Cool Country Community
Enterprises Limited

ABN 14 147 009 158

annual report 2011

Trentham & Districts **Community Bank**® Branch

Contents

Chairman's report

For year ending 30 June 2011

I am very pleased to present the first Chairman's report for Cool Country Community Enterprises Ltd (CCCE).

The Company was registered as a public Company on 25 October 2010 with the aim of establishing a **Community Bank®** branch in Trentham for the Trentham and Districts community.

The mission of CCCE is to "operate a friendly, efficient and profitable **Community Bank®** branch, provide full banking services, invest in community projects and provide a reasonable return to shareholders".

The community embraced the establishment of a **Community Bank®** branch with their pledges and significant support. Capital of $650,000 had to be raised to allow the project to proceed.

The Board of Directors of CCCE decided on an aggressive schedule to raise the required capital because of the strong support from the community and a sense of urgency to return a vital service to the local community.

The prospectus was released on 26 November 2010, and launched at a community event held at the Trentham Mechanics Hall on 2 December 2010, with an impressive attendance by locals and Bendigo and Adelaide Bank Ltd personnel. The capital required was quickly raised and closed off at $790,009, comprising 287 shareholders.

The Board was extremely pleased with the community response to the prospectus and I would like to personally thank the Board members, steering committee members and the community members for their support in achieving and exceeding our targets.

The Board's intent was to have the branch open as soon as possible, with the anticipated opening scheduled for August 2011.

On behalf of the Board I would like to acknowledge the outstanding support that CCCE and the community have received from Bendigo and Adelaide Bank Ltd personnel. Mr Tim Birthisel and all of the support staff have provided our Board with timely information for decision making and have given excellent guidance on the establishment of our new **Community Bank®** branch.

The Board is excited about establishing a new and vital business in the Trentham and Districts community and we look forward to the opportunity to engage with, and win the banking business of current and new residents and businesses within the area.

Rick Nolan
Chairman

Directors' report

For the financial year ended 30 June 2011

Your Directors submit the financial report of the company for the period 25 October 2010 to 30 June 2011.

Directors

The names and details of the company's directors who held office during or since the end of the financial year:

Richard Thomas Nolan
Chairman
Age: 49
Occupation: Public Servant
Richard joined the RAAF as an apprentice avionics technician, and served for a total of 26 years. During this time, he gained experience in a variety of roles including technical, logistics, recruiting and consulting. Richard completed an MBA in 2003, and also holds qualifications in procurement and project management. In 2005 Richard became a public servant in the Defence Materiel Organisation, where he is currently an Assistant Director managing a procurement support group. He continues his service in the RAAF as a Reservist and currently serves with 21 Squadron in Melbourne. While in Melbourne, Richard was an active member of his daughter's School Council, and served as President for three years. Richard is an active member of the Trentham Sustainability Group and a member of the Trentham Golf Club.

Corina Renee Sabo
Vice Chairman
Age: 33
Occupation: Administrator/Childcare
Corina holds a Bachelor of Business Degree attained from the Victoria University of Technology. For the past ten years Corina has held an administration role with a Kyneton accounting firm. She continues to be involved in her family's farming business at Little Hampton and also provides bookkeeping and family day child care services from her home as well as being involved in local markets selling hot baked potatoes. Corina is involved in many community groups and activities including the School Council, and the Parents' and Community Committee of the Trentham and Districts Primary School. Previously, she has also had involvement on the Management Committee of the Trentham Playgroup, Trentham Kindergarten and continues to be involved in the management of the Mineral Springs Pre-school Association.

Directors' report continued

Directors (continued)

Kenneth James Warren
Treasurer
Age: 60
Occupation: Accountant
Ken has a Bachelor of Business Degree and is a CPA. With his extensive business experience in banking, manufacturing and government, Ken commenced a professional accounting practice in Ballarat. Since retiring from the business in 2006 Ken has been working as a part time member of a Federal Government appeals tribunal. Ken has been involved in community activities for most of his working life including; SES volunteer for 12 years; Treasurer of the Ballarat Community Fund; treasurer of the Ballarat Chapter of the Australian Conservation Foundation; Treasurer and President of the Daylesford Historical Society and Treasurer of the Daylesford Museum Reserve Committee of Management.

David Ian Baker
Secretary
Age: 66
Occupation: Semi-Retired
David has spent most of his working life in the banking and finance industry. After an initial grounding in accounting, David spent the next 20 years with major international banks in London, Sydney and Perth; culminating as a state manager in Victoria. From 1990 until recently, David was a principal in a multi-functional private advisory company, acting for international banks, financial institutions, public and private companies based in Australia and overseas. The company provided strategic advice and management relating to business and property matters.

Suzanne Elizabeth Bruton
Director
Age: 43
Occupation: Farmer
Sue has been involved with numerous community groups including School Council, the Sportsground Committee of Management, Neighborhood Centre, TRATA Inc, and the Community Groups Forum that liaises with Council. Sue was the President of the Trentham Kindergarten for several years and is the current President of the Trentham Mechanics Institute. Sue is involved in running the family farm with her husband, and also undertakes casual employment with both Hepburn Health and the Mineral Springs Pre-School Association.

Wendy Pauline White
Director
Age: 42
Occupation: Community Newsagent Proprietor
Wendy is a qualified Accountant, holding a Bachelor of Business Degree. Recently she completed a Master of Business and Administration (MBA). During her corporate career, Wendy gained experience in a wide range of industries including international airports, manufacturing, agriculture, defence contracting and aged care. Together with her husband Colin, Wendy operates the local newsagency in Trentham. She has a strong commitment to the local area and is involved in a number of community groups. Wendy sits on various community committees and is Vice President of both the Trentham Business and Tourism Group and Trentham Lions.

Directors (continued)

Ian Ronald Williams

Director

Age: 65

Occupation: Retired/Community Activities

Ian currently owns and runs a herb farm and tourist attraction set up on his property at Trentham. Previously Ian had been involved in a long career in broadcast television and telecommunications, in roles such as engineering and sales and marketing. Ian has taken an active role in a number of local groups and activities. One of these involves an ongoing role with the TRATA Inc since 2000, which has included a major role in the restoration of the Trentham Station. Other community activities include establishing the local community market, assisting in maintaining the Domino Trail walking track, and initiating the local Community Newsletter in 2001. Ian continues to produce the newsletter which keeps local residents up to date with the latest news and happenings around the district. More recently he has been involved with Community activities including the Trentham Sustainability Group and the Trentham Community Planning Group. He has also been a committee member of the Hepburn Regional Tourism Association (HRTA).

David Ian McCallum

Director (Resigned 3 June 2011)

Age: 67

Occupation: Retired

David has a Bachelor of Arts Degree in English and Politics from the Australian National University, and holds qualifications in teaching and educational administration from the University of New England and Monash University. David taught in a variety of government and independent schools in Victoria and the ACT. Prior to retirement he spent 20 years at Melbourne Grammar School, where he taught Senior English, ran a senior boarding house and coordinated Community Service. In the latter role he liaised with a number of charities and community groups. Since moving to Trentham, David has become involved with a number of community activities including volunteering for the Hepburn Health Service, involvement with the TRATA Easter Art and Craft Show, membership of the Quarry Street Reserve Committee and assisting with Weed Free Trentham. More recently, he has assisted Ian Williams with the Trentham Newsletter.

Directors (continued)

Ian Thomas MacBean OAM
Director (Resigned 2 May 2011)
Age: 67
Occupation: Retired/Community Activities
Ian has spent the majority of his career in the higher education sector in Bendigo. He has a PhD in genetics and was awarded the Medal of the Order of Australia in 1993 for service to town and regional planning and the environment. Ian has played an active role in many community activities in this area, including leading the Trentham Community Plan initiative, and serving as President of the Trentham Residents' and Traders' Association Inc (TRATA Inc) for two terms. He promoted the formation of the Trentham Community Groups Forum, a project that brings together ten community groups and initiatives. He has worked on the **Community Bank®** project for over two years, most recently as Chair of the Steering Committee. Ian has also held many elected and ministerially appointed positions of regional leadership in economic development, natural resource management and community development.

Directors were in office since registration on 25 October 2010 unless otherwise stated.

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

Company Secretary

The company secretary is David Ian Baker. David was appointed to the position of secretary upon incorporation on 25 October 2010. David has extensive workplace experience in the banking and finance industry and until recently owned a consultancy business that provided strategic business advice to companies.

Principal Activities

The principal activities of the company during the course of the financial year were in establishing a **Community Bank®** branch to provide services under management rights pursuant to the franchise agreement with Bendigo and Adelaide Bank Limited. During the year the company issued a prospectus and successfully raised the minimum capital required to commence the franchise.

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

Operating Results

Operations have continued to perform in line with expectations. The loss of the company for the financial year after provision for income tax was:

	Year ended 30 June 2011 $
	(4,361)

Remuneration Report

No Director of the company receives remuneration for services as a company director or Committee member.

There are no Executives within the company whose remuneration is required to be disclosed.

Significant Changes in the State of Affairs

In the opinion of the directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report or the financial statements.

Matters Subsequent to the End of the Financial Year

Since the end of the financial year the company, having raised the minimum capital required, has begun the completion of the fit-out of the proposed premises, hired staff to operate the branch and expects to commence trading as Trentham & Districts **Community Bank®** on 18 August 2011.

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

Likely Developments

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

Environmental Regulation

The company is not subject to any significant environmental regulation.

Directors' Benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Indemnification and Insurance of Directors and Officers

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

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for an auditor of the company or a related body corporate.

Directors Meetings

The number of directors meetings attended by each of the directors of the company during the year were:

	Board Meetings Attended	
	Eligible	Attended
Richard Thomas Nolan	19	18
Corina Renee Sabo	19	18
Kenneth James Warren	19	15
David Ian Baker	19	17
Suzanne Elizabeth Bruton	19	15
Wendy Pauline White	19	13
Ian Ronald Williams	19	19
David Ian McCallum (Resigned 3 June 2011)	18	12
Ian Thomas MacBean OAM (Resigned 2 May 2011)	16	14

Non Audit Services

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

The board of directors has considered the position, in accordance with the advice received from the audit committee and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are satisfied that the provision of non-audit services by the auditor, as set out in the notes did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

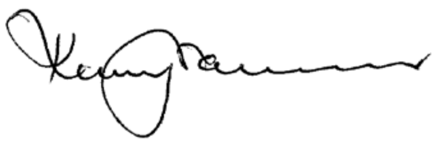
- all non-audit services have been reviewed by the audit committee to ensure they do not impact on the impartiality and objectivity of the auditor;
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risk and rewards.

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 9.

Signed in accordance with a resolution of the board of directors at Trentham, Victoria on 29 September 2011.

Richard Thomas Nolan, Chairman



Kenneth James Warren, Treasurer

Auditor's independence declaration

Partners in success

Chartered Accountants

Lead Auditor's Independence Declaration under section 307C of the Corporations Act 2001 to the directors of Cool Country Community Enterprises Limited

I declare, that to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2011 there have been:

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

DAVID HUTCHINGS
ANDREW FREWIN & STEWART
61-65 Bull Street Bendigo 3550

29 September 2011

Liability limited by a scheme approved under Professional Standards Legislation. ABN: 51 061 795 337.

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Financial statements

Statement of Comprehensive Income for the Year Ended 30 June 2011

	Note	2011 $
Revenues from ordinary activities	4	9,469
Employee benefits expense		(10,000)
Charitable donations, sponsorship, advertising and promotion		(561)
Occupancy and associated costs		(1,000)
General administration expenses		(5,984)
Loss before income tax credit		**(8,076)**
Income tax credit	5	3,715
Loss after income tax credit		**(4,361)**
Total comprehensive income for the year		**(4,361)**

Earnings per share (cents per share)		**c**
- basic for profit for the year	19	(1.14)

The accompanying notes form part of these financial statements.

Balance Sheet
as at 30 June 2011

	Note	2011 $
ASSETS		
Current Assets		
Cash and cash equivalents	6	667,671
Trade and other receivables	7	21,983
Current tax asset	11	1,292
Total Current Assets		**690,946**
Non-Current Assets		
Property, plant and equipment	8	159,091
Intangible assets	9	110,000
Deferred tax assets	10	3,715
Total Non-Current Assets		**272,806**
Total Assets		**963,752**
LIABILITIES		
Current Liabilities		
Trade and other payables	11	189,464
Borrowings	12	10,000
Total Current Liabilities		**199,464**
Total Liabilities		**199,464**
Net Assets		**764,288**
Equity		
Issued capital	13	768,649
Accumulated losses	14	(4,361)
Total Equity		**764,288**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
for the Year Ended 30 June 2011

	Issued Capital $	Retained Earnings $	Total Equity $
Balance at 1 July 2010	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**(4,361)**	**(4,361)**
Transactions with owners in their capacity as owners:			
Shares issued during period	790,009	-	790,009
Costs of issuing shares	(21,360)	-	(21,360)
Dividends provided for or paid	-	-	-
Balance at 30 June 2011	**768,649**	**(4,361)**	**764,288**

The accompanying notes form part of these financial statements.

Statement of Cashflows
for the Year Ended 30 June 2011

	Note	2011 $
Cash Flows From Operating Activities		
Payments to suppliers and employees		(19,398)
Interest received		7,253
Income taxes paid		(1,292)
Net cash used in operating activities	**15**	**(13,437)**
Cash Flows From Investing Activities		
Payments for intangible assets		(110,000)
Net cash used in investing activities		**(110,000)**
Cash Flows From Financing Activities		
Proceeds from issues of shares		790,009
Payment for share issue costs		(8,901)
Proceeds from borrowings		10,000
Net cash provided by financing activities		**791,108**
Net increase in cash held		**667,671**
Cash and cash equivalents at the beginning of the financial year		-
Cash and cash equivalents at the end of the financial year	**6(a)**	**667,671**

The accompanying notes form part of these financial statements.

Notes to the financial statements

For year ended 30 June 2011

Note 1. Summary of Significant Accounting Policies

a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standard Boards and the Corporations Act 2001.

Compliance with IFRS

These financial statements and notes comply with IFRS International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. These areas involving a higher degree of judgement or complexities, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Financial statement presentation

The company has applied revised AASB 101 Presentation of Financial Statements which became effective on 1 January 2009. The company has elected to present all items of income and expense recognised in the period in a single statement of comprehensive income.

Historical cost convention

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

Comparative figures

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

Adoption of new and revised Accounting Standards

During the current year the entity has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of the company.

Note 1. Summary of Significant Accounting Policies (continued)

a) Basis of Preparation (continued)

Adoption of new and revised Accounting Standards (continued)

- AASB 101 Presentation of Financial Statements

  In September 2007 the Australian Accounting Standards Board revised AASB 101, and as a result there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the company's financial statements.

- Disclosure impact

  Terminology changes – The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

  Reporting changes in equity – The revised AASB 101 requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

  Statement of comprehensive income – The revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

  The company's financial statements contain a single statement of comprehensive income.

  Other comprehensive income – The revised version of AASB 101 introduces the concept of "other comprehensive income" which comprises of income and expense that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

New Accounting Standards for application in future periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods, as follows:

- AASB 9: Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013)

- AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011)

These standards are applicable retrospectively and amend the classification and measurement of financial assets. The company has determined these amendments will have no impact on the preparation of the financial statements and therefore they have not been applied.

Notes to the financial statements continued

Note 1. Summary of Significant Accounting Policies (continued)

a) Basis of Preparation (continued)

Economic dependency - Bendigo and Adelaide Bank Limited

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

The branch operates as a franchise of Bendigo and Adelaide Bank Limited, using the name "Bendigo Bank" and the logo and system of operations of Bendigo and Adelaide Bank Limited. The company manages the **Community Bank®** branch 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.

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 manager and other employees in banking, management systems and interface protocol;
- methods and procedures for the sale of products and provision of services;
- security and cash logistic controls;
- calculation of company revenue and payment of many operating and administrative expenses
- the formulation and implementation of advertising and promotional programs; and
- sales techniques and proper customer relations.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

b) Revenue

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the company and any specific criteria have been met. Interest and fee revenue is recognised when earned. The gain or loss on disposal of property, plant and equipment is recognised on a net basis and is classified as income rather than revenue. All revenue is stated net of the amount of Goods and Services Tax (GST).

Note 1. Summary of Significant Accounting Policies (continued)

c) Income Tax

Current tax

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

Deferred tax

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

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

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

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

Current and deferred tax for the period

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

d) Employee Entitlements

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

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

Note 1. Summary of Significant Accounting Policies (continued)

e) Cash and Cash Equivalents

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

f) Trade Receivables and Payables

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

g) Property, Plant and Equipment

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

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

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

- leasehold improvements	40 years
- plant and equipment	2.5 - 40 years
- furniture and fittings	4 - 40 years

h) Intangibles

Intangibles

The franchise fee paid to Bendigo and Adelaide Bank Limited has been recorded at cost and is amortised on a straight line basis over the life of the franchise agreement.

The establishment fee paid to Bendigo and Adelaide Bank Limited when renewing the franchise agreement has also been recorded at cost and is amortised on a straight line basis over the life of the franchise agreement.

i) Payment Terms

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

j) Borrowings

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

Note 1. Summary of Significant Accounting Policies (continued)

k) Financial Instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transaction costs. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires 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.

Classification and subsequent measurement

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

l) 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 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 in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Notes to the financial statements continued

Note 1. Summary of Significant Accounting Policies (continued)

m) Provisions

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

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

n) Contributed Equity

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

o) Earnings Per Share

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

p) Goods and Services Tax

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

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet. Cash flows are included in the statement of cash flows on a gross basis.

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

Note 2. Financial Risk Management

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

Risk management is carried out directly by the board of directors.

(i) Market risk

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

Note 2. Financial Risk Management (continued)

(ii) Price risk

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

(iii) Credit risk

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

(iv) Liquidity risk

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

(v) Cash flow and fair value interest rate risk

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

(vi) Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board of directors monitor the return on capital and the level of dividends to shareholders. Capital is represented by total equity as recorded in the balance sheet.

In accordance with the franchise agreement, in any 12 month period, the funds distributed to shareholders shall not exceed the distribution limit.

(i) the distribution limit is the greater of:

  (a) 20% of the profit or funds of the franchisee otherwise available for distribution to shareholders in that 12 month period; and

  (b) subject to the availability of distributable profits, the relevant rate of return multiplied by the average level of share capital of the franchisee over that 12 month period; and

(ii) the relevant rate of return is equal to the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%.

The board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the company is such that amounts will be paid in the form of charitable donations and sponsorship. Charitable donations and sponsorship paid for the year ended 30 June 2011 can be seen in the statement of comprehensive income.

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

Note 3. Critical Accounting Estimates and Judgements

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

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

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Taxation

Judgement is required in assessing whether deferred tax assets and certain tax liabilities are recognised on the balance sheet. Deferred tax assets, including those arising from un-recouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future sales volumes, operating costs, capital expenditure, dividends and other capital management transactions. Judgements are also required about the application of income tax legislation.

These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the balance sheet and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amount of recognised deferred tax assets and liabilities may require adjustment, resulting in corresponding credit or charge to the statement of comprehensive income.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience and the condition of the asset is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Impairment of assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets that have an indefinite useful life to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Note 3. Critical Accounting Estimates and Judgements (continued)

Impairment of assets (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

	2011 $

Note 4. Revenue from Ordinary Activities

Non-operating activities:	
- interest received	9,469
Total revenue from non-operating activities	**9,469**
Total revenues from ordinary activities	**9,469**

Note 5. Income Tax Credit

The components of tax expense comprise:	
- Current tax	-
- Future income tax benefit attributed to losses	(3,720)
- Movement in deferred tax	5
- Recoup of prior year tax loss	-
	(3,715)
The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:	
Operating loss	(8,076)
Prima facie tax on profit from ordinary activities at 30%	(2,423)

	Note	2011 $
Note 5. Income Tax Credit (continued)		
Add tax effect of:		
- non-deductible expenses		-
- timing difference expenses		(5)
- other deductible expenses		(1,292)
		(3,720)
Movement in deferred tax	10	5
		(3,715)

Note 6. Cash and Cash Equivalents

Cash at bank and on hand	**667,671**
The above figures are reconciled to cash at the end of the financial year as shown in the statement of cashflows as follows:	
Note 6.(a) Reconciliation of cash	
Cash at bank and on hand	**667,671**

Note 7. Trade and Other Receivables

Other receivables and accruals	18,655
Prepayments	3,328
	21,983

Note 8. Property, Plant and Equipment

Leasehold improvements	
At cost	159,091
Less accumulated depreciation	-
Total written down amount	**159,091**

	2011 $

Note 8. Property, Plant and Equipment (continued)

Movements in carrying amounts:

Leasehold improvements	
Carrying amount at beginning	-
Additions	159,091
Disposals	-
Less: depreciation expense	-
Total written down amount	**159,091**

Note 9. Intangible Assets

Franchise fee

At cost	10,000
Less: accumulated amortisation	-
	10,000
Establishment fee	
At cost	100,000
Less: accumulated amortisation	-
	100,000
Total written down amount	**110,000**

Note 10. Tax

Current:

Income tax refundable	**1,292**
Non-Current:	
Deferred tax assets	
- accruals	660
- employee provisions	-
- tax losses carried forward	3,720
	4,380

	2011 $

Note 10. Tax (continued)

Deferred tax liability	
- accruals	665
- deductible prepayments	-
	665
Net deferred tax asset	**3,715**
Movement in deferred tax charged to statement of comprehensive income	**5**

Note 11. Trade and Other Payables

Trade creditors	187,264
Other creditors and accruals	2,200
	189,464

Note 12. Borrowings

Current:	
Hepburn Shire Council Loan	**10,000**

The Hepburn Shire Council Loan is repayable on the earlier of:

- twelve (12) months for the loan drawdown date, being 12 October 2011; or
- the date the company raises the required share capitaql to establish the **Community Bank®** branch.

If the loan is not repaid on the repayment date, interest will be charged at a rate of 6% per annum.

Note 13. Contributed Equity

790,009 Ordinary shares fully paid	790,009
Less: equity raising expenses	(21,360)
	768,649

Note 13. Contributed Equity (continued)

Rights attached to shares

(a) Voting rights

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

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

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

(b) Dividends

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

(c) Transfer

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

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

Prohibited shareholding interest

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

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

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). The base number is 258. As at the date of this report, the company had 287 shareholders.

As with voting rights, the purpose of this prohibited shareholding provision is to reflect the community-based nature of the company.

Note 13. Contributed Equity (continued)

Prohibited shareholding interest (continued)

Where a person has a prohibited shareholding interest, the voting and dividend rights attaching to the shares in which the person (and his or her associates) have a prohibited shareholding interest, are suspended.

The board has the power to request information from a person who has (or is suspected by the board of having) a legal or beneficial interest in any shares in the company or any voting power in the company, for the purpose of determining whether a person has a prohibited shareholding interest. If the board becomes aware that a member has a prohibited shareholding interest, it must serve a notice requiring the member (or the member's associate) to dispose of the number of shares the board considers necessary to remedy the breach. If a person fails to comply with such a notice within a specified period (that must be between three and six months), the board is authorised to sell the specified shares on behalf of that person. The holder will be entitled to the consideration from the sale of the shares, less any expenses incurred by the board in selling or otherwise dealing with those shares.

In the constitution, members acknowledge and recognise that the exercise of the powers given to the board may cause considerable disadvantage to individual members, but that such a result may be necessary to enforce the prohibition.

	2011 $

Note 14. Accumulated Losses

Balance at the beginning of the financial year	-
Net loss from ordinary activities after income tax	(4,361)
Balance at the end of the financial year	**(4,361)**

Note 15. Statement of Cashflows

Reconciliation of loss from ordinary activities after tax to net cash used in operating activities

Loss from ordinary activities after income tax	(4,361)
Non cash items:	
- depreciation	-
- amortisation	-
Changes in assets and liabilities:	
- (increase)/decrease in receivables	(21,983)
- (increase)/decrease in other assets	(5,007)
- increase/(decrease) in payables	17,914
Net cashflows used in operating activities	**(13,437)**

	2011 $

Note 16. Auditors' Remuneration

Amounts received or due and receivable by the auditor of the company for:

- audit and review services	2,200
- non audit services	7,843
	10,043

Note 17. Director and Related Party Disclosures

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

Richard Thomas Nolan
Corina Renee Sabo
Kenneth James Warren
David Ian Baker
Suzanne Elizabeth Bruton
Wendy Pauline White
Ian Ronald Williams
David Ian McCallum (Resigned 3 June 2011)
Ian Thomas MacBean OAM (Resigned 2 May 2011)

No director or related entity has entered into a material contract with the company. No director's fees have been paid as the positions are held on a voluntary basis.

Directors Shareholdings	**2011**
Richard Thomas Nolan	4,001
Corina Renee Sabo	4,101
Kenneth James Warren	8,001
David Ian Baker	5,101
Suzanne Elizabeth Bruton	15,001
Wendy Pauline White	501
Ian Ronald Williams	3,101
David Ian McCallum (Resigned 3 June 2011)	3,101
Ian Thomas MacBean OAM (Resigned 2 May 2011)	12,101

There was no movement in directors shareholdings during the year.

Note 18. Key Management Personnel Disclosures

No director of the company receives remuneration for services as a company director or committee member.

There are no executives within the company whose remuneration is required to be disclosed.

Note 19. Earnings Per Share

	2011 $
(a) Loss attributable to the ordinary equity holders of the company used in calculating earnings per share	(4,361)
	Number
(b) Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	382,262

Note 20. Events Occurring After the Balance Sheet Date

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

Note 21. Contingent Liabilities

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

Note 22. Segment Reporting

The economic entity operates in the service sector where it facilitates **Community Bank®** services in Trentham, Victoria pursuant to a franchise agreement with Bendigo and Adelaide Bank Limited.

Note 23. Registered Office/Principal Place of Business

The entity is a company limited by shares, incorporated and domiciled in Australia. The registered office and principal place of business is:

Registered Office	Principal Place of Business
37B High Street	37B High Street
Trentham VIC 3458	Trentham VIC 3458

Note 24. Financial Instruments

Net Fair Values

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the balance sheet. The company does not have any unrecognised financial instruments at the year end.

Credit Risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the balance sheet and notes to the financial statements.

There are no material credit risk exposures to any single debtor or group of debtors under financial instruments entered into by the economic entity.

Interest Rate Risk

Financial instrument	Floating interest rate	Fixed interest rate maturing in			Non interest bearing	Weighted average effective interest rate
		1 year or less	Over 1 to 5 years	Over 5 years		
	2011 $	2011 $	2011 $	2011 $	2011 $	2011 %
Financial Assets						
Cash assets	667,671	-	-	-	-	2.18
Receivables	-	-	-	-	18,655	N/A
Financial Liabilities						
Borrowings	-	-	-	-	10,000	N/A
Payables	-	-	-	-	189,464	N/A

Directors' declaration

In accordance with a resolution of the directors of Cool Country Community Enterprises Limited we state that:

In the opinion of the directors:

(a) the financial statements and notes of the company are 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 2011 and of its performance for the financial year ended on that date; and

   (ii) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

(c) the audited remuneration disclosures set out in the remuneration report section of the directors' report comply with Accounting Standard AASB124 Related Party Disclosures and the Corporations Regulations 2001.

This declaration is made in accordance with a resolution of the board of directors.

Richard Thomas Nolan, Chairman

Kenneth James Warren, Treasurer

Signed on the 29th of September 2011.

Independent audit report

Partners in success

Chartered Accountants

Independent Auditor's Report To The Members Of Cool Country Community Enterprises Limited

Report on the Financial Report

We have audited the accompanying financial report of Cool Country Community Enterprises Limited, which comprises the balance sheet as at 30 June 2011, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and the Directors' Declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and presentation of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making fair accounting estimates that are reasonable in the circumstances. In note 1, the directors also state in accordance with the Accounting Standard AASB 101 Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards.

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. These auditing standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 our 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, we consider internal controls relevant to the entity's preparation and presentation 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 entity'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.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001 and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the company's financial position and of its performance.

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

Liability limited by a scheme approved under Professional Standards Legislation. ABN: 51 061 795 337.

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Independence

In conducting our audit we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report. In addition to our audit of the financial report and the remuneration disclosures, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Auditor's Opinion on the Financial Report

In our opinion:

1) The financial report of Cool Country Community Enterprises Limited is in accordance with the Corporations Act 2001 including giving a true and fair view of the company's financial position as at 30 June 2011 and of its financial performance and its cash flows for the year then ended and complying with Australian Accounting Standards and the Corporations Regulations 2001.

2) The financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on the Remuneration Report

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2011. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Cool Country Community Enterprises Limited for the year ended 30 June 2011, complies with section 300A of the Corporations Act 2001.

DAVID HUTCHINGS
ANDREW FREWIN & STEWART
61-65 Bull Street Bendigo 3550

29 September 2011



Trentham & Districts **Community Bank**® Branch
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Phone: (03) 5424 1608

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PO Box 100, Trentham VIC 3458
ABN: 14 147 009 158

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The Bendigo Centre, Bendigo VIC 3550
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(BMPAR11128) (10/11)