



Annual Report 2014

Narrandera District
Investments Limited

ABN 58 107 510 494

Narrandera & District **Community Bank**[®] Branch

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Chairman's report

For year ending 30 June 2014

On behalf of the Board of Narrandera District Investments Limited, the Manager and staff, welcome to the Annual Report of Narrandera District Investments Limited for 2014.

2014 has seen Narrandera & District **Community Bank**[®] branch celebrate a major milestone by reaching 10 years in banking business. We have seen the branch grow from strength to strength in that time and have put on \$66 million in banking business. We attained our budgeted growth in business for the year and are looking forward to another successful year in 2015.

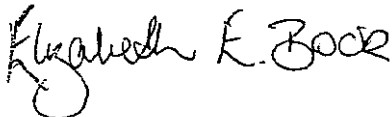
We have also contributed over \$50,000 to community groups in our area during the year. We are currently working with a few organisations to see how we can help them help themselves going forward. We are working proactively to start looking at bigger projects where we may be of benefit as opposed to the smaller ones we have focused on.

We believe that this is what the **Community Bank**[®] model is all about, making a substantial difference in our community by thereby helping to enrich that community. By moving your banking over or continuing to bank with us you are playing your part in helping your community.

Without the staff all of this would not be possible. Robert and his staff Maria, Sandra, Cassie, Michelle and Sue are on hand to help with all your banking needs. They do a wonderful job and have helped the business exceed expectations this year so thank you all.

Robert is still trying to find an outlet for an agency in Leeton to better service our Leeton Clientele and will continue on that course until successful.

Narrandera & District **Community Bank**[®] Branch is here for the long term helping to enrich our wider community. So help us help you by moving your banking to us.



Elizabeth Bock
Chairman

Manager's report

For year ending 30 June 2014

Hello to all our shareholders, it's been 10 years since we opened and we are about to have another Annual General Meeting on Tuesday 11 November 2014. Even though the economic climate has not been the best, we had a wonderful year with our overall growth increasing by \$7 million against a budget of \$5 million.

We're now sitting with a total banking book of \$66 million and have over 3,400 account holders. As mentioned above we did grow well during this year even with lower rates. Both our deposits and loans grew over this time period which I believe is also a sign that Narrandera is finally realising we are here for the long term.

We have continued to support local events and community groups in our town and this will continue into the future. We have just recently advised two community groups that we will support them for another three and five years, you will read about this in the local paper shortly.

The staffing has not changed over the last 12 months. We have Maria Norden, Sandra Spencer, Cassie Jess (Lee), Michelle Sibraa and Sue Foley. We will be missing Cassie by the end of the year when she takes maternity leave to have their first child, hope all goes well. I thank all the staff for their continued efforts over the 12 months as we have had many internal bank changes and challenges during this time.

I am still on the lookout for an agency, in Leeton but at this stage we have not had any interested parties.

We now have a business that will make profits each year as long as we keep the business level where it is, but of course that is not what we want, we need to continue to grow the business. I have said before that not all our shareholders bank with us and I would still like to see more bring their business to us.

Remember our profits will go back into our community so banking with our **Community Bank**[®] branch will help us grow.

Don't forget we are open from 9.00am to 5.00pm Monday to Friday and Saturday mornings from 9.00am to 12.00pm for your banking convenience.



Robert Hanlon
Branch Manager

Bendigo and Adelaide Bank report

For year ending 30 June 2014

The past year marked two very significant milestones for our **Community Bank**[®] network, celebrating the opening of its 300th branch while also reaching \$120 million in community contributions. Both achievements could not have been accomplished without your ongoing support as shareholders and customers.

The **Community Bank**[®] network has grown considerably since it was first launched in 1998, in partnership with the people from the western Victorian farming towns of Rupanyup and Minyip. For these communities the **Community Bank**[®] model was seen as a way to restore branch banking services to the towns, after the last of the major banks closed its doors.

Sixteen years later, the model has grown into something even bigger than that. It has rapidly developed into a partnership that generates a valued, alternative source of income for a community, funding activities or initiatives that make a local town or suburb a better place to live.

In June 2014, the network welcomed its 305th branch in Penola, South Australia, and in the same week, the Victorian coastal town of Port Fairy introduced its community to our unique style of banking. These branches join a robust and maturing banking network where valued partnerships enhance banking services, taking the profits their banking business generates and reinvesting that funding into initiatives that will ultimately strengthen their community.

The **Community Bank**[®] network has returned more than \$20 million in contributions to local communities in this financial year alone. Our branches have been able to fund projects that make a difference to a community; improved health services, sports programs, aged care facilities, education initiatives and community events that connect communities and encourage prosperity.

Demand from communities remains strong, with about 30 **Community Bank**[®] branch sites currently in development, and 10 branches expected to open nationally in the next 12 months. The network's steady expansion demonstrates the strength and relevance of a banking model where the desire to support the financial needs of customers is equalled by the desire to realise shared aspirations by harnessing the power of community.

At the end of the financial year 2013/14 the **Community Bank**[®] network had achieved the following:

- Returns to community – \$122.2 million
- **Community Bank**[®] branches – 305
- **Community Bank**[®] branch staff – more than 1,500
- **Community Bank**[®] company Directors – 1,900
- Banking business – \$24.46 billion
- Customers – 550,000
- Shareholders – 72,000
- Dividends paid to shareholders since inception – \$36.7 million.

The communities we partner with also have access to Bendigo and Adelaide Bank's extensive range of other community building solutions including the Community Enterprise Foundation[™] (philanthropic arm), Community Sector Banking (banking service for not-for-profit organisations), Generation Green[™] (environment and sustainability initiative), Community Telco[®] (telecommunications solution), tertiary education scholarships and Connected Communities Enterprises that provide **Community Bank**[®] companies with further development options.

Bendigo and Adelaide Bank report (continued)

In September last year the Bank announced it would commence a comprehensive review of the **Community Bank**[®] model. The intention of the review is to rigorously explore and analyse the model, setting the vision and strategy for a sustainable and successful commercial model, regardless of changes to operational and market conditions. An update of this review will be provided at the **Community Bank**[®] National Conference in Darwin in September.

Bendigo and Adelaide Bank's vision is to be Australia's most customer-connected bank. We believe our strength comes from our focus on the success of our customers, people, partners and communities. We take a 100-year view of our business; we respectfully listen and respond to every customer's choice, needs and objectives. We partner for sustainable long-term outcomes and aim to be relevant, connected and valued.

To this aim, the Bank supports the Financial Systems Inquiry (FSI) which calls for an even playing field for all banks in an effort to increase customer choice. It takes a principled approach to governing, encouraging banks to consider all members of a community when they do business.

Bendigo and Adelaide Bank is a signatory to the Regional Banking submission in collaboration with Bank of Queensland, Suncorp and ME Bank, while our independent submission focuses on the important role banks play in communities.

Banks inject a high-level of capability and knowledge in the places they operate, supporting the sustainability of communities and helping to ensure they're viable. The Bank calls for a framework that incentivises banks, and the people who work for them, to be good corporate citizens, while promoting ethical decision making, innovation and better outcomes for customers and communities.

This financial year we launched our new www.bendigobank.com.au website. Packed with useful information and easy to access online services, our 1.4 million customers can easily connect with us at home, at work or on their mobile or tablet as well as learn more about our commitment to strengthening and supporting local communities.

In line with increasing demand for "anywhere, anytime" banking, we're excited about the impending introduction of our improved online banking platform to our customers later this year.

As **Community Bank**[®] shareholders you are part of something special, a unique banking movement founded on a whole new way of thinking about banking and the role it plays in modern society.

The **Community Bank**[®] model is the ultimate example of a win/win partnership and I thank you for your important support of your local **Community Bank**[®] branch.



Robert Musgrove
Executive Community Engagement

Directors' report

For the financial year ended 30 June 2014

The Directors present their report on the company for the financial year ended 30 June 2014.

Information on Directors

The names of each person who has been a Director during the year and to the date of this report are:

Director	Responsibilities	Occupation	Meetings attended
Elizabeth Bock	Chairperson	Retailer/Primary Producer	11
Bradley Teerman	Treasurer	Accountant	10
Cassandra Jess	Secretary	Customer Service Officer	11
Kerry Sproston	Director	Bookkeeper	10
Janice Bock	Director	Retired	10

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating results

The profit of the company after providing for income tax amounted to \$27,099.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the company during the year.

Principal activities

The principal activity of the company during the financial year was providing **Community Bank**[®] services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

No significant changes in the nature of the company's activity occurred during the financial year.

Events after the reporting date

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

Environmental issues

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Dividends paid or recommended

No dividends were paid during the financial year, however a final dividend has been declared based on the pre-audit result. The dividend is expected to be paid on 30 November 2014 at \$0.05 per share.

Directors' report (continued)

Options

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

Indemnification and insurance of Officers and Auditors

During or since the end of the financial year the company has given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The company has paid premiums to insure each of the following Directors against liabilities for cost and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director or the company, other than conduct involving a wilful breach of duty in relation to the company.

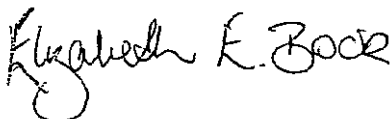
Elizabeth Bock	Bradley Teerman	Cassandra Jess
Kerry Sproston	Janice Bock	

Narrandera District Investments Limited has accepted the **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 Narrandera 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.

Auditors' independence declaration

The lead Auditors' independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2014 has been received and can be found on page 8.

Signed in accordance with a resolution of the Board of Directors:



Elizabeth Bock
Director



Bradley Teerman
Director

Dated 10 October 2014

Auditor's independence declaration



**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
NARRANDERA DISTRICT INVESTMENTS LIMITED**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2014 there have been:

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

Name of Firm: Twomeys National Audit Pty Ltd
Authorised Audit Company

Name of Director:

A handwritten signature in black ink, appearing to be "Steven J Watson", written over a horizontal line.

Steven J Watson CA

Address: 1/185 Morgan St WAGGA WAGGA 2650

Dated this 10th day of October 2014

1/185 Morgan Street, PO Box 6056, Wagga Wagga NSW 2650
T (02) 6927 0500 F (02) 6925 8550 E audit@twomeys.com.au

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Financial statements

Statement of Comprehensive Income for the year ended 30 June 2014

	Note	2014 \$	2013 \$
Revenue	2	600,141	588,868
Accountancy expenses		-	(4,310)
Auditors' remuneration	3	(6,025)	(4,500)
Bad and doubtful debt expenses		(218)	(525)
Depreciation and amortisation expenses		(29,966)	(19,658)
Employee benefits expenses		(325,293)	(319,087)
Freight, cartage and delivery		(20,667)	(20,984)
IT cost		(18,157)	(18,699)
Insurance		(14,220)	(14,508)
Marketing		(58,850)	(37,706)
Occupancy cost		(35,567)	(34,141)
Other expenses		(46,576)	(44,892)
Profit before income tax	4	44,602	71,885
Income tax expense	5a	(17,503)	(12,806)
Profit for the year		27,099	59,079
Other comprehensive income		-	-
Loss attributable to members of the company		27,099	59,079
Earnings per share (cents)			
- basic		0.04	0.09
- diluted		0.04	0.09
Dividend per ordinary share (cents)	6	-	0.05

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Financial Position as at 30 June 2014

	Note	2014 \$	2013 \$
Assets			
Current assets			
Cash and cash equivalents	7	18,875	40
Other current assets	8	63,066	57,956
Total current assets		81,941	57,996
Non-current assets			
Deferred tax assets	9	119,726	137,229
Property, plant and equipment	10	57,558	45,333
Intangible assets	11	54,970	-
Total non-current assets		232,254	182,562
Total assets		314,195	240,558
Liabilities			
Current liabilities			
Trade and other payables	12	25,028	34,185
Borrowings	13	84,395	46,509
Provisions	14	37,989	39,077
Total current liabilities		147,412	119,771
Non-current liabilities			
Borrowings	13	18,896	-
Total non-current borrowings		18,896	-
Total liabilities		166,308	119,771
Net assets		147,887	120,787
Equity			
Issued capital	15	644,509	644,509
Accumulated losses	16	(496,622)	(523,722)
Total equity		147,887	120,787

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Changes in Equity for the year ended 30 June 2014

	Issued capital \$	Retained earnings/ (accumulated losses) \$	Total equity \$
Balance at 1 July 2012	644,509	(550,575)	93,934
Profit attributable to equity shareholders	-	59,079	59,079
Dividend paid	-	(32,225)	(32,225)
Balance at 30 June 2013	644,509	(523,722)	120,787
Profit attributable to equity shareholders	-	27,099	27,099
Balance at 30 June 2014	644,509	(496,623)	147,887

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Cash Flows for the year ended 30 June 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Receipts from customers		612,534	601,672
Payments to suppliers and employees		(553,321)	(489,282)
Net cash provided by operating activities	17	59,213	112,390
Cash flows from investing activities			
Payments for property, plant and equipment		(28,448)	(32,699)
Net cash (used in) investing activities		(28,448)	(32,699)
Cash flows from financing activities			
Dividends paid		-	(32,225)
Receipts from borrowings		35,682	-
Repayment of borrowings		(17,385)	-
Net cash provided by financing activities		18,297	(32,225)
Net increase in cash held		49,062	47,466
Cash at beginning of financial year		(30,187)	(77,653)
Cash at end of financial year	7	18,875	(30,187)

The accompanying notes form part of these financial statements.

Notes to the financial statements

For year ended 30 June 2014

Note 1. Summary of significant accounting policies

This financial report covers Narrandera District Investments Limited as an individual entity. Narrandera District Investments Limited is a company limited by shares, incorporated and domiciled in Australia.

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transaction, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs unless stated otherwise in the notes. The amounts presented in the financial report have been rounded to the nearest dollar.

Income tax

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

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of reporting year. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

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

Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are recognised outside profit or loss.

Property, plant and equipment

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are recognised against fair value reserves directly in equity; all other decreases are recognised in profit or loss.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

The carrying amount of plant and equipment 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 cash flows that will be received from the assets' employment and subsequent disposal.

Notes to the financial statements (continued)

Note 1. Summary of significant accounting policies (continued)

Property, plant and equipment (continued)

Plant and equipment (continued)

Subsequent cost are included in the asset's 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 charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the company. Depreciation commences from the time the asset is held ready for use. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

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

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

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

Financial instruments

Initial recognition and measurements

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Impairment of assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exist, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, are compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Intangibles

Intangibles are amortised on a straight line basis over 5 years.

Trade and other receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Notes to the financial statements (continued)

Note 1. Summary of significant accounting policies (continued)

Trade and other receivables (continued)

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

Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Provisions

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

Cash and cash equivalents

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

Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is stated net of goods and services tax (GST)

Rendering of services

Revenue in relation to rendering of services is recognised upon delivery of the service to the customer.

Trade and other payables

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

Comparative amounts

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

Going concern

Notwithstanding the deficiency of current net assets in the company, the financial report of the company has been prepared on a going concern basis. This basis has been applied as the Directors have received a guarantee of continuing financial support from Bendigo and Adelaide Bank Limited and it is the Directors' belief that such financial support will continue to be made available.

At balance date the company had a deficiency of current assets of \$84,367.

Notes to the financial statements (continued)

	2014 \$	2013 \$
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Note 2. Revenue and other income

Revenue

Gross margin	389,377	359,505
Upfront product commissions	9,473	9,161
Trailer product commission	85,112	103,709
Fee income	66,179	66,493
Market development	50,000	50,000
Total revenue	600,141	588,868

Note 3. Auditors' remuneration

Auditor's remuneration

Accounting standards	6,025	4,500
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Note 4. Profit for the year

Profit before income tax from continuing operations includes the following specific expenses:

Expenses

Depreciation of property, plant and equipment	16,223	17,363
Amortisation of intangibles	13,743	2,295

Note 5. Income tax expense

a) Current period income tax benefit is comprised of:

- Current year tax	15,887	24,314
- Deferred tax	1,616	-
- Other movement of deferred income tax	-	(11,508)
	17,503	12,806

b) The Prima facie tax on profit from ordinary activities	13,381	21,566
- Add: Tax effect of non-deductible items	15,734	13,510
- Less: Tax effect of additional deductible items	(13,228)	(10,762)
Income tax expense attributed to the company	15,887	24,314

Note 6. Dividends paid

Dividend paid	-	32,225
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Notes to the financial statements (continued)

	2014 \$	2013 \$
Note 7. Cash and cash equivalents		
Cash on hand	21	32
Cheque account	18,444	-
Investment account	8	8
BBL Business credit card	402	-
	18,875	40

Reconciliation of cash

Cash and cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	18,875	40
Bank overdraft (Note 13)	-	(30,227)
	18,875	(30,187)

Note 8. Other current assets

Current

Accrued income	57,571	57,241
Prepayments	5,495	715
	63,066	57,956

Note 9. Deferred tax assets

Deferred tax assets	119,726	137,229
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Note 10. Property, plant and equipment

Plant and equipment – at cost	200,264	171,816
Less: accumulated depreciation	(142,706)	(126,483)
	57,558	45,333

Note 11. Intangible assets

Franchise fee and establishment costs	68,713	11,477
Less: Accumulated amortisation	(13,743)	(11,477)
	54,970	-

Notes to the financial statements (continued)

	2014 \$	2013 \$
Note 12. Trade and other payables		
Current		
Sundry creditors	6,810	3,139
Trade creditors	3,204	7,512
Accrued expenses	10,617	9,520
Goods and Services Tax	4,306	14,014
	25,028	34,185

Note 13. Borrowings

Current		
Bank overdraft	-	30,227
Bendigo and Adelaide Bank Limited interest free loan	56,688	16,282
BBL Chattel mortgage	32,022	-
Less: Interest not yet due	(4,315)	-
Total current borrowings	84,395	46,509
Non-current		
Bendigo and Adelaide Bank Limited interest free loan	18,896	-
Total non-current borrowings	18,896	-

Note 14. Provisions

Current		
Provision for annual leave	16,309	20,465
Provision for long service leave	21,680	18,612
	37,989	39,077

Note 15. Issued capital

644,509 Fully paid ordinary shares of \$1	644,509	644,509
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Note 16. Accumulated losses

Accumulated losses at the beginning of the financial year	(523,721)	(582,801)
Net profit attributable to members of the company	27,099	59,079
Accumulated losses at the end of the financial year	(496,622)	(523,722)

Notes to the financial statements (continued)

	2014 \$	2013 \$
Note 17. Cash flow information		
Reconciliation of cash flow from operations with profit after income tax		
Profit after income tax	27,099	59,079
Non-cash flows in loss		
Loss on sale of non-current assets	-	2,207
Amortisation	13,743	2,295
Depreciation	16,223	17,363
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
(Increase) decrease in deferred tax assets	17,503	12,805
(Increase) decrease in other assets	(5,110)	(1,531)
Increase (decrease) in trade creditors	(9,157)	16,252
Increase (decrease) in current provisions	(1,088)	3,920
	59,213	112,390

Note 18. Financial risk management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments and accounts receivable and payable.

Financial risk management policies

The Directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These included the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for company operations.

The company does not have any derivative instruments at 30 June 2014.

Note 19. Company details

The registered office and principal place of business of the entity is:

92 East Street,
Narrandera NSW 2700

Note 20. Change in accounting policy

Any Australian Accounting Standards which have been issued or amended and which are applicable to the company but are not yet effective have not been adopted in preparation of the financial statements at reporting date.

Notes to the financial statements (continued)

Note 21. Director and related party disclosures

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

Narrandera District Investments Limited has accepted the **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 Narrandera Branch. There is no requirement to own BEN 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 following Directors received remuneration during the year:

- Bradley Teerman
- Cassandra Jess.

Note 22. Segment reporting

The economic entity operates in the financial services sector where it provides banking services to its clients. The economic entity operates in one geographic area being Narrandera NSW.

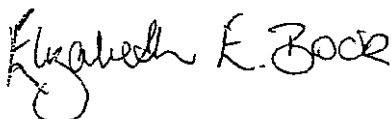
Directors' declaration

The Directors have determined that the company is not a reporting entity and that this general purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 9 to 20, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards – Reduced Disclosure Requirements as stated in Note 1; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
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 declaration is made in accordance with a resolution of the Board of Directors.



Elizabeth Bock
Director



Bradley Teerman
Director

Dated 10 October 2014

Independent audit report



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NARRANDERA DISTRICT INVESTMENTS LIMITED A.B.N 58 107 510 494

Report on the Financial Report

We have audited the accompanying financial report of Narrandera District Investments Limited, which comprises the statement of financial position as at 30 June 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, was provided to the directors of Narrandera District Investments Limited on the same date as the date of this auditors' report

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Independent audit report (continued)

Auditors' Opinion


In our opinion:

- (a) the financial report of Narrandera District Investments 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 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Emphasis of Matter

Without qualifying our opinion expressed above, we draw attention to the company's financial performance which indicates a net profit of \$27,099 during the year ended 30 June 2014 and as of that date, the company's financial position indicated that its current liabilities exceeded its current assets by \$65,471. These conditions may indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern, however, the financial report of the company has been prepared on a going concern basis. This basis has been applied as the directors have received a guarantee of continuing financial support from Bendigo and Adelaide Bank Limited and it is the directors' belief that such financial support will continue to be available.

Name of Firm: Twomeys National Audit Pty Ltd
Authorised Audit Company

Name of Director: 
Steven J Watson CA

Address: 1/185 Morgan St WAGGA WAGGA 2650

Dated this 10th day of October 2014



Narrandera & District **Community Bank**[®] Branch
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92 East Street, Narrandera NSW 2650
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ABN: 58 107 510 494

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