Annual Report 2017

Hillston & District Financial Services Limited

ABN 44 107 725 977

Hillston & District **Community Bank®** Branch
Hay branch

Contents

Chairman's report

For year ending 30 June 2017

What a turnaround in weather, 27 inches in 2016 and only four inches in 2017. With so much sub soil moisture if we had received another two inches of rain it could have been a bumper year but you can't control Mother Nature.

The entire **Community Bank**® network Australia-wide is still going strong and has given back a total of $150 million into the communities. Last year we were certain to pay a dividend back to our shareholders as the Hay agency was supposed to be turned into a Community Service Centre and we were to share a building with another business. Unfortunately the business we had lined up was not allowed to share the premises with us, so we set up a standalone branch which in turn cost more than we thought it would and put the opening back by around four months. The Hay branch opened its doors on 7 September 2017 for the first day of business. It is going extremely well with an average of ten new accounts being opened daily. The ANZ branch in Hay is closing its doors in January 2018 so that will be really good for our branch as it should grow a lot quicker than anticipated. I would like to welcome our new staff at the Hay branch, Sandra Dolan, Jessie Jackson, Anthea Summers and with Paul Lenon at the helm I'm sure it will be a very successful branch.

I would also like to thank all of our staff at our Hillston & District **Community Bank**® Branch, Vicki, Charone, Julie, Grace, Kylie, Kelly, our new trainee Jade, all our Agri Managers and Directors.

Finally I would like to thank our customers and shareholders very much because without all of you we wouldn't be where we are today.

Graeme May

Graeme May
Chairman

Manager's report

For year ending 30 June 2017

It has now been five years since my commencement as Branch Manager of Hillston & District **Community Bank**® Branch. Over this period of time the branch has continued to grow both in deposits and lending with the last financial year actual growth being $12.273 million being a total book of $99,162 million as at 30 June 2017.

I believe this is another excellent result following on from a very successful 2015/16 financial year. The next 12 months I anticipate the Hillston & District **Community Bank**® Branch book to exceed $110 million being a book increase of $75 million over the last six years.

The last 18 months has seen the opening of a **Community Bank**® agency in Condobolin under the agency principals Western Plains Regional Development Inc. The agency is performing well and I would like to say thanks to all of the staff and especially Anne Coffey who was the driving force behind this venture.

The Lake Cargelligo agency continues to grow with a number of new consumer and business loans written.

Linda Hague, Manager of Lower Lachlan Community Services (our agent), has since left the business and Rebecca Kealey has taken over the role and is extremely motivated this next financial year to work in closer with myself on a number of projects to keep the ball rolling with the end goal being a sub branch in the near future. I would like to thank Linda, Chis, Rebecca, Leanne and Georgia for their help over the past 12 months.

The Board of the Western Riverina Community Financial Services Pty Ltd has approved the opening of a new Franchise branch in Hay which opened its doors on 7 of September 2017 with an official opening on 28 September 2017 by Member for Farrar Sussan Ley.

The branch is open five days a week 9.00am to 5.00pm with Sandra Dolan employed full-time as the Customer Relationship Manager, Jessie Jackson and Anthea Summers as part-time Customer Service Officers. I will continue to service this branch on a weekly basis to drive new business onto the books and support the staff.

We would like to thank the agency principals David and Janet Low as well as their staff from the Hay Newsagency for all their help over the last two years.

Jade Bawden has been a great asset to the team as the School Based Trainee and is in her first year of a two-year Traineeship.

I would like to thank the staff, Vicki, Grace, Charone, Julie, Kylie and Kelly who have been very supportive with the continued growth of the branch. The staff are the face of the branch and I commend them on their efforts during the year.

Mark Hately, our Rural Bank Agri Manager, has had some great results over the last 12 months and our Rural Bank Book is growing rapidly and sits on $18 million as at 30 June 2017. This is the market where we can see our major growth coming from.

The success of the **Community Bank**® branch relies on the support of our customers and with your continued support I am confident that the results of your **Community Bank**® branch will continue to improve dramatically over the next few years.

Paul Lenon
Branch Manager

Directors' report

For the financial year ended 30 June 2017

The Directors present their report of the company for the financial year ended 30 June 2017.

Directors

The following persons were Directors of Hillston & District Financial Services Limited during or since the end of the financial year up to the date of this report:

Graeme May

Position	Non-executive Director
Professional qualifications	Nil
Experience and expertise	Appointed 23 January 2004. Owner - Hillston Tyre Service.

Michael Brettschneider

Position	Non-executive Director
Professional qualifications	Nil
Experience and expertise	Appointed 25 January 2010. Local primary producer, school bus operator and qualified mechanic.

Graeme Lyons

Position	Non-executive Director
Professional qualifications	Chartered Accountant
Experience and expertise	Appointed 27 August 2013. Principal - PinnacleHPC Accountants.

Sally Redpath

Position	Non-executive Director
Professional qualifications	Nil
Experience and expertise	Appointed 30 April 2012. Proprietor - Hasslefree Secretarial.

Peter Storrier

Position	Non-executive Director
Professional qualifications	Nil
Experience and expertise	Appointed 21 November 2007. Retired businessman.

Tanya Ellis

Position	Non-executive Director
Professional qualifications	Diploma Ag. Business
Experience and expertise	Appointed 16 May 2015. Proprietor - Westgate Irrigation Contractors Pty Ltd.

Paula Knight

Position	Non-executive Director
Professional qualifications	Nil
Experience and expertise	Appointed 16 February 2016. Facility Manager Aged Care.

Margaret Booth

Position	Non-executive Director
Professional qualifications	Nil
Experience and expertise	Appointed 15 March 2016. Administration Office - Part time.

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

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

Directors' meetings

Attendances by each Director during the year were as follows:

Director	Board meetings	
	A	B
Graeme May	3	3
Michael Brettschneider	3	3
Graeme Lyons	3	3
Sally Redpath	3	3
Peter Storrier	3	2
Tanya Ellis	3	2
Paula Knight	3	2
Margaret Booth	3	2

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

Company Secretary

There has been no Company Secretary appointed since the resignation of Natasha Mahy on the 19 April 2016.

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 of the company for the financial year after provision for income tax was $28,699 (2016 profit: $29,216), which is a 2% decrease as compared with the previous year.

Dividends

No dividend has been declared or paid for the year ended 30 June 2017.

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

The new sub branch at Hay opened on 7 September 2017.

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 7 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 Griffith on 25 September 2017.

Graeme May

Graeme May
Director

Auditor's independence declaration

rsd Audit

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27 September 2017

The Directors
Hillston & District Financial Services Limited
1 Brolga Place
Coleambally NSW 2707

Dear Directors

To the Directors of Hillston & District Financial Services Limited

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

I declare that to the best of my knowledge and belief, during the year ended 30 June 2017 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

Financial statements

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2017

	Notes	2017 $	2016 $
Revenue	2	697,625	627,785
Expenses			
Employee benefits expense	3	(371,839)	(331,196)
Depreciation and amortisation	3	(31,556)	(27,747)
Finance costs	3	(4,672)	(5,208)
Bad and doubtful debts expense	3	(278)	(452)
Administration and general costs		(126,952)	(100,393)
IT expenses		(15,663)	(15,856)
Rental expense		(7,998)	(6,047)
Other expenses		(74,786)	(61,090)
		(633,744)	**(547,989)**
Operating profit before charitable donations and sponsorships		**63,881**	**79,796**
Charitable donations and sponsorships		(22,120)	(16,592)
Profit before income tax		**41,761**	**63,204**
Income tax expense	4	(16,929)	(30,224)
Profit for the year		**24,832**	**32,980**
Other comprehensive income		3,867	(3,764)
Total comprehensive income for the year		**28,699**	**29,216**
Profit attributable to members of the company		28,699	29,216
Total comprehensive income attributable to members of the company		**28,699**	**29,216**
Earnings per share for profit from continuing operations attributable			
to the ordinary equity holders of the company (cents per share):			
- basic earnings per share	20	4.01	5.33

These financial statements should be read in conjunction with the accompanying notes.

Statement of Financial Position
as at 30 June 2017

	Notes	2017 $	2016 $
Assets			
Current assets			
Cash and cash equivalents	5	10,305	10,080
Trade and other receivables	6	65,298	60,254
Financial assets	7	32,806	24,107
Current tax asset	4	785	685
Other assets	8	4,733	4,994
Total current assets		**113,927**	**100,120**
Non-current assets			
Property, plant and equipment	9	319,248	236,936
Intangible assets	10	29,490	43,101
Deferred tax assets	4	117,109	134,038
Total non-current assets		**465,847**	**414,075**
Total assets		**579,774**	**514,195**
Liabilities			
Current liabilities			
Trade & other payables	11	79,061	85,841
Borrowings	13	136,868	123,701
WRCFS Interest	14	87,802	124,126
Provisions	15	64,442	53,407
Total current liabilities		**368,173**	**387,075**
Non-current liabilities			
Borrowings	13	119,072	63,212
Provisions	15	3,700	3,778
Total non-current liabilities		**122,772**	**66,990**
Total liabilities		**490,945**	**454,065**
Net assets		**88,829**	**60,130**
Equity			
Issued capital	16	618,830	618,830
Accumulated losses	17	(530,104)	(554,936)
Reserves	19	103	(3,764)
Total equity		**88,829**	**60,130**

These financial statements should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2017

	Note	Issued capital $	Accumulated losses $	Reserves $	Total equity $
Balance at 1 July 2015		618,830	(587,916)	-	30,914
Profit for the year		-	32,980	-	32,980
Other comprehensive income for the year		-	-	(3,764)	(3,764)
Total comprehensive 0income for the year		**-**	**32,980**	**(3,764)**	**29,216**
Transactions with owners, in their capacity as owners					
Shares issued during the year		-	-	-	-
Dividends paid or provided	18	-	-	-	-
Balance at 30 June 2016		**618,830**	**(554,936)**	**(3,764)**	**60,130**
Balance at 1 July 2016		618,830	(554,936)	(3,764)	60,130
Profit for the year		-	24,832	-	24,832
Other comprehensive income for the year		-	-	3,867	3,867
Total comprehensive income for the year		**-**	**24,832**	**3,867**	**28,699**
Transactions with owners, in their capacity as owners					
Shares issued during the year		-	-	-	-
Dividends paid or provided	18	-	-	-	-
Balance at 30 June 2017		**618,830**	**(530,104)**	**103**	**88,829**

These financial statements should be read in conjunction with the accompanying notes.

Statement of Cash Flows
for the year ended 30 June 2017

	Notes	2017 $	2016 $
Cash flows from operating activities			
Receipts from customers		758,174	679,316
Payments to suppliers and employees		(681,273)	(602,816)
Dividends received		2,616	2,282
Interest paid		(4,672)	(5,208)
Interest received		223	88
Net cash provided by operating activities	**21b**	**75,068**	**73,662**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		3,879	3,273
Purchase of property, plant and equipment		(106,593)	(19,074)
Purchase of investments		(4,832)	910
Net cash flows used in investing activities		**(107,546)**	**(14,891)**
Cash flows from financing activities			
Proceeds from borrowings		75,885	16,296
Repayment of borrowings		(5,920)	(52,788)
Net movement in WRCFS Investment		(36,324)	(21,427)
Net cash provided by / (used in) financing activities		**33,641**	**(57,919)**
Net increase in cash held		1,163	852
Cash and cash equivalents at beginning of financial year		(96,994)	(97,846)
Cash and cash equivalents at end of financial year	**21a**	**(95,831)**	**(96,994)**

These financial statements should be read in conjunction with the accompanying notes.

Notes to the financial statements

For year ended 30 June 2017

These financial statements and notes represent those of Hillston & District Financial Services Limited.

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

The financial statements were authorised for issue by the Directors on 25 September 2017.

Note 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 Hillston

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.

"Bendigo and Adelaide Bank Limited provides significant assistance in establishing and maintaining the **Community Bank**® branches 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**® branches;
- 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.

Note 1. Summary of significant accounting policies (continued)

(b) Impairment of assets (continued)

Economic dependency (continued)

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.

(c) 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.

(d) 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.

(e) Comparative figures

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

(f) 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.

Note 1. Summary of significant accounting policies (continued)

(f) Critical accounting estimates and judgements (continued)

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.

(g) 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.

Note 1. Summary of significant accounting policies (continued)

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

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

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.

(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.

Note 1. Summary of significant accounting policies (continued)

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

(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.

Note 2. Revenue

Revenue arises from the rendering of services through its franchise agreement with the Bendigo and Adelaide Bank LImited. The revenue recognised is measured by reference to the fair value of consideration received or receivable, excluding sales taxes, rebates, and trade discounts.

The entity applies the revenue recognition criteria set out below to each separately identifiable sales transaction in order to reflect the substance of the transaction.

Rendering of services

The entity generates service commissions on a range of products issued by the Bendigo and Adelaide Bank Limited. The revenue includes upfront and trailing commissions, sales fees and margin fees.

Interest, dividend and other income

Interest income is recognised on an accrual basis using the effective interest rate method.

Dividend and other 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).

	2017 $	**2016 $**
Revenue		
- service commissions	694,566	624,861
	694,566	**624,861**
Other revenue		
- interest received	223	88
- other revenue	2,836	2,836
	3,059	**2,924**
Total revenue	**697,625**	**627,785**

Note 3. Expenses

Operating expenses

Operating expenses are recognised in profit or loss on an accurals basis, which is typically upon utilisation of the service or at the date upon which the entity becomes liable.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

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. Leasehold 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%	PC & DV
Plant and equipment	2.5% - 40%	PC & DV
Motor vehicles	25% - 30%	DV

Gains/losses upon disposal of non-current assets

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.

	2017 $	**2016 $**
Profit before income tax includes the following specific expenses:		
Employee benefits expense		
- wages and salaries	316,975	286,702
- superannuation costs	43,907	39,001
- other costs	10,957	5,493
	371,839	**331,196**
Depreciation and amortisation		
Depreciation		
- plant and equipment	4,468	3,511
- property improvements	1,760	1,186
- motor vehicles	9,005	6,727
- buildings	2,712	2,712
	17,945	**14,136**

	2017 $	2016 $
Note 3. Expenses (continued)		
Amortisation		
- intangible assets	13,611	13,611
	13,611	**13,611**
Total depreciation and amortisation	**31,556**	**27,747**
Finance costs		
- Interest paid	4,672	5,208
Bad and doubtful debts expenses	278	452
Loss on disposal of property, plant and equipment	2,457	1,199
Auditors' remuneration		
Remuneration of the Auditor, Richmond, Sinnott & Delahunty, for:		
- Audit or review of the financial report	5,340	5,280
	5,340	**5,280**

Note 4. Income tax

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

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

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

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

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

	2017 $	2016 $
a. The components of tax expense comprise:		
Current tax expense	15,239	23,576
Deferred tax expense	16,929	30,224
Recoupment of prior year tax losses	(15,239)	(23,576)
	16,929	**30,224**

	2017 $	2016 $
Note 4. Income tax (continued)		
b. Prima facie tax payable		
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on profit before income tax at 27.5% (2016: 28.5%)	11,484	18,013
Add tax effect of:		
- Change in company tax rates	4,131	7,438
- Non-deductible expenses	1,314	4,773
Income tax attributable to the entity	**16,929**	**30,224**
The applicable weighted average effective tax rate is	40.54%	47.82%
c. Current tax receivable		
Current tax relates to the following:		
Current tax assets		
Opening balance	685	639
Income tax paid/(received)	(685)	(639)
Current tax	785	685
	785	**685**
d. Deferred tax asset		
Deferred tax relates to the following:		
Deferred tax assets balance comprises:		
Employee provisions	18,739	16,298
Unused tax losses	98,370	117,740
	117,109	**134,038**
Net deferred tax asset / (liability)	**117,109**	**134,038**
e. Deferred income tax (revenue)/expense included in income tax expense comprises:		
Decrease / (increase) in deferred tax assets	(16,929)	(30,224)
	(16,929)	**(30,224)**

Note 5. 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.

	2017 $	2016 $
Note 5. Cash and cash equivalents (continued)		
Cash at bank and on hand	80	80
Short-term bank deposits	10,225	10,000
	10,305	**10,080**

The effective interest rate on short-term bank deposits was 2.05% (2016: 2.45%); these deposits have an average maturity of 90 days.

Note 6. 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.

	2017 $	2016 $
Current		
Trade receivables	65,279	60,233
Other receivables	19	21
	65,298	**60,254**

Credit risk

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

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

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

Note 6. Trade and other receivables (continued)

	Gross amount $	Not past due $	Past due but not impaired			Past due and impaired $
			< 30 days $	31-60 days $	> 60 days $	
2017						
Trade receivables	65,279	65,279	-	-	-	-
Other receivables	19	19	-	-	-	-
Total	**65,298**	**65,298**	**-**	**-**	**-**	**-**
2016						
Trade receivables	60,233	60,233	-	-	-	-
Other receivables	21	21	-	-	-	-
Total	**60,254**	**60,254**	**-**	**-**	**-**	**-**

Note 7. Financial assets

Classification of financial assets

The company classifies its financial assets in the following categories:

- loans and receivables,
- 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.

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.

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.

Measurement of financial assets

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.

Note 7. Financial assets (continued)

Measurement of 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.

Impairment of financial assets

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.

<u>Assets carried at amortised cost</u>

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.

<u>Assets classified as available for sale</u>

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.

Note 7. Financial assets (continued)

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.

	2017 $	2016 $
Available for sale financial assets		
Listed investments	32,806	24,107
	32,806	**24,107**

Note 8. Other assets

Other assets represent items that will provide the entity with future economic benefits controlled by the entity as a result of past transactions or other past events.

	2017 $	2016 $
Prepayments	4,381	4,642
Security bond	352	352
	4,733	**4,994**

Note 9. Property, plant and equipment

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.

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.

Note 9. Property, plant and equipment (continued)

Plant and equipment (continued)

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.

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.

	2017 $	2016 $
Land		
At cost	36,000	36,000
Buildings		
At cost	108,466	108,466
Less accumulated depreciation	(11,718)	(9,006)
	96,748	**99,460**
Property improvements		
At cost	122,159	51,330
Less accumulated depreciation	(6,491)	(4,731)
	115,668	**46,599**
Plant and equipment		
At cost	110,841	94,708
Less accumulated depreciation	(75,752)	(71,284)
	35,089	**23,424**
Motor Vehicles		
At cost	71,585	64,855
Less accumulated depreciation	(35,842)	(33,402)
	35,743	**31,453**
Total property, plant and equipment	**319,248**	**236,936**

	2017 $	2016 $
Note 9. Property, plant and equipment (continued)		
Movements in carrying amounts		
Land		
Balance at the beginning of the reporting period	36,000	36,000
Additions	-	-
Disposals	-	-
Balance at the end of the reporting period	**36,000**	**36,000**
Buildings		
Balance at the beginning of the reporting period	99,460	102,172
Additions	-	-
Disposals	-	-
Depreciation expense	(2,712)	(2,712)
Balance at the end of the reporting period	**96,748**	**99,460**
Property improvements		
Balance at the beginning of the reporting period	46,599	45,509
Additions	70,829	2,276
Disposals	-	-
Depreciation expense	(1,760)	(1,186)
Balance at the end of the reporting period	**115,668**	**46,599**
Plant and equipment		
Balance at the beginning of the reporting period	23,424	26,460
Additions	16,133	475
Disposals	-	-
Depreciation expense	(4,468)	(3,511)
Balance at the end of the reporting period	**35,089**	**23,424**
Motor Vehicles		
Balance at the beginning of the reporting period	31,453	26,329
Additions	19,631	16,368
Disposals	(6,336)	(4,517)
Depreciation expense	(9,005)	(6,727)
Balance at the end of the reporting period	**35,743**	**31,453**

	2017 $	2016 $

Note 9. Property, plant and equipment (continued)

	2017 $	2016 $
Total property, plant and equipment		
Balance at the beginning of the reporting period	236,936	236,470
Additions	106,593	19,119
Disposals	(6,336)	(4,517)
Depreciation expense	(17,945)	(14,136)
Balance at the end of the reporting period	**319,248**	**236,936**

Note 10. Intangible assets

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.

	2017 $	2016 $
Franchise fee		
At cost	68,056	68,056
Less accumulated amortisation	(38,566)	(24,955)
	29,490	**43,101**
Total intangible assets	**29,490**	**43,101**
Movements in carrying amounts		
Franchise fee		
Balance at the beginning of the reporting period	43,101	56,712
Additions	-	-
Disposals	-	-
Amortisation expense	(13,611)	(13,611)
Balance at the end of the reporting period	**29,490**	**43,101**
Total intangible assets		
Balance at the beginning of the reporting period	43,101	56,712
Additions	-	-
Disposals	-	-
Amortisation expense	(13,611)	(13,611)
Balance at the end of the reporting period	**29,490**	**43,101**

Note 11. 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.

	2017 $	2016 $
Current		
Unsecured liabilities:		
Trade creditors	49,511	63,491
Other creditors and accruals	19,638	13,991
GST Payable	9,912	8,359
	79,061	**85,841**

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

Note 12. Financial liabilities

Financial liabilities include trade payables, other creditors, loans from third parties and loans from or other amounts due to related entities. Financial liabilities are 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.

Financial liabilities are initially measured at fair value plus transaction costs, except where the instrument is classified as "fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Note 13. Borrowings

<u>Loans</u>

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.

<u>Finance Leases</u>

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.

Note 13. Borrowings (continued)

Finance Leases (continued)

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.

	2017 $	2016 $
Current		
Unsecured liabilities		
Bank overdraft	106,136	107,074
Secured liabilities		
Bank loan	2,170	2,020
Equipment Finance	28,562	14,607
	136,868	**123,701**
Non-current		
Secured liabilities		
Bank loan	119,072	63,212
	119,072	**63,212**
Total borrowings	**255,940**	**186,913**

(a) Bank overdraft and bank loans

The company has an overdraft facility of $130,700 which is subject to normal commercial terms and conditions.

The company has a $58,004 term loan which is currently interest only at a rate of 3.79%p.a (2016: 4.285%pa) and is secured by a general security deed.

The company has a $63,238 term loan which is subject to normal terms and conditions. The current interest rate is 7.29%pa (2016: 7.29%pa). This loan is secured by the mortgage over the land and buildings.

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

(b) Lease liabilities

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Note 14. WRCFS Interest

	2017 $	2016 $
WRCFS Partner Distribution	(17,056)	(60,133)
WRCFS Employee adjustment to period ending 31/12/12	(9,377)	(9,377)
40% WRCFS Net Assets 30 June 2017 $153,421 (2016: $136,539)	(61,369)	(54,616)
Interest WRCFS Joint Venture	**(87,802)**	**(124,126)**

Note 15. Provisions

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.

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.

	2017 $	2016 $
Current		
Employee benefits	64,442	53,407
Non-current		
Employee benefits	3,700	3,778
Total provisions	**68,142**	**57,185**

Note 16. Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

	2017 $	2016 $
618,830 Ordinary shares fully paid	618,830	618,830
	618,830	**618,830**

	2017 $	2016 $

Note 16. Share capital (continued)

Movements in share capital

	2017 $	2016 $
Fully paid ordinary shares:		
At the beginning of the reporting period	618,830	618,830
Shares issued during the year	-	-
At the end of the reporting period	**618,830**	**618,830**

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

Capital management

The Board's policy is to maintain a strong capital base so as to sustain future development of the company. The Board of Directors monitor the return on capital and the level of dividends to shareholders. Capital is represented by total equity as recorded in the Statement of Financial Position.

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

(i) the Distribution Limit is the greater of:

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

  (b) subject to the availability of distributable profits, the Relevant Rate of Return multiplied by the average level of share capital of the Franchisee over that 12 month period; and

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

The Board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the company is such that amounts will be paid in the form of charitable donations and sponsorship. Charitable donations and sponsorship paid can be seen in the Statement of Profit or Loss and Comprehensive Income.

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

	2017 $	2016 $

Note 17. Accumulated losses

	2017 $	2016 $
Balance at the beginning of the reporting period	(554,936)	(587,916)
Profit after income tax	24,832	32,980
Dividends paid	-	-
Balance at the end of the reporting period	**(530,104)**	**(554,936)**

Note 18. Dividends paid or provided for on ordinary shares

Dividends paid or provided for during the year

There were no dividends declared or paid during the year (2016: Nil).

Note 19. Reserves

The reserves represent undistributable gains recognised on the revaluation of non-current assets.

	2017 $	2016 $
Available for sale reserve		
Balance at the beginning of the reporting period	(3,764)	-
Fair value movements during the period	3,867	(3,764)
Balance at the end of the reporting period	**103**	**(3,764)**

Note 20. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the company, excluding any costs of servcing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year, adjsuted for bonus elements in ordinary shares issues during the year.

	2017 $	2016 $
Basic earnings per share (cents)	4.01	5.33
Earnings used in calculating basic earnings per share	24,832	32,980
Weighted average number of ordinary shares used in calculating basic earnings per share.	618,830	618,830

Note 21. 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:		
Cash and cash equivalents (Note 5)	10,305	10,080
Less bank overdraft (Note 13)	(106,136)	(107,074)
As per the Statement of Cash Flow	**(95,831)**	**(96,994)**

	2017 $	2016 $

Note 21. Statement of cash flows (continued)

(b) Reconciliation of cash flow from operations with profit after income tax

	2017 $	2016 $
Profit after income tax	24,832	32,980
Non-cash flows in profit		
- Depreciation	17,945	14,136
- Amortisation	13,611	13,611
- Bad debts	278	452
- Net (profit) / loss on disposal of property, plant & equipment	2,457	1,199
Changes in assets and liabilities		
- (Increase) / decrease in trade and other receivables	(5,422)	(7,929)
- (increase) / decrease in prepayments and other assets	261	(1,165)
- (Increase) / decrease in deferred tax asset	16,929	30,224
- Increase / (decrease) in trade and other payables	(6,780)	(15,340)
- Increase / (decrease) in provisions	10,957	5,494
Net cash flows from / (used in) operating activities	**75,068**	**73,662**

(c) Credit standby arrangement and loan facilities

The company has a bank overdraft and commercial bill facility amounting to $130,700 (2016: $130,700). This may be terminated at any time at the option of the bank. At 30 June 2017, $106,136 of this facility was used (2016: $107,074). Variable interest rates apply to these overdraft and bill facilities.

Note 22. 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.

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.

(b) Other related parties

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

(c) Transactions with key management personnel and related parties

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

Note 22. Key management personnel and related party disclosures (continued)

(c) Transactions with key management personnel and related parties (continued)

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 repairs	75
Hillston Hardware	Fuel	1,855
PinnacleHPC	Share registry maintenance	2,278

The Hillston & District Financial Services 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 Directors have estimated the total benefits received from the Directors Privilege Package to be $NIL for the year ended 30 June 2017.

(d) Key management personnel shareholdings

The number of ordinary shares in Hillston & District Financial Services Limitedheld by each key management personnel of the company during the financial year is as follows:

	2017	2016
Graeme May	8,000	8,000
Michael Brettschneider	2,000	2,000
Graeme Lyons	8,000	8,000
Sally Redpath	500	500
Peter Storrier	2,000	2,000
Tanya Ellis	7,500	7,500
Paula Knight	50	50
Margaret Booth	-	-
	28,050	**28,050**

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

(e) Other key management transactions

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

Note 23. Events after the reporting period

The operation of an agency at Berrigan has been accepted and will open as soon as possible. The branch at Hay opened on the 7 September 2017.

Note 24. Contingent liabilities and contingent assets

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

Note 25. Operating segments

The company operates in the financial services sector where it provides banking services to its clients. The company operates in two areas being Hillston & Coleambally, NSW. The company has a franchise agreement in place with Bendigo and Adelaide Bank Limited who account for 100% of the revenue (2016: 100%).

Note 26. Commitments

Operating lease commitments

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

	2017 $	2016 $
Payable:		
- no later than 12 months	12,539	6,652
- between 12 months and five years	30,876	14,966
- greater than five years	-	-
Minimum lease payments	**43,415**	**21,618**

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 exist to renew the lease at the end of each term for an additional five year period each.

The property lease at 186 Lachaln Street, Hay is a non-cancellable lease with a five year term, with rent payable monlthly in advance and with CPI increases each year. An option exists to renew the lease at then end of the term.

Note 27. Company details

The registered office and principle place of business is 174 High Street, Hillston, NSW 2675.

Note 28. Fair value measurements

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 (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

Note 28. Fair value measurements (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 (i.e. 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.

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.

Note 28. Fair value measurements (continued)

Valuation techniques (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 2017			
	Level 1 $	Level 2 $	Level 3 $	Total $
Recurring fair value measurements				
Non-financial assets				
Listed Investments	32,806	-	-	32,806
Total financial assets recognised at fair value on a recurring basis	**32,806**	**-**	**-**	**32,806**

	30 June 2016			
	Level 1 $	Level 2 $	Level 3 $	Total $
Recurring fair value measurements				
Non-financial assets				
Listed Investments	24,107	-	-	24,107
Total financial assets recognised at fair value on a recurring basis	**24,107**	**-**	**-**	**24,107**

There were no transfers between Levels for assets measured at fair value on a recurring basis during the reporting period (2016: no transfers).

Note 29. 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.

Note 29. Financial risk management (continued)

Specific financial risk exposure and management (continued)

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	2017 $	2016 $
Financial assets			
Cash and cash equivalents	5	10,305	10,080
Trade and other receivables	6	65,298	60,254
Financial assets	7	32,806	24,107
Total financial assets		**108,409**	**94,441**
Financial liabilities			
Trade and other payables	11	69,149	77,482
Borrowings	13	149,804	79,839
Bank overdraft	13	106,136	107,074
Total financial liabilities		**325,089**	**264,395**

(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.

None of the assets of the company are past due (2016: nil past due) and based on historic default rates, the company believes that no impairment allowance is necessary in respect of assets not past due.

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.

Note 29. Financial risk management (continued)

(b) Liquidity risk (continued)

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 $130,700 with Bendigo and Adelaide Bank Limited. The undrawn amount of this facility is $24,564 (2016: $23,625) .

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 2017	**Weighted average interest rate** %	**Total $**	**Within 1 year $**	**1 to 5 years $**	**Over 5 years $**
Financial assets					
Cash and cash equivalents	2.05%	10,305	10,305	-	-
Trade and other receivables		65,298	65,298	-	-
Financial assets		32,806	32,806	-	-
Total anticipated inflows		**108,409**	**108,409**	**-**	**-**
Financial liabilities					
Trade and other payables		69,149	69,149	-	-
Borrowings	6%	149,804	30,732	119,072	-
Bank overdraft *	6%	106,136	106,136	-	-
Total expected outflows		**325,089**	**206,017**	**119,072**	**-**
Net inflow / (outflow) on financial instruments		**(216,680)**	**(97,608)**	**(119,072)**	**-**

Note 29. Financial risk management (continued)

(b) Liquidity risk (continued)

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%	10,080	10,080	-	-
Trade and other receivables		60,254	60,254	-	-
Financial assets		24,107	24,107	-	-
Total anticipated inflows		**94,441**	**94,441**	**-**	**-**
Financial liabilities					
Trade and other payables		77,482	77,482	-	-
Borrowings	3%	79,839	14,656	-	65,183
Bank overdraft *		107,074	107,074	-	-
Total expected outflows		**264,395**	**199,212**	**-**	**65,183**
Net inflow / (outflow) on financial instruments		**(169,954)**	**(104,771)**	**-**	**(65,183)**

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

(c) Market risk

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

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

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

Sensitivity analysis

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

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

	Profit $	Equity $
Year ended 30 June 2017		
+/- 1% in interest rates (interest income)	431	431
+/- 1% in interest rates (interest expense)	(2,559)	(2,559)
	(2,128)	**(2,128)**

Note 29. Financial risk management (continued)

(c) Market risk (continued)

	Profit $	Equity $
Year ended 30 June 2016		
+/- 1% in interest rates (interest income)	342	342
+/- 1% in interest rates (interest expense)	(1,869)	(1,869)
	(1,527)	**(1,527)**

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.

<u>Fair values</u>

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.

	2017		2016	
	Carrying amount $	Fair value $	Carrying amount $	Fair Value $
Financial assets				
Cash and cash equivalents (i)	10,305	10,305	10,080	10,080
Trade and other receivables (i)	65,298	65,298	60,254	60,254
Financial assets	32,806	32,806	24,107	24,107
Total financial assets	**108,409**	**108,409**	**94,441**	**94,441**
Financial liabilities				
Trade and other payables (i)	69,149	69,149	77,482	77,482
Borrowings	149,804	149,804	79,839	79,839
Bank overdraft	106,136	106,136	107,074	107,074
Total financial liabilities	**325,089**	**325,089**	**264,395**	**264,395**

(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.

Directors' declaration

In accordance with a resolution of the Directors of Hillston & District Financial Services Limited, the Directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 40 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 2017 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.

Graeme May
Director

Signed at Griffith on 25th September 2017.

Independent audit report

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HILLSTON & DISTRICT FINANCIAL SERVICES LIMITED

Opinion

We have audited the financial report of Hillston & District Financial Services Limited, which comprises the statement of financial position as at 30 June 2017, 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, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion:

(a) the financial report of Hillston & District Financial Services Limited is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year then ended; 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.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements related to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and out auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. On connection with our audit of the financial report, our responsibility is to reads the other information, and in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsible to those risks, and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness if the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt in the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

RICHMOND SINNOTT & DELAHUNTY
Chartered Accountants

P. P. Delahunty
Partner

Dated at Bendigo, 27 September 2017

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