrowing Expenses	629.78	492.38
Bus Expenses	11,191.71	9,502.49
Cash Management Expenses	6,858.30	8,102.98
Cleaning	8,613.73	8,409.21
Commissions Paid	96,207.21	61,447.76

WESTERN RIVERINA COMMUNITY FINANCIAL SERVICES PARTNERSHIP
ABN 92 986 178 608
Detailed Profit and Loss Statement
For the year ended 30 June 2016

	2016 $	2015 $
Computer Software & Supplies	39,640.96	39,794.91
Conference/seminar costs	2,378.23	3,926.32
Consultants Fees	2,500.00	-
Depreciation (as per schedule)	35,339.00	40,342.00
Donations	100.00	26,915.00
Filing Fees	1,453.00	1,508.00
Financial Accounting Services	25,280.00	30,000.00
Freight & Cartage	36,490.74	36,905.52
Fringe Benefits Tax	12,451.73	11,593.19
Insurance	25,635.81	25,284.28
Interest	13,022.39	20,171.05
Leave Entitlements	13,734.64	15,303.52
Legal Fees	4,628.92	13,160.28
Light & Power	7,579.53	5,775.43
Motor Vehicle Expenses		
- Fuel & Oil	10,001.95	11,555.53
- Interest	2,183.05	2,774.61
- Registration	3,097.00	2,290.00
- Repairs	8,375.75	3,839.74
- Insurance	4,207.05	2,969.03
	27,864.80	23,428.91
Office Expenses	2,776.71	1,033.20
Payroll Tax	5,081.04	2,549.84
Postage, Printing & Stationery	19,283.25	16,731.36
Rates	1,764.97	1,909.66
Rent	15,118.20	15,385.36
Repairs & Maintenance	1,384.01	1,280.53
Salaries & Wages	716,755.57	699,075.84
Security Costs	11,253.08	13,150.37
Search Fees & Credit Checks	4,826.57	3,359.49
Staff Amenities	1,090.80	3,855.82
Staff Uniforms	4,714.35	8,811.66
Staff Training	13,200.00	13,625.46
Subscriptions	519.55	65.00
Sundry Expenses	2,434.42	1,804.52
Superannuation	97,503.21	87,158.31

WESTERN RIVERINA COMMUNITY FINANCIAL SERVICES PARTNERSHIP
ABN 92 986 178 608
Detailed Profit and Loss Statement
For the year ended 30 June 2016

	2016 $	2015 $
Telephone	15,288.41	14,472.44
Travel Expenses	2,388.93	807.47
Rates	743.90	729.35
Repairs and Maintenance	1,555.49	2,196.79
Total expenses	1,374,428.39	1,360,006.37
Net Profit from Ordinary Activities before income tax	**190,326.54**	**95,985.80**

WESTERN RIVERINA COMMUNITY FINANCIAL SERVICES PARTNERSHIP
ABN 92 986 178 608
Partners' Profit Distribution Summary
For the year ended 30 June 2016

	2016 $	2015 $
Partners' Share of Profit		
- Coleambally Finance Group Limited (Share: 60%)	114,195.92	57,591.48
- Hillston & District Financial Services Limited (Share: 40%)	76,130.62	38,394.32
Total Profit	190,326.54	95,985.80

WESTERN RIVERINA COMMUNITY FINANCIAL SERVICES PARTNERSHIP

ABN 92 986 178 608

Partners' Profit Distribution Summary

For the year ended 30 June 2016

	2016	2015
	$	$
Coleambally Finance Group Limited (Share: 60%)		
Balance at Beginning of Year	162,316.81	187,276.28
Asset Revaluation Increment/(Decrement)	(9,407.54)	126.75
Tax Refund	10,075.50	-
Profit distribution for year	114,195.92	57,591.48
	277,180.69	244,994.51
Less:		
Income Tax Paid	(6,000.00)	(17,647.29)
Franchise Fee Paid	(15,600.86)	(9,927.82)
Community Donation	(42,105.26)	(31,578.95)
Contributor Interest	(16,802.60)	(23,523.64)
	196,671.97	162,316.81
Hillston & District Financial Services Limited (Share: 40%)		
Balance at Beginning of Year	(114,569.20)	(128,075.73)
Asset Revaluation Increment/(Decrement)	(6,271.71)	84.51
Tax Refund	639.20	-
Profit distribution for year	76,130.62	38,394.32
	(44,071.09)	(89,596.90)
Less:		
Income Tax Paid	-	497.47
Franchise Fee Paid	(16,061.32)	(3,810.72)
Dividend Paid	-	(21,659.05)
	(60,132.41)	(114,569.20)
Total Proprietors' Funds	136,539.56	47,747.61

WESTERN RIVERINA COMMUNITY FINANCIAL SERVICES PARTNERSHIP
ABN 92 986 178 608
Detailed Balance Sheet as at 30 June 2016

	Note	2016 $	2015 $
Proprietors' Funds			
Coleambally Finance Group Limited (Share: 60%)		196,671.97	162,316.81
Hillston & District Financial Services Limited (Share: 40%)		(60,132.41)	(114,569.20)
Total Proprietors' Funds		**136,539.56**	**47,747.61**
Represented by:			
Current Assets			
Cash Assets			
Petty cash - Hillston		200.00	200.00
Term Deposit - Bendigo Bank #146636493		-	41,098.44
Term Deposit - Bendigo Bank #157616087		25,000.00	-
		25,200.00	41,298.44
Receivables			
Trade debtors		150,584.13	132,006.03
		150,584.13	132,006.03
Other Financial Assets			
Shares - Bendigo Bank Ltd		60,268.80	71,953.94
Rental Bond - Hillston		880.00	880.00
		61,148.80	72,833.94
Other			
Accrued Income		52.13	459.40
Prepayments		11,606.62	8,286.18
		11,658.75	8,745.58
Total Current Assets		**248,591.68**	**254,883.99**

WESTERN RIVERINA COMMUNITY FINANCIAL SERVICES PARTNERSHIP
ABN 92 986 178 608
Detailed Balance Sheet as at 30 June 2016

	Note	2016 $	2015 $
Non-Current Assets			
Property, Plant and Equipment			
Land 1 Brolga Place (Directors Val 2011)		40,000.00	40,000.00
Land 33 Brolga Place (Cost 2013)		50,000.00	50,000.00
Buildings Coleambally		271,165.00	271,165.00
Less: Accumulated Depreciation		(22,516.00)	(15,736.00)
Property Improvements - Hillston		57,647.77	51,959.13
Less: Accumulated Depreciation		(9,112.00)	(7,914.00)
Plant & Equip - at Cost		236,770.52	235,582.43
Less: Accumulated Depreciation		(178,209.92)	(169,432.92)
Property Improvements - 1 Brolga Place		70,677.29	70,677.29
Less: Accumulated Depreciation		(2,716.00)	(949.00)
Motor Vehicles - at Cost		160,778.16	149,333.58
Less: Accumulated Depreciation		(83,506.00)	(84,985.00)
		590,978.82	589,700.51
Other			
Borrowing Expenses		1,359.85	1,474.83
		1,359.85	1,474.83
Total Non-Current Assets		**592,338.67**	**591,175.34**
Total Assets		**840,930.35**	**846,059.33**

WESTERN RIVERINA COMMUNITY
FINANCIAL SERVICES PARTNERSHIP
ABN 92 986 178 608
Detailed Balance Sheet as at 30 June 2016

	Note	2016 $	2015 $
Current Liabilities			
Payables			
Unsecured:			
- Trade Creditors		38,267.90	20,738.05
- Sundry Creditors		6,118.12	3,253.29
		44,386.02	23,991.34
Financial Liabilities			
Unsecured:			
- Bendigo Overdraft #144087541		267,686.10	285,913.49
- Business Credit Card		2,146.89	1,593.62
		269,832.99	287,507.11
Current Tax Liabilities			
GST Payable Control Account		40,019.73	35,082.66
Input Tax Credit Control Account		(19,121.79)	(11,664.41)
Provision for Payroll Tax		-	323.00
Provision for FBT		-	3,397.00
PAYG Withholding Tax Payable		15,912.18	10,768.18
		36,810.12	37,906.43
Provisions			
Provision for Annual Leave		50,082.91	48,590.78
Provision for Long Service Leave		83,435.00	80,636.49
Provision for Superannuation		-	1,984.62
		133,517.91	131,211.89
Other			
Accrued Expenses		10,800.00	26,866.54
		10,800.00	26,866.54
Total Current Liabilities		**495,347.04**	**507,483.31**

WESTERN RIVERINA COMMUNITY FINANCIAL SERVICES PARTNERSHIP
ABN 92 986 178 608
Detailed Balance Sheet as at 30 June 2016

	Note	2016 $	2015 $
Non-Current Liabilities			
Financial Liabilities			
Unsecured:			
- Equipment Finance - 2014 Holden Captiva		-	25,886.40
- Equipment Finance - 2012 Holden Captiva		-	19,315.80
- Equipment Finance - 2016 Holden Colorado		40,085.80	-
- Less: Unexp Int Charges - 2014 Captiva		-	(1,388.46)
- Less: Unexp Int Charges - 2012 Captiva		-	(1,429.90)
- Less: Unexp Int Charges - 2016 Colorado		(3,567.68)	-
Secured:			
- Loan - Bendigo Bank #696468610		10.00	80,777.37
- Loan - Bendigo Bank #697069326		163,071.63	167,667.20
		199,599.75	290,828.41
Provisions			
Provision for Long Service Leave		9,444.00	-
		9,444.00	-
Total Non-Current Liabilities		**209,043.75**	**290,828.41**
Total Liabilities		**704,390.79**	**798,311.72**
Net Assets		**136,539.56**	**47,747.61**

Note 1: Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the requirements of the partners to prepare a financial report. The partners have determined that the partnership is not a reporting entity.

The financial report has been prepared in accordance with applicable Australian Accounting Standards.

The financial report is prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

(a) Property, Plant and Equipment

Property, plant and equipment are included at cost, independent of partners' valuation. All assets, excluding freehold land and buildings are depreciated over the useful lives of the assets to the entity.

(b) Provisions

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

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(d) Revenue and Other Income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognised related to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

(e) 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 partnership, are classified as finance leases.

Finance leases are capitalised by recording 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 charged as expenses on a straight-line basis over the lease term.

(f) 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(g) Income Tax

The partnership is not directly subject to income tax as its taxable income is recognised in the income tax returns of the individual partners. Therefore, no provision for income taxes has been made in these financial statements.

(h) Trade and Other Receivables

Most sales are made and services provided on normal credit terms (less than 30 days) and any amounts receivable do not bear interest.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

(i) Trade and Other Payables

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

Trade payables are provided on the basis of normal credit terms of 30 to 60 days and do not bear interest.

(j) Employee Benefits

The liability for employee benefit obligations relates to government mandated annual leave, superannuation and long-service leave payments. Employee benefits have been measured at the amounts expected to be paid when the liability is settled at the current pay rates plus any related on-costs.

Any superannuation contributions that are unpaid at the end of the reporting period are classified as accrued expenses.

WESTERN RIVERINA COMMUNITY FINANCIAL SERVICES PARTNERSHIP
ABN 92 986 178 608
Partner Declaration

The partners have determined that the partnership is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The partners declare that:

1. the financial statements and notes:-

   (a) comply with accounting policies as detailed described in Note 1 to the financial statements; and;

   (b) present fairly the partnership's financial position as at 30 June 2016 and its performance for the period ended on that date;

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

The partners are responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

Coleambally Finance Group Limited (Share: 60%)
Partner

Hillston & District Financial Services Limited (Share: 40%)
Partner

Dated: 27/09/2016

Richmond Sinnott & Delahunty
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTERN RIVERINA COMMUNITY FINANCIAL SERVICES PARTNERSHIP

Report on the Financial Report

We have audited the accompanying special purpose financial report of Western Riverina Community Financial Services Partnership, which comprises the detailed Balance Sheet as at 30 June 2016, the detailed profit or loss statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the partnership at the year's end.

Directors' Responsibility for the Financial Report

The directors of the partnership are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Partnership Agreement and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, that they have determined that the financial report is a special purpose financial report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian Auditing Standards. We confirm that the independence declaration which has been given to the directors of Western Riverina Community Financial Services Partnership, would be in the same terms if provided to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion:

The financial report of Western Riverina Community Financial Services Partnership is in accordance with the Partnership Agreement, including:

(i) giving a true and fair view of the partnership's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations)

RICHMOND SINNOTT & DELAHUNTY
Chartered Accountants

P. P. Delahunty
Partner

Dated at Bendigo, 28th September 2016

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Jerilderie Agency
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ABN: 92 986 178 608

Partner: Coleambally Finance Group Limited
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ABN: 52 086 241 509

Partner: Hillston & District Financial Services Limited
174 High Street, Hillston NSW 2675
Phone: (02) 6967 1422 Fax: (02) 6967 1433
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Bendigo Bank