



Annual Report 2016

Narrandera District
Investments Limited

ABN 58 107 510 494

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Chairman's report

For year ending 30 June 2016

Welcome shareholders to the 12th Annual Report of Narrandera District Investments Limited.

This year has seen the business grow by a whopping \$16 million partly due to the agency in West Wyalong, but mainly due to the hard work of Robert and his staff. On behalf of the Board I would like to commend and thank Robert and the girls, Maria, Sandra, Cassie, Michelle, Sue, Brodie and Heather for the excellent work achieved over the past 12 months.

We have contributed to many worthwhile projects in the community over the past year including the John O'Brien Festival, Riverina Rush, The Barellan Clydesdales, The Ardlethan and Narrandera Races and the Narrandera Carpheds Cricket Team to name a few. We have also supported a myriad of other smaller fundraisers as well over the year of which there are too many to mention here.

I would like to also mention at this time that the staff also hold fundraisers throughout the year to support things like the pink ribbon day. They cater for these functions themselves and have raised a considerable amount of money for these charities. This has been done without any input from the Board and shows the generous character of the people we have working for us and the true understanding of a **Community Bank**[®] branch.

We are changing the structure of how we give out grants and sponsorships going forward with the application process to be advertised and the successful applicants being informed at our Annual General Meeting (AGM) in November. We are also looking at larger projects that will benefit the greater community so may only take on one project on a year. The staff will also be given funds to be contributed to a project or projects of their choice.

We are thrilled to be able to pay a dividend again this year and will announce the amount at our AGM in November. For our shareholders you are now able to update your shareholding with change of address, bank details and emails which is a very simple procedure. For more information please contact the branch and they will pass on my details.

The **Community Bank**[®] branch in Narrandera is only as strong as its staff and customers and as we continue to grow we will continue to be able to make larger and larger projects an actuality and not just a pipe dream for some. But we can only do this with your help. Have you had a great experience with your **Community Bank**[®] branch? If so pass it on, the more people telling the story the more our business will prosper and everybody wins, from the shareholder to the business and especially the community.



Elizabeth Bock
Chairman

Manager's report

For year ending 30 June 2016

Hello to all our shareholders, it's been 12 years since we opened and our AGM is just around the corner. We have had an amazing year with a total growth of over \$16 million against a budgeted growth of \$5 million. I believe this is a massive effort by all the staff and customers.

We're now sitting with a total banking book of \$98.2 million and have over 4,345 account holders. As mentioned above our growth this year has been phenomenal and spread across both the lending and deposit areas. It is good to see new customers but more importantly our existing customers coming back to get their 2nd or 3rd loans. Some of this increase is due to our agency at West Wyalong which is going along strongly at present and will continue to grow our bottom line. We currently have over \$7 million in business up there.

We have continued to support local events and community groups in our town and this will continue into the future. As we are growing so quickly, this will mean more funds going out into the community.

Our staffing has changed a little over the last 12 months with Brodie Morton going on maternity leave and just recently advised that she won't be back as her career is going down another path. To replace Brodie we employed Heather Rankin and she is going along well. Otherwise we are all the same. I must pass on my thanks to the staff as the last 12 months has been very difficult at times especially with the growth of West Wyalong agency and we are finding the extra work associated with having an agency.

The level of business we have at present is making our company good profits and the dividends we are paying are better than bank interest. I have mentioned so many times in the past that we are only as strong as the people of Narrandera make us. Please come and bank with us so we can do more for our community.

Also don't forget we can do all your financial business as we have very competitive Insurance/Wealth offers along with the normal banking facilities.

Remember our profits will go back into our community so banking with our bank will help us all grow and improve the community.



Robert Hanlon
Branch Manager

Bendigo and Adelaide Bank report

For year ending 30 June 2016

It's been 18 years since Bendigo Bank and two rural communities announced they were joining forces to open **Community Bank**[®] branches.

The initial aim was to return traditional bank branches to regional communities.

It was soon obvious that the 'community' aspect of this unique banking model was going to be just as important to all types of communities; whether they are rural, regional or urban.

Today, there are 312 **Community Bank**[®] communities in every state and territory of Australia.

The statistics are impressive:

- More than \$148 million in community contributions returned to local communities
- 1,900 Directors
- 1,500 staff
- More than \$38 million in shareholder dividends.

Yes, these figures are staggering.

But dig a little deeper and what's more significant is that social issues affecting every community in Australia have received funding from **Community Bank**[®] companies.

- Aged care
- Youth disengagement
- Homelessness
- Domestic and family violence
- Mental health
- Unemployment
- Environment

I have no doubt that your **Community Bank**[®] company has already had a role to play, either in a funding grant, sponsorship support or connecting locals with relevant government, corporate and not-for-profit organisations.

Behind every **Community Bank**[®] branch is a company Board of Directors. These people are local mums and dads, tradespeople, small business operators, farmers, lawyers, accountants, school teachers, office workers... and the list goes on.

As **Community Bank**[®] company Directors they volunteer their time, their professional expertise and their local knowledge to make your **Community Bank**[®] branch the success it is today.

To every single one of our 1,900-plus **Community Bank**[®] company Directors, thank you for your commitment, your confidence in Bendigo and Adelaide Bank and your vision to make your community a better place to live.

As a **Community Bank**[®] community, you're all change makers.

As a shareholder, you're critical to helping make things happen for the benefit of your community.

On behalf of Bendigo Bank, thank you.

Thank you for your support as a shareholder, your belief in your community and your faith in what a **Community Bank**[®] community can achieve.



Robert Musgrove
Executive Community Engagement

Directors' report

For the financial year ended 30 June 2016

The Directors present their report on Narrandera District Investments Limited for the financial year ended 30 June 2016.

1. General information

Information on Directors

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

The names of the Directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/resigned
Elizabeth Bock	Chairperson	Appointed 02/01/2004
Bradley Teerman	Treasurer	Appointed 27/04/2010
Cassandra Jess	Secretary	Resigned 24/03/2016
Kerry Sproston	Director	Appointed 19/09/2006
Stephen McIntyre	Director	Appointed 01/05/2015
Janice Bock	Director	Resigned 03/04/2016
Michelle Sleep	Director	Appointed 24/11/2015

Meetings of Directors

During the financial year, 11 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Number eligible to attend	Number attended
Elizabeth Bock	11	10
Bradley Teerman	11	8
Cassandra Jess	8	4
Kerry Sproston	11	8
Stephen McIntyre	11	9
Janice Bock	8	6
Michelle Sleep	11	3

Principal activity

The principal activity of Narrandera District Investments Limited 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.

2. Operating results and review of operations for the year

Operating results

The profit of the company after providing for income tax amounted to \$89,105 (2015: \$84,600).

Directors' report (continued)

2. Operating results and review of operations for the year (continued)

Dividends paid or recommended

Dividends paid or declared during or since the end of the financial year are as follows:

- A non franked dividend of \$32,225 (\$0.05 per share) was paid during the year as recommended in last year's report
- A final non franked dividend of \$ 38,670 (\$0.06 per share) has been declared based on the pre audit result.

Review of operations

A review of the operations of the company during the financial year identified the following:

- Employee benefits made up 51% of revenue (2015: 52%)
- Revenue increased by \$93,978 with gross margin and trailer product commission increasing by \$66,535 and \$19,328 respectively.

3. Other items

Significant changes in state of affairs

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

Future developments and results

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

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.

Indemnification and insurance of Officers and Auditors'

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 of the company, other than conduct involving a wilful breach of duty in relation to the company:

Elizabeth Bock
Bradley Teerman
Cassandra Jess
Kerry Sproston
Stephen McIntyre
Janice Bock
Michelle Sleep

Directors' report (continued)

4. Auditors' independence declaration

The lead Auditors' independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2016 has been received and can be found on page 8 of the financial report.

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



Elizabeth Bock
Director



Bradley Teerman
Director

Dated 31 October 2016

Auditor's independence declaration



NARRANDERA DISTRICT INVESTMENTS LIMITED
ABN: 58 107 510 494

**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 2016, 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.

Countplus National Audits Pty Ltd
Authorised Audit Company

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

Steven J Watson CA
Director

Dated 1 November 2016

Financial statements

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Revenue	4	789,364	695,386
Advertising and marketing expense		(40,022)	(45,616)
Agent fees		(27,270)	-
Bad and doubtful debts	5	(3,735)	(2,168)
Depreciation and amortisation expense	5	(21,712)	(19,879)
Employee expenses		(399,488)	(347,240)
Freight, cartage and delivery		(25,461)	(25,102)
Insurance		(12,102)	(16,893)
IT expenses		(20,831)	(18,294)
Motor vehicle expenses	5	(8,223)	(7,579)
Other expenses		(49,086)	(41,054)
Occupancy expenses		(38,911)	(38,807)
Professional services		(9,350)	(5,800)
Profit before income tax		133,173	126,954
Notional income tax expense	6	(44,068)	(42,354)
Profit for the year		89,105	84,600
Other comprehensive income		-	-
Total comprehensive income for the year		89,105	84,600
Earnings per share		0.14 cents	0.13 cents

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Financial Position as at 30 June 2016

	Notes	2016 \$	2015 \$
Assets			
Current assets			
Cash and cash equivalents	7	216,520	132,768
Trade and other receivables	8	76,274	63,226
Other assets	9	480	1,780
Total current assets		293,274	197,774
Non current assets			
Property, plant and equipment	10	45,652	53,621
Intangible assets	11	27,485	41,228
Deferred tax assets	12	33,304	77,372
Total non current assets		106,441	172,221
Total assets		399,715	369,995
Liabilities			
Current liabilities			
Trade and other payables	13	70,511	98,693
Borrowings	14	17,824	22,620
Employee benefits	15	52,027	46,209
Total current liabilities		140,362	167,522
Total liabilities		140,362	167,522
Net assets		259,353	202,473
Equity			
Issued capital	16	644,509	644,509
Accumulated losses		(385,156)	(442,036)
Total equity		259,353	202,473

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Changes in Equity for the year ended 30 June 2016

	2016	2015
	\$	\$
Accumulated losses at the beginning of the year	(442,036)	(494,411)
Profit for the year	89,105	84,600
Ordinary dividends paid	(32,225)	(32,225)
Accumulated losses at the end of the year	(385,156)	(442,036)
Issued capital at the beginning of the year	644,509	644,509
Net movement in issued capital during the year	-	-
Issued capital at the end of the year	644,509	644,509
Total equity at the end of the year	259,353	202,473

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Cash Flows for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Cash flows from operating activities:			
Receipts from customers		819,958	733,028
Payments to suppliers and employees		(699,253)	(501,140)
Interest received		68	28
Net cash provided by operating activities		120,773	231,916
Cash flows from investing activities:			
Purchase of property, plant and equipment		-	(5,486)
Net cash used in investing activities		-	(5,486)
Cash flows from financing activities:			
Repayment of borrowings		(4,796)	(80,312)
Dividends paid		(32,225)	(32,225)
Net cash used in financing activities		(37,021)	(112,537)
Net increase in cash and cash equivalents held		83,752	113,893
Cash and cash equivalents at beginning of year		132,768	18,875
Cash and cash equivalents at end of financial year	7	216,520	132,768

The accompanying notes form part of these financial statements.

Notes to the financial statements

For year ended 30 June 2016

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

The functional and presentation currency of Narrandera District Investments Limited is Australian dollars and the amounts presented have been rounded to the nearest dollar.

The financial report was authorised for issue by the Directors on 31 October 2016.

Comparatives are consistent with prior years, unless otherwise stated.

Note 1. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards Reduced Disclosure Requirements and the Corporations Act 2001.

Note 2. Summary of significant accounting policies

(a) Income tax

The tax benefit recognised in the statement of profit or loss and other comprehensive income comprises of current income tax plus deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(b) 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 company 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 presented net of returns, discounts and rebates.

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

Notes to the financial statements (continued)

Note 2. Summary of significant accounting policies (continued)

(b) Revenue and other income (continued)

Other income

Other income is recognised on an accruals basis when the company is entitled to it.

(c) Finance costs

Finance cost includes all interest related expenses, other than those arising from financial assets at fair value through profit or loss.

(d) Goods and services tax (GST)

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

Receivables and payable are stated exclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on an inclusive basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Property, plant and equipment

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

Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

Property, plant and equipment is depreciated using both the straight line and diminishing value methods over the assets useful life to the company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

Fixed asset class	Depreciation rate
Plant and Equipment	10% 33%
Furniture, Fixtures and Fittings	5% 20%
Improvements	10%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Notes to the financial statements (continued)

Note 2. Summary of significant accounting policies (continued)

(f) financial instruments (continued)

Financial liabilities

The company's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

(g) Impairment of non financial assets

At the end of each reporting period the Directors determine whether there is evidence of an impairment indicator for non financial assets.

Where this indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(h) Intangible assets – franchise fees

Franchise fees are initially recognised at cost when acquired. Franchise fees have a finite useful life of five years and are subsequently recognised and measured at cost less accumulated amortisation over their useful life of five years.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(j) 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 that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(k) 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.

(l) Earnings per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusts the basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Notes to the financial statements (continued)

Note 2. Summary of significant accounting policies (continued)

(m) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

Note 3. Critical accounting estimates and judgments

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates – impairment of property, plant and equipment

The company assesses impairment at the end of each reporting period by evaluating conditions 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.

Key estimates – receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best available information at the reporting date.

Key judgments – taxes

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgments as to the probability of future taxable revenues being generated against which tax losses will be available for offset based on budgets, current and future expected economic conditions.

	2016 \$	2015 \$
Fee income	78,716	72,682
Gross margin	525,697	459,162
Interest income	68	28
Market development fund	50,000	50,050
Sundry income	2,400	2,600
Trailer product commission	119,384	100,056
Upfront product commission	13,099	10,808
	789,364	695,386

Note 4. Revenue and other income

Notes to the financial statements (continued)

	2016 \$	2015 \$
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Note 5. Result for the year

The result for the year was derived after charging the following non cash items:

Motor vehicle expenses	8,223	7,579
Bad and doubtful debts	3,735	2,168
Depreciation and amortisation expense	21,712	19,879

Note 6. Income tax

Notional income tax expense	44,068	42,354
Prima facie tax payable/(recoverable) from profit on ordinary activities \$133,173 at 30% (2015: \$126,954 at 30%)	39,952	38,086
Add net tax effect of:		
non deductible/non assessable items	6,258	7,704
Tax on taxable profit/(loss) at 30%	46,210	45,790
Movement in deferred tax assets	2,142	3,436
Notional income tax expense	44,068	42,354
Carried forward tax losses at the beginning of the year	(213,498)	(366,133)
Taxable profit/(loss) for the year	154,033	152,635
Carried forward tax losses at the end of the year	(59,465)	(213,498)

Note 7. Cash and cash equivalents

Cash on hand	6	47
Bank balances	166,514	132,721
Short term deposits	50,000	-
	216,520	132,768

Bendigo and Adelaide Bank Limited have approved a bank overdraft limit of \$150,000. This amount was not exceeded during the year.

Note 8. Trade and other receivables

Current

Trade receivables	76,274	63,226
	76,274	63,226

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Notes to the financial statements (continued)

	2016 \$	2015 \$
Note 9. Other assets		
Current		
Prepayments	480	1,780
	480	1,780

Note 10. Property, plant and equipment

Plant and equipment

At cost	38,140	38,140
Accumulated depreciation	(12,694)	(7,203)
Total plant and equipment	25,446	30,937

Furniture, fixtures and fittings

At cost	6,095	6,095
Accumulated depreciation	(3,092)	(2,526)
Total furniture, fixtures and fittings	3,003	3,569

Improvements

At cost	156,030	156,030
Accumulated depreciation	(138,827)	(136,915)
Total improvements	17,203	19,115

Total property, plant and equipment	45,652	53,621
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(a) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and equipment \$	Furniture, fixtures and fittings \$	Improvements \$	Total \$
Year ended 30 June 2016				
Balance at the beginning of year	30,937	3,569	19,115	53,621
Depreciation expense	(5,491)	(566)	(1,912)	(7,969)
Balance at the end of the year	25,446	3,003	17,203	45,652

Notes to the financial statements (continued)

	2016 \$	2015 \$
Note 11. Intangible assets		
Franchise fee		
At cost	68,713	68,713
Accumulated amortisation	(41,228)	(27,485)
	27,485	41,228

Note 12. Tax assets and liabilities

Deferred tax assets	33,304	77,372
	33,304	77,372

Note 13. Trade and other payables

Current

Trade payables	5,096	26,206
GST payable	33,116	29,026
Sundry payables and accrued expenses	15,081	28,197
Other payables	17,218	15,264
	70,511	98,693

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

Note 14. Borrowings

Current

BBL Chattel Mortgage	17,824	22,620
	17,824	22,620

The BBL Chattel Mortgage is for a Mazda 3 which was acquired 1 May 2014. The BBL Chattel Mortgage was subsequently repaid during July 2016 when the Mazda 3 was traded in for another vehicle.

Note 15. Employee benefits

Current

Annual leave	21,695	24,391
Long service leave	30,332	21,818
	52,027	46,209

Notes to the financial statements (continued)

	2016 \$	2015 \$
Note 16. Issued capital		
644,509 Fully paid ordinary shares of \$1	644,509	644,509
	644,509	644,509

(a) Ordinary shares

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the company. On a show of hands at meetings of the company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The company does not have authorised capital or par value in respect of its shares.

Note 17. Capital commitments

In the opinion of the Directors, the company did not enter into any significant capital commitments before or since the end of the financial year.

Note 18. Key management personnel disclosures

The total remuneration paid to key management personnel of the company is \$0 \$150,000 (2015: \$0 \$150,000)

Other key management personnel transactions

For details of other transactions with key management personnel, refer to Note 19: Related Party Transactions.

Note 19. Related parties

(a) The company's main related parties are as follows

(i) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity are considered key management personnel. Key management personnel of the company during the year were as follows:

Elizabeth Bock	(Director)
Bradley Teerman	(Director)
Cassandra Jess	(Director)
Kerry Sproston	(Director)
Stephen McIntyre	(Director)
Janice Bock	(Director)
Michelle Sleep	(Director)
Robert Hanlon	(Branch Manager)

For details of remuneration disclosures relating to key management personnel, refer to Note 18: Key Management Personnel Disclosures.

Other transactions with KMP and their related entities are shown below.

Notes to the financial statements (continued)

Note 19. Related parties (continued)

(a) The company's main related parties are as follows (continued)

(ii) Other related parties include close family members of key management personnel and entities that are controlled.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

No other transactions occurred with related parties during the year.

Note 20. Contingencies

In the opinion of the Directors, the company did not have any contingencies at 30 June 2016 (30 June 2015:None).

Note 21. Events occurring 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.

Note 22. Company details

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

Narrandera District Investments Limited
92 East Street,
Narrandera NSW 2700

Directors' declaration

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 9, are in accordance with the Corporations Act 2001 and:
 - a. comply with Accounting Standards Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2016 and of the performance of the company 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 declaration is made in accordance with a resolution of the Board of Directors.



Elizabeth Bock
Director



Bradley Teerman
Director

Dated 31 October 2016

Independent audit report



Authorised Audit Company No: 325055

NARRANDERA DISTRICT INVESTMENTS LIMITED

ABN: 58 107 510 494

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF NARRANDERA DISTRICT INVESTMENTS LIMITED

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 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements 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.

Auditor's Responsibility

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

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

Independence

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

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Independent audit report (continued)



NARRANDERA DISTRICT INVESTMENTS LIMITED **ABN: 58 107 510 494**

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF **NARRANDERA DISTRICT INVESTMENTS LIMITED**

Opinion

In our opinion, the financial report of Narrandera District Investments Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements, and the *Corporations Regulations 2001*;

Countplus National Audits Pty Ltd
Authorised Audit Company

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

Steven J Watson CA
Director

Dated 1 November 2016

Narrandera & District **Community Bank**[®] Branch
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Franchisee: Narrandera District Investments Limited
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