

**Promontory District  
Finance Group Limited**  
A.C.N. 085 537 328  
Trading as:

# **TOORA & DISTRICT COMMUNITY BANK<sup>®</sup> BRANCH AND FOSTER BRANCH OF BENDIGO BANK**



## **2014 Annual Report**

**Front Cover:**

**Toora & District Community Bank® Branch 15<sup>th</sup> Birthday Gathering**

**Back Cover:**

**Rebecca Parker, Michael Throckmorton, Irene Spooner, Allison Drury, Thomas Throckmorton, Jillian Throckmorton – Silcocks Hill Lookout; Toora  
Photo by Nick Jeremiah**

**All Correspondence Addressed to:**

**Toora & District Community Bank® Branch of Bendigo Bank  
48 Stanley Street, Toora, Victoria 3962  
Phone: (03) 5686 2000 Fax: 5686 2010**

**Management Company: Promontory District Finance Group Limited ABN 69 085 537 328  
Bendigo Bank Limited, Fountain Court, Bendigo VIC 3550 ABN 11 068 049 178**

## OUR VISION

To actively influence the provision of banking services in our community and to use our share of the profit flowing from these financial activities to strengthen our community.

## OUR MISSION

To operate a successful **community bank**<sup>®</sup> and demonstrate its benefits by investing its profits in activities which will diversify and strengthen the social and economic foundation of our society.

We will work co-operatively with the Promontory District Community to achieve these goals.

## ACCOUNTANT

Duesburys Gippsland  
76 Main Street  
Foster Vic 3960

## AUDITOR

Cardell Assurance & Audit  
3a Billson Street  
Wonthaggi Vic 3995

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# Chairman's Report

2013 - 2014

I present the Chairman's report for the Promontory District Finance Group Limited (PDFG) for the year ended June 30th 2014.

This year has seen us celebrate 15 years of the provision of first class banking services to the community. The anniversary was recognised in a number of ways. The dinner for the contributors who were the foundation of the business was certainly a fitting celebration and a reminder of their continuing support and faith in the **Community Bank**<sup>®</sup> concept.

Financially the year has not been easy and our business is not unique in being affected by conservative consumer spending and retirement of debt. Margins have been tight in a low interest rate environment and expenses continue to grow. These facts are reflected in our financial results which resulted in a deficit of \$4,409.

The Board and branch team are proud of the fact that we have still managed to put \$98,954 into the community to support a range of worthwhile activities. We have also managed to retire some debt as we work towards putting the business on a very sound financial footing. The new Meeniyah agency provides a great banking service but the commitment from that community has been disappointing. The Board recognises the work that must be done to grow the business in Meeniyah.

The challenges of the electronic banking age are with us and as our customers banking preferences change we as a Board recognise that we must continue to provide the service that they require in all facets of banking.

We wish retired Regional Manager, Rob Francis, well in his retirement and thank him for his support and guidance over many years. We welcome Sophia Cole and look forward to working with her in her role as Regional Manager, South West Gippsland, Bendigo and Adelaide Bank. We recognise and thank the wider **Community Bank**<sup>®</sup> team for their ongoing support.

The Board's thanks go to the Manager and her branch teams for their continuing work in serving our customers needs and growing the business in a dedicated and professional manner.

Neville Buckland has informed us of his intention to retire from the Board. We thank him for his many years of hard work promoting the **Community Bank**<sup>®</sup> concept and for a fine record of service to the Board and its Marketing Committee. We thank him for all his efforts on behalf of the PDFG. We welcome Joe Bucello to the Board as a prospective director; Joe brings great business skills to the table.

I thank my fellow Board members for their support and good governance during the year and I recognise their ongoing commitment to their community and look forward to working with them in the coming year.

**Robert Liley**  
Chairman



## THE DIRECTORS



### **ROBERT LILEY – Chairman**

Rob was born and educated in Melbourne but has lived in the country all his adult life. He is married to Joan and they have two adult children and six grandchildren. After graduating from Marcus Oldham Agricultural College he has farmed at Melton, Bega NSW and Walkerville (since 1975).

Rob has been involved in local community activities and agri-politics and enjoys the challenge of strengthening our local community through the activities of the Toora and District **Community Bank®** Branch of Bendigo Bank.

### **CLIVE WHITE – Deputy Chairman**

An inaugural Director, Clive lives at Fish Creek and is married with three children. He has been in practice as a lawyer in the promontory district for twenty-nine years and has been heavily involved in community activities. Clive believes strongly in the enhancement of the environment and economy of the area.



### **IRMELA McINTYRE – Company Secretary**

Irmela with her husband Graham moved to South Gippsland in 1995 and immediately became involved in a number of local community groups.

Having worked in banking, Irmela understands the importance of providing full banking services to all members of the community. Irmela feels it is an honor to serve her local community as a Director and to promote the philosophy of Community Banking.

### **IRENE SPOONER - Treasurer**

Irene, together with her husband Allan, own and operate the Toora News Agency and have a vested interest in the continued involvement of the township.

She believes a banking service is essential to every town and hence Irene was one of the original team to investigate the new concept of community banking. She is proud to serve on the **Community Bank®** Board.



### **LLEWELYN VALE, OAM – Board Member**

Llew was the inaugural Company Secretary and then Board Chairman for eight years. He has played a significant role in the wider **Community Bank®** movement serving as long term Community Advisor as well as serving one term on the Strategic Advisory Board.

He is currently a member of the Effort and Reward stream of Project Horizon.

**NEVILLE BUCKLAND – Board Member**

Neville has been a Director for twelve years for the Promontory District Finance Group Ltd. He has farmed at Fish Creek all of his life, firstly in dairying and then in beef and sheep as well as being an agricultural contractor.

Included in his community activities is membership of the Terrill Park Committee of which he was President for 30 years. Neville has also served as President of the Fish Creek Football Club for a number of years and is an enthusiastic supporter and life member.

**MICHELLE BACON – Board Member**

At the age of 12 Michelle's family moved from Altona to South Gippsland. Michelle is number three of seven children and went straight into Foster High School. From there she entered the accounting and finance industry (now into her 30th year).

She started initially with a small local accounting firm then had a break bringing up four children. Michelle re-entered the workforce part-time with a local accountant and running her own bookkeeping business. Later she had a two year working stint in Alberta Oilsand, Canada. Upon her return she was offered a position back locally working for a local stockfeed company as an Office Manager.

**DAVID ROBERTS – Board Member**

David has resided in the Toora and Foster area for over sixty years and has worked as a farmer, livestock buyer, agent and transport operator.

He realises the immense value of a local bank. Threatened with losing this service in 1998, he became a driving force to ensure a banking service remained in the town. David is an inaugural Director of Promontory District Finance Group Ltd and believes the **Community Bank®** sustains the town's viability. "Without a Bank a town is like a body without a heart."

**PETER TILLEY – Board Member**

Peter lives in Foster with his wife Jacie. Practicing as an accountant, he is aware of the important role that banking, investing and financial services play in the community.

Peter enjoys living in a country town and being part of the endeavour by the local community to make the most of its own future. To this end he is actively involved in a number of community groups.

**ALLEN VAN KUYK – Board Member**

Allen is a dairy farmer from Agnes who was appointed to the Board in 2001.

Allen brings a younger point of view to the Board. He is on the committee of the Arthur Sutherland Recreation Reserve Committee and President of the Welshpool Cricket Club.

### JOE BUCELLO – Invitee

Joe was born in Foster and although he moved away for study and work in the Engineering field, he returned to the district in 1989 with his wife Sandy and young daughter for family life in the country.

Up until 2012 Joe & Sandy developed their supermarket business in Foster and during this time contributed to many local community fund raising activities.

Now with a little more spare time, Joe is keen to continue contributing to the community and support the invaluable work of the **Community Bank®**.



### JILLIAN THROCKMORTON – Executive Officer for PDFG

Jill lives in Woorarra East with Peter and their two children, Thomas and Michael.

Jill has an extensive background in administration and started with PDFG Ltd in 2013 to help with the ever growing administration that comes with running a **Community Bank®**.

Jill is an active member of the community being a member of the Welshpool and District Primary School Council and Parents Club, Prom Coast Soccer Club and the Prom Coast Centres for Children.

# Manager's Report

For year ending 30 June 2014

The past year has been a challenge for all Australian banks with customers paying down their debt in record volumes. Although we ended the year strongly with excellent loan approvals and a record low number of loan discharges, it was still tough to meet our business objectives. However, locally the signs are positive with house sale activity strengthening and more confidence in the business sector as evidenced by increased lending enquiry.

We celebrated the Toora & District **Community Bank**<sup>®</sup> Branch 15<sup>th</sup> birthday during the year and we can't extend enough thanks to those who believed in us from the very beginning and supported us with not only their banking business but with the financial contributions that allowed the business to get up and going in the first place.

Fifteen years on and we have invested over \$770,000 back into the Prom District community in the form of grants, sponsorships and donations. This year saw us take our annual grants presentation night to Meeniyah where we presented over \$41,000 in Grants to various local community organisations, taking our total community contributions for the year to just over \$98,000.

I would like to thank my staff for their hard work and professionalism during the year. Rebecca Parker has been with us for just over a year now and is fully capable of assisting with your lending requirements while Sandra, Anne, Michelle, Trudy, Terri, Tara and Karen can continue to assist with all of your banking and insurance needs. I would also like to thank Trevor and Adrian of Brown Wigg for their support at the Meeniyah agency. Our staff are the face of our **Community Bank**<sup>®</sup> branches and their dedication ensures that Toora & District **Community Bank**<sup>®</sup> Branch, Foster branch and Meeniyah agency will continue to be a success.

I also wish to extend my thanks to Chairman Rob Liley and the Directors of Promontory District Finance Group Ltd who quietly toil behind the scenes on a voluntary basis to promote and support local activities within our community.

It is worth noting that both Toora & District **Community Bank**<sup>®</sup> Branch & Foster branch have lending staff available five days a week and we can cater to most of your lending requirements right here in the local district. So please consider your local **Community Bank**<sup>®</sup> branch when making your financial decisions as you might just be surprised at what we can do to assist in achieving your dreams.

In closing, I would like to encourage our existing clients, contributors and supporters to become advocates for our local **Community Bank**<sup>®</sup> branches. The staff and I would certainly appreciate any business referred from family, friends and business acquaintances. The more business that is held with our branches, the greater the capacity we have to support local projects and programs and the more our community prospers.

Are we a 'big bank?' No. We are '**Bigger than a bank**'.

**Allison Drury**  
**Branch Manager**



## THE BRANCH STAFF



### **ALLISON DRURY – Branch Manager, Toora & Foster**

Allison was appointed the local Branch Manager three years ago and has worked for Bendigo and Adelaide Bank for almost 14 years. A long term local of South Gippsland, she currently lives in Meeniyan with her husband and has three grown children and a dog.

She is Vice President of Prom Coast Centres for Children, Treasurer of the Leongatha Angling Club and a passionate member of Southern Business Women's Network.

In her spare time you will find Allison reading, cycling the local rail trails or simply relaxing with her family.

### **REBECCA PARKER - Customer Relationship Manager, Toora and Foster**

Rebecca commenced at Toora and Foster branches at the beginning of June last year. She was previously employed for 11 months as Customer Relationship Officer at the Leongatha Bendigo Bank branch and prior to that worked for 5 years with the Commonwealth Bank at Leongatha and Foster branches.

Rebecca lives with her partner Carl on a 450 acre Beef farm at Buffalo. She enjoys helping on the farm and riding her horse and is an active member of Bennison and Stony Creek Riding Clubs.

Rebecca is very excited about being a part of the **Community Bank®** and most of you will already have seen her out and about in the local area.



### **SANDRA FARAGHER – Branch Supervisor, Foster**

Sandra has been with Promontory District Finance Group for nearly 12 years and is looking for somewhere exotic to go on her long service leave. Sandra enjoys horse riding, reading, camping and photography and also going to the cinema.

She has two girls, Stacey, 22 has completed her hospitality training and is currently an apprentice chef at Seaford RSL, Tayla 16, who is in Year 10, husband Rick and a small farm that keep her occupied.

### **ANNE PALMER - Branch Supervisor, Toora**

Anne has had over 25 years Banking experience, previously working at the State Bank of Victoria, Commonwealth Bank and the National Australia Bank.

She has worked locally, starting at Yarram Branch in 1982, and also at larger branches including Rockhampton. Anne enjoys keeping active and spending time with family and friends.





**TRUDY HEISER - Customer Service Officer**

Trudy who has been with the bank for 7 years enjoys catching up with friends, great restaurants, searching for great wines from little independent boutique wineries, keeping fit and travelling.

Trudy lives at Foster with her husband David. They enjoy being involved with the Yanakie community and assisting with fundraising events.

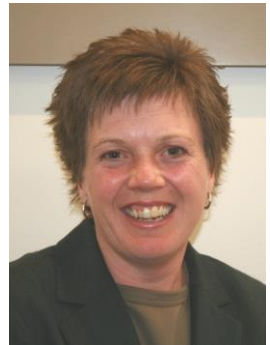
Trudy has 3 children, Cassie 28 who will be admitted to the Supreme Court to practise Law in August and is currently working with VLA, Demi 25 who is a Nurse at the Royal Children's Hospital and Justin 23 who is working for Hard Rock Café on the Gold Coast.

**MICHELLE WALKER - Customer Service Officer**

Michelle started work with the bank in December 2007 after previous employment with Murray Goulburn in Yarram. She has had prior banking experience with 12 years' service at the State Bank of Victoria and the Commonwealth Bank. Michelle lives at Port Franklin with her husband Dean and their two children Callan and Ayden. They both attend school at Foster.

Michelle is an active member of the Toora Recreation Reserve and the Toora Netball Club of which she is a life Member. She is also on the Foster Basketball Association Committee and Port Franklin Hall Committee.

Michelle enjoys spending time with her family, socialising, and supporting her sons' sporting endeavours. Michelle also enjoys holidaying with her family in their caravan up the East Coast.



**TERRI BOHN – Customer Service Officer**



Terri joined the bank in April, 2011, and has had previous experience in the Banking Industry working with ANZ several years ago. Terri has been actively involved in the community through school and sporting venues and is currently Treasurer of the Corner Inlet Motorcycle Club.

Terri and her husband Peter live locally. They have 4 children; Monique 23, Ashlee 21, Kieran 17 and Yasmin 15. Monique, Ashlee and Kieran are all working whilst Yasmin attends South Gippsland Secondary. Terri enjoys spending time with her family and supporting their various sporting activities, socialising with friends, camping and reading.

**TARA HOLLIER- Customer Service Officer**

Tara has been with the bank now for almost four years following a decision to have a career change and time off as a mum. She has come from a medical background with a degree in Medical Radiations Science - Nuclear Medicine. Tara is actively involved in local sporting groups having previously been President of Toora Netball Club, in addition to playing, coaching and umpiring. She is currently Secretary of Toora Football Club & Toora Netball Club.



Tara has lived almost all her life in Toora, with the exception of studying at University and a three year stint working in London and travelling the UK and Europe. She currently lives in Toora with her husband Pete and daughters Schylar 13, Ella 5 and Tess 3. Tara enjoys being with her family, a good book and great food and wine.

**KAREN DORLING - Customer Service Officer**

Karen was originally employed by the bank from 2006 until 2011, when she took a break from the workforce to spend time at home with her family and to concentrate on their family business. Karen rejoined the bank in 2012 as a Customer Service Officer.

Karen and her husband Andrew live in Fish Creek and have three children. In her spare time Karen enjoys photography, spending time at home with her family and exploring the local beaches and coastline.

# Community Grants Program

The 2014 Community Bank Grants Program was again conducted through the Bendigo Bank Community Enterprise Foundation. As in past years, there was a great deal of interest from across the Promontory District. In order to spread the benefit of our Community Grants Program widely across our district, the Directors again added some additional money to the program. They also distributed further money as sponsorships to worthwhile projects which did not meet the prerequisites for a community grant.

The presentations were held at the Meeniyah Recreation Reserve (MDU Function Rooms). The evening was well attended by representatives of the community organisations receiving grants and sponsorships from staff and Directors of the Promontory District Finance Group. Congratulations to all Grants and Sponsorship recipients.

## **2014 GRANTS PROGRAM**

### **Community Enterprise Foundation Grants**

ORGANISATION	PROJECT	GRANT
Fish Creek Primary School	Community Hub Development	\$3,000
South Gippsland Special School	Engine (Autism) Room	\$4,000
Bennison Recreation Reserve	Replacement of Water Pipes	\$1,000
Port Welshpool Working Group	Blackout Blinds for Ferry Terminal	\$1,400
Meeniyah Golf Club	Kitchen Upgrade	\$2,000
Meeniyah Traders Assoc.	Free WiFi for Meeniyah	\$2,581
Toora Bowls Club	Publication; History of Toora Bowls	\$1,000
U3A Writers Group	Publication; Collection of literary works	\$1,170
Toora & District Swimming Pool	New Pool Inflatable	\$2,000
South Gippsland Hospital	Youth Assist Clinic	\$10,000
Toora Tennis Club	Concreting end of Courts	\$2,000

### **PDFG Conditional Sponsorships / Donations**

ORGANISATION	PROJECT	GRANT
Foster Bowls Club	Solar Panels	\$3,000
Port Franklin Sports Club	Upgrading of Basketball Facilities	\$2,400
Stony Creek Riding Club	Arena Rake	\$1,000
MDU Football Netball Club	Court Redevelopment	\$3,500

### **Community Bank Scholarship Program**

Michelle James	Tertiary Scholarship 1 <sup>st</sup> Year	\$5,000
Katie Jones	Tertiary Scholarship 2 <sup>nd</sup> Year	\$5,000
Blair Clearihan-Jervies	PDFG Bursary	\$1,000
Kate Riley	PDFG Bursary	\$1,000



## PDFG's 15<sup>th</sup> Birthday Celebrations



Left: Buffalo Boys Band, who also played at the Toora & District Community Bank® Grand Opening 15 years ago!



Above: Norm Davidson, Allison Drury & John Stone; Previous and Current Branch Managers Cutting the fabulous Cake made by Irmela McIntyre.



Left: Llew Vale, Russel Jenkins, Irene Spooner, Jeanette Harding & Rob Liley; Holding the 15 Years Plaque presented by Bendigo Bank.

## Grants and Sponsorship Presentation Evening 2014



## Projects in the Community



### Prom Coast Centres for Children

In October 2013, Uniting Care Gippsland gave notice to families of the Corner Inlet's district of its intention to withdraw as provider of services at Prom Coast Centre for Children effective March 2014. The South Gippsland Shire stepped in immediately and coordinated a comprehensive Expression of Interest process in order to seek a new service provider. The future of Kindergarten and Long Day Care services was uncertain in early December 2013 when no alternative service provider expressed an interest in the Centres.

A volunteer Steering Group came together in late December 2013 to review the viability of creating a community appointed Board of Management which would take over responsibility of running the Centres.

The Steering Group worked tirelessly to review the concept of community-based management for Prom Coast Centre for Children. However it was clear that more time was needed in order to fully assess whether the services could be viable under a volunteer Committee of Management and financial due diligence could be undertaken.

When the Promontory District Finance Group agreed to partner with the local Council to meet the deficit funding (\$24K in total) to secure an extension on Uniting Care's withdrawal, it gave the Steering Group time to meet all the legal incorporation requirements and achieve the necessary licences to operate the Centres. Without this commitment, the Centres would have closed their doors until such time that these necessary requirements were met.

From the 1<sup>st</sup> of May 2014, the future of Kindergarten and Childcare services in the Corner Inlet region was secured without interruption, when Prom Coast Centres for Children Inc. (PCCC) commenced its management of Kindergarten and Childcare services as a not for profit community-based incorporated association.

The PCCC Committee of Management is very appreciative of the financial support from the Promontory District Finance Group in achieving its endeavours to date. It also appreciates the efforts of Allison Drury and Jill Throckmorton, both Community Bank employees who have committed to the project since its inception and have volunteered their knowledge, skills and experience and are active members of the PCCC Committee of Management.

### Prom Country Aged Care

On December 11<sup>th</sup> 2013, our first group of residents moved in to Prom Country House, Corner Inlet's new aged care facility. The Promontory District Financial Group donated over \$66,000 towards the building. With these funds we were able to build a state of the art laundry and a sensory garden within our complex care wing of the facility. Since then gardens have grown and established, residents move freely through this space or sit out and admire the varying ranges of floral colour on display. A plaque stating our appreciation of this gesture now sits on the wall in the sitting room that looks out on to the garden.

These two touches have assisted our organisation greatly in turning a new facility into a comfortable, convenient, and aesthetically pleasing place to live for those who need some extra care during the later stage of life.

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**DIRECTORS' REPORT**

Your directors present this report to the members of the Promontory District Finance Group Ltd (the company) for the year ended 30<sup>th</sup> June 2014.

**Directors**

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

		MEETINGS	MEETINGS
DIRECTORS NAME	Years on Board	Number Eligible To Attend	Number Attended
Robert Liley (Chair)	7	11	10
Llewelyn Vale	15	11	7
Irene Spooner	15	11	11
David Roberts	15	11	9
Clive White	15	11	8
Peter Tilley	15	11	8
Irmela McIntyre	12	11	8
Neville Buckland	12	11	6
Allen Van Kuyk	13	11	8
Michelle Newman (Bacon)	2	11	5

Details of directors' qualifications, experience and special responsibilities are set out below and also in the Committee's details.

# **DIRECTORS IN OFFICE as at 30<sup>th</sup> JUNE 2014**

<b>DIRECTORS NAME</b>	<b>OCCUPATION</b>	<b>QUALIFICATIONS</b>	<b>EXPERIENCE</b>
Llewelyn Vale	Farmer	Matriculation. Completed AICD Directors Course and annual updates. Also courses in Financial management Risk Management and OH&S	28 year's experience in public administration. 13 years mentoring community groups in Corporate governance.
Clive White	Solicitor	B.Juris LLB (Monash) Barrister & Solicitor	36 years
Irene Spooner	Newsagent	-	Worked in / Owned variety of retail businesses
David Roberts	Farmer / Stock Agent	Public School Form 2 National Service Member of Local Boards & service clubs	Operated livestock transport business. Running own farming business. Buyer for abattoir.
Bruce Beatson	Farmer / Car Salesman	Company Director's Diploma 1993 University of New England NSW	Deputy President United Dairy Farmers of Vic 1985-1987 Director Bonlac Foods 1988-2001
Peter Tilley	Accountant	B.Commerce (Melbourne) Chartered Accountant, Company Auditor	33 years in Public Practice
Allen Van Kuyk	Farmer	Farming Trades Apprenticeship	18 years farming experience
Neville Buckland	Farmer	-	63 years beef & sheep farming and contracting
Irmela McIntyre	Bookkeeper	Associate Diploma of Social Sciences (Community Development)	Public Relations Officer, Bank Teller, Bookkeeper Active participation in numerous community organisations
Robert Liley	Farmer	Dip. Farm Management (Marcus Oldham)	48 years growing own farming business. Volunteering on numerous community committees
Michelle Newman (Bacon)	Office Manager	Various courses in Accounting, Financial and Administration Services	29 years working in the business and financial services industry.



## Short- and long-term objectives and strategy

The company's short- and long-term objectives are to:

- provide a banking service in Toora and Foster and their surrounds
- provide funding for community organisations and activities

The company's strategy for achieving these objectives includes:

- provision of customer driven banking branches in Toora and Foster
- holding annual grant allocation programs
- having a strong involvement with the community

## Principal Activities

The company's principal activity during the year was to manage the Toora Branch and the Foster Branch as a franchise of the Bendigo Bank.

This activity has assisted the company in achieving its objectives by enabling it to:

- provide full banking services to the community
- make grants and sponsorships to the community of \$77,191 (\$73,387 in 2013)

## Performance Measures

The company measures performance through the establishment of an annual budget:

- to review performance against budget
- to monitor the growth of banking products provided to the customer
- to assess control over the company's income and costs
- to monitor its annual grant program

The performance against these key performance indicators is as follows:

	2014		2013	
	Budget	Actual	Budget	Actual
Total Banking Book	108.1M	98.7M	103.7M	102.7M
Total Revenues	885,235	879,924	918,355	933,532
Total Expenses	885,168	880,771	757,401	728,521
Net Profit / Loss	70	(847)	160,954	205,011
Grant's & Sponsorship	43,500	77,191	66,500	73,387

## COMMITTEES OF THE BOARD

### Audit & Finance Committee

DIRECTORS	MEETINGS Number Eligible To Attend	MEETINGS Number Attended
Peter Tilley	2	2
Llewelyn Vale	2	1
Clive White	2	2
Allen Van Kuyk	2	0
Robert Liley	2	2

## Corporate Governance Committee

<b>DIRECTORS</b>	<b>MEETINGS</b>	<b>MEETINGS</b>
	<b>Number Eligible To Attend</b>	<b>Number Attended</b>
Robert Liley	2	1
Allen Van Kuyk	2	2
Michelle Newman (Bacon)	2	2
Irmela McIntyre	2	2

## Marketing Committee

<b>DIRECTORS</b>	<b>MEETINGS</b>	<b>MEETINGS</b>
	<b>Number Eligible To Attend</b>	<b>Number Attended</b>
David Roberts	6	4
Neville Buckland	6	3
Irene Spooner	6	6
Llewelyn Vale	6	6
Allen Van Kuyk	6	4
Robert Liley	6	4

## Grant's Advisory Committee

<b>DIRECTORS</b>	<b>MEETINGS</b>	<b>MEETINGS</b>
	<b>Number Eligible To Attend</b>	<b>Number Attended</b>
Llewelyn Vale	1	0
Irene Spooner	1	1
Peter Tilley	1	1
Allen Van Kuyk	1	1
Irmela McIntyre	1	1
Michelle Newman (Bacon)	1	1

The role of the Board Committees is to study and discuss detailed Board issues and make recommendations to the Board on those issues.

### **Member's Guarantee**

In accordance with the company's constitution, each member is liable to contribute \$10 in the event that the company is wound up. At the 30<sup>th</sup> June 2014 the number of members was 115.

### **Auditor's Independence**

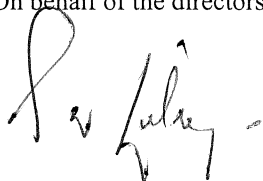
The auditors' declaration of independence appears on page 39 and forms part of the Directors' report for the year ended 30<sup>th</sup> June 2014.

### **Rounding**

The company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and, in accordance with the Class Order, amounts in the financial report and the director's report have been rounded off to the nearest dollar, unless otherwise stated.

Signed in accordance with the resolution of the directors made pursuant to s.298(2) of the Corporations Act.

On behalf of the directors:

A handwritten signature in black ink, appearing to read 'R. Liley', with a horizontal line extending from the end.

**Robert Liley**  
Foster, 26 August 2014

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2014**



**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

	Note	Total 2014 \$	Total 2013 \$
<b><i>Revenue from ordinary activities</i></b>	2	879,924	933,532
Employee benefits expense	3	(451,411)	(430,777)
Depreciation and amortisation expense	3	(47,179)	(31,480)
Borrowing costs expense	3	(16,201)	(12,659)
Other expenses from ordinary activities		<u>(365,980)</u>	<u>(253,605)</u>
<b>Profit / Loss from ordinary activities before income tax expense</b>		(847)	205,011
<b>TOTAL CHANGES IN EQUITY</b>		<u><u>(847)</u></u>	<u><u>205,011</u></u>

*This Statement should be read in conjunction with the accompanying notes*

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE, 2014**

	Note	Total 2014 \$	Total 2013 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	359,569	547,026
Trade and other receivables	5	88,597	89,224
<b>TOTAL CURRENT ASSETS</b>		<u>448,166</u>	<u>636,250</u>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	18,543	24,019
Property, plant and equipment	6	294,630	314,784
Intangible assets	7	104,613	55,455
<b>TOTAL NON-CURRENT ASSETS</b>		<u>417,786</u>	<u>394,258</u>
<b>TOTAL ASSETS</b>		<u>865,952</u>	<u>1,030,508</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	49,393	54,915
Short-term borrowings	8	-	11,853
Short-term provisions	10	26,757	26,265
<b>TOTAL CURRENT LIABILITIES</b>		<u>76,150</u>	<u>93,033</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	8	155,390	306,079
Long-term provisions	10	18,509	14,646
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>173,899</u>	<u>320,725</u>
<b>TOTAL LIABILITIES</b>		<u>250,049</u>	<u>413,758</u>
<b>NET ASSETS</b>		<u>615,903</u>	<u>616,750</u>
<b>EQUITY</b>			
Retained earnings	11	615,903	616,750
<b>TOTAL EQUITY</b>		<u>615,903</u>	<u>616,750</u>
Contingent Liabilities and Contingent Assets	12	-	-
Capital Commitments	13	-	-

*This Statement should be read in conjunction with the accompanying notes*

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

	<b>Retained Earnings \$</b>
<b>Balance at 30 June 2012</b>	411,739
Profit / Loss	205,011
<b>Balance at 30 June 2013</b>	<hr/> 616,750 <hr/>
Profit / Loss	(847)
<b>Balance at 30 June 2014</b>	<hr/> 615,903 <hr/>

*This Statement should be read in conjunction with the accompanying notes*

**PROMONTORY DISTRICT FINANCE GROUP LTD**

ABN 69 085 537 328

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

	Note	Total 2014 \$ Inflows/ (Outflows)	Total 2013 \$ Inflows/ (Outflows)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from Bendigo Bank		945,984	1,014,721
Receipts from Telco commission		2,047	620
Interest received		19,091	15,890
Payments to suppliers and employees		(904,824)	(772,958)
Finance costs		(16,067)	(12,601)
<b>Net cash provided by (used in) operating activities</b>	14(b)	<u>46,231</u>	<u>245,672</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of investments		(68,713)	(676)
Purchase of property, plant and equipment		(7,592)	(207,981)
<b>Net cash provided by (used in) investing activities</b>		<u>(76,305)</u>	<u>(208,657)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		(157,972)	106,802
<b>Net cash provided by (used in) financing activities</b>		<u>(157,972)</u>	<u>106,802</u>
<b>Net increase in cash held</b>		(188,046)	143,817
<b>Cash at beginning of year</b>		<u>391,637</u>	<u>247,820</u>
<b>Cash at end of year</b>	14(a)	<u><u>203,591</u></u>	<u><u>391,637</u></u>

*This Statement should be read in conjunction with the accompanying notes*

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**NOTE 1. STATEMENT OF ACCOUNTING POLICIES**

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The company is a not for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report 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, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**a) Income Tax**

In anticipation of the result of the Federal Court of The Australian Taxation Office v Wentworth District Capital Ltd ATC 20 – 253 (The Wentworth Case), the entity lodged an objection against past income tax assessments.

On the 31<sup>st</sup> October, 2011 the Deputy Commissioner of Taxation allowed the objection, which resulted in a refund of \$60,590.20 of past income taxes paid. The reason that the Deputy Commissioner gave for this decision was that, in line with the Wentworth case, facilitating the supply of banking services in Toora, where no other banking services are being provided, constituted a Community Service and was therefore exempt from income tax in accordance with section 50 of the Income Tax Assessment Act 1997.

The Deputy Commissioner noted that the Foster branch was not an identical situation to that applying in Wentworth and Toora, as there are other commercial banking operations existing in Foster.

However the Deputy Commissioner concluded that, as the operation in Toora is significantly larger than that in Foster, the Toora operation must constitute the main purpose. Although the Deputy Commissioner didn't say explicitly, the ruling implies that Promontory District Finance Group Ltd will need to revisit its tax status at the stage when Foster fully recovers the losses incurred in establishing its operation.

**b) Property, Plant & Equipment**

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



**PROMONTORY DISTRICT FINANCE GROUP LTD**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**c) Depreciation**

Assets with a cost in excess of \$1,000, including building and capitalised lease assets but excluding freehold land, are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost over their estimated useful lives using the straight-line method. Depreciation rates are reviewed on an annual basis. The expected useful lives of non-current assets has not changed from the previous year.

The expected useful lives of non-current assets on which the depreciation charges are based for each class of assets are:

Buildings	40 years
Furniture & Fittings	3 – 13 <sup>1</sup> / <sub>3</sub> years
Improvements	40 years
Motor Vehicle	7 – 8 years

**d) Leases**

Lease payments for operating leases, where substantially all the risks and benefits incidental to ownership of the asset remain with the lessor, are charged as expenses in the period in which they are incurred.

Leases of fixed assets where substantially all the risks and benefits incidental to ownership of the assets, but not the legal ownership, are transferred to the entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

**e) Cash**

For the purpose of the cash flow statement, cash includes cash on hand, deposits held at call with banks or financial institutions, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts, which are shown as long-term borrowings in non-current liabilities on the balance sheet, are included in cash balances for cash flow reporting.

**f) Revenue**

Revenue from operating activities is recognised when it is earned. All revenue is stated net of the amount of goods and services tax (GST).

**g) Rounding of Amounts**

All amounts shown in the Financial Statements are expressed to the nearest dollar.

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**h) Receivables**

All trade debtors are recognised at their face value as they are due for settlement no more than 60 days from the date of recognition. Collectability of trade debtors is reviewed on an on-going basis. Debts, which are known to be uncollectible, are written off. A provision for doubtful debts is raised where some doubt as to collection exists.

**i) Trade and Other Creditors**

These amounts represent liabilities for goods and services provided to the end of the financial year, which are unpaid. The normal credit terms are Net 30 days.

**j) Comparative Figures**

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

**k) Donations**

Donations are recognised as revenue when cash is received.

**l) Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

**Sick Leave**

A liability is only recognised if it is probable that sick leave expected to be taken in future reporting periods will be greater than entitlements which are expected to accrue in those periods.

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

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2014**

**n)        Intangibles**

Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business exceeds the fair value attributable to its net assets at date of acquisition. It is then amortised over twenty years. Goodwill is also tested annually for impairment and is carried at cost less accumulated amortisation and impairment losses.

Training prepayment

Training prepayments are amortised over five years.

Franchise fees

Franchise fees are amortised over the period covered by the franchise. At present this is for five years.

**o)        Going Concern**

The financial report has been prepared on a going concern basis as there are no material uncertainties, events or conditions that bring into question the ability of the entity to continue as a going concern.

**p)        Community Enterprise Foundation (CEF)**

The company has traditionally funded its annual community grant program via contributions to the Community Enterprise Foundation. At the 30<sup>th</sup> June 2014 the balance of the funds held by the CEF in respect of the company was \$4,034. (\$14,833 at the 30<sup>th</sup> June 2013).

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

**NOTE 2. REVENUE**

	<b>Total 2014 \$</b>	<b>Total 2013 \$</b>
<b>Operating activities</b>		
Franchise margin income	516,447	543,861
Commercial loan income	2,575	9,608
Commission income	167,978	195,749
Leasing/hire purchase income	3,095	3,523
Market development fund	100,000	96,667
Fee income	70,136	68,180
Telco commission	2,047	620
Interest	17,646	15,324
<b>Total revenue</b>	<b><u>879,924</u></b>	<b><u>933,532</u></b>

PROMONTORY DISTRICT FINANCE GROUP LTD

ABN 69 085 537 328

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

**NOTE 3. PROFIT FROM ORDINARY ACTIVITIES**

<b>a) Expenses</b>	<b>Total 2014 \$</b>	<b>Total 2013 \$</b>
<b>Employee benefits expense</b>		
Wages	385,688	374,289
Workcover	1,347	1,179
Superannuation - SG	24,944	23,292
Superannuation - Salary Sacrifice	16,458	14,601
Fringe benefits tax	2,802	899
Sundry Seconded Employee Expenses	20,172	16,517
<b>Total employee entitlements</b>	<b>451,411</b>	<b>430,777</b>
<b>Borrowing cost expense</b>		
Building loan interest	717	1,415
Refurbishment Loan	7,797	2,662
Fitout loan interest	-	140
Contributors interest	7,552	8,384
Borrowing cost write off	135	58
<b>Total borrowing costs</b>	<b>16,201</b>	<b>12,659</b>
<b>Depreciation of non-current assets</b>		
Buildings and improvements	5,237	3,960
Furniture and fittings	13,209	8,978
Motor vehicles	9,299	3,956
<b>Total depreciation</b>	<b>27,745</b>	<b>16,894</b>
<b>Amortisation of non-current assets</b>		
Franchise fee	18,766	14,000
Goodwill	668	586
<b>Total amortisation</b>	<b>19,434</b>	<b>14,586</b>
<b>Bad debts written off</b>	<b>417</b>	<b>258</b>
<b>Audit fees</b>	<b>3,477</b>	<b>3,200</b>
<b>Rental expense on operating leases</b>		
Computer equipment	9,997	10,053
	<b>9,997</b>	<b>10,053</b>



**PROMONTORY DISTRICT FINANCE GROUP LTD**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

**NOTE 4. CASH AND CASH EQUIVALENTS**

	Note	Total 2014 \$	Total 2013 \$
Cash at bank		93,113	515,360
Petty cash		-	4
Term Deposits		234,228	-
Term deposit (overdraft security)		16,820	16,820
Term deposit (rent security)		15,408	14,842
		<u>359,569</u>	<u>547,026</u>

A bank guarantee covering 6 months rent for the Foster sub-branch building (to a value of \$10,897) is secured against the term deposit as per the lease agreement with Court Street Pty Ltd.

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	359,569	547,026
Bank overdrafts	(155,390)	(155,390)
Credit Cards	(588)	(163)
	<u>203,591</u>	<u>391,473</u>

**NOTE 5. TRADE AND OTHER RECEIVABLES**

		Total 2014 \$	Total 2013 \$
<b>CURRENT</b>			
Accrued interest		1,929	3,374
Income share from Bendigo Bank		81,191	80,691
Brown Wigg Loan	15	5,477	5,159
<b>Total Current</b>		<u>88,597</u>	<u>89,224</u>
<b>NON-CURRENT</b>			
Brown Wigg Loan	15	18,543	24,019
<b>Total Non-Current</b>		<u>18,543</u>	<u>24,019</u>
<b>TOTAL CURRENT AND NON-CURRENT RECEIVABLES</b>			
Accrued interest		1,929	3,374
Income share from Bendigo Bank		81,191	80,691
Brown Wigg Loan		24,020	29,178
		<u>107,140</u>	<u>113,243</u>

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

**NOTE 6. PROPERTY, PLANT & EQUIPMENT**

	<b>Total 2014 \$</b>	<b>Total 2013 \$</b>
Land at cost	27,524	27,524
Buildings and improvements at cost	209,428	209,428
Less accumulated depreciation	(23,714)	(18,477)
	<u>185,714</u>	<u>190,951</u>
Furniture and fittings at cost	195,869	188,278
Less accumulated depreciation	(136,175)	(122,966)
	<u>59,694</u>	<u>65,312</u>
Motor vehicles at cost	33,005	33,004
Less accumulated depreciation	(11,306)	(2,006)
	<u>21,699</u>	<u>30,998</u>
<b>Total property, plant and equipment</b>	<u><u>294,630</u></u>	<u><u>314,785</u></u>

**(a) Movements in carrying amounts**

Movements in the carrying amounts for each class of property, plant & equipment between the beginning and the end of the current financial year.

	<b>Land \$</b>	<b>Buildings &amp; Imp'ts \$</b>	<b>Furniture &amp; Fittings \$</b>	<b>Motor Vehicles \$</b>	<b>Total \$</b>
Balance at beginning of year	27,524	190,951	65,312	30,998	314,785
Additions	-	-	7,591	-	7,591
Disposals	-	-	-	-	-
Depreciation expense	-	(5,237)	(13,210)	(9,299)	(27,746)
<b>Carrying amount at end of year</b>	<u><u>27,524</u></u>	<u><u>185,714</u></u>	<u><u>59,693</u></u>	<u><u>21,699</u></u>	<u><u>294,630</u></u>

**NOTE 7. INTANGIBLE ASSETS**

	<b>Total 2014 \$</b>	<b>Total 2013 \$</b>
Goodwill at cost (agency buyout)	13,362	13,362
Less accumulated amortisation	(5,345)	(4,677)
Borrowing Costs	505	640
Prepaid Expenses	5,081	5,067
Set up costs	70,000	70,000
Less accumulated amortisation	(46,740)	(36,740)
Franchise fee	88,713	20,000
Less accumulated amortisation	(20,963)	(12,197)
<b>Total intangible assets</b>	<u><u>104,613</u></u>	<u><u>55,455</u></u>

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

**NOTE 8. BORROWINGS**

	Note	Total 2014 \$	Total 2013 \$
<b>CURRENT</b>			
Bank loan secured (building)	15	-	5,816
Bank loan (Refurbishment)	15	-	6,037
<b>Total current</b>		<u>-</u>	<u>11,853</u>
<b>NON-CURRENT</b>			
Bank overdraft secured	15	155,390	155,390
Bank loan secured (building)	15	-	8,069
Bank loan (Refurbishment)	15	-	142,620
<b>Total non-current</b>		<u>155,390</u>	<u>306,079</u>
 <b>a) Total current and non-current secured liabilities:</b>			
Bank overdraft	15	155,390	155,390
Bank loan (building)	15	-	13,885
Bank loan (Refurbishment)	15	-	148,657
		<u>155,390</u>	<u>317,932</u>
 <b>b)</b> The bank overdraft and loans are secured by a registered first mortgage over the freehold property and the contributions made by supporters of the Company which are held by the Bendigo Bank.			
 <b>c)</b> The carrying amounts of non-current assets and contributions pledged as security are:			
Land		27,524	27,524
Buildings and improvements		185,714	190,951
Contributions from supporters		138,570	138,570
Bank Deposits		16,820	16,820
		<u>368,628</u>	<u>373,865</u>

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

**NOTE 9. TRADE AND OTHER PAYABLES**

	<b>Total 2014 \$</b>	<b>Total 2013 \$</b>
<b>CURRENT</b>		
GST payable	12,300	16,562
Accrued wages	7,743	8,723
Credit Card	588	163
Trade payables	25,241	26,852
Superannuation Payable	900	-
PAYG withholding payable	2,621	2,615
<b>Total trade and other payables</b>	<u>49,393</u>	<u>54,915</u>

**NOTE 10. PROVISIONS**

	<b>Total 2014 \$</b>	<b>Total 2013 \$</b>
<b>CURRENT</b>		
Annual leave	16,879	17,725
Long service leave	9,878	8,540
<b>Total current employee entitlements</b>	<u>26,757</u>	<u>26,265</u>
<b>NON-CURRENT</b>		
Annual leave	5,782	6,092
Long service leave	12,727	8,554
<b>Total non-current employee entitlements</b>	<u>18,509</u>	<u>14,646</u>

All annual leave and unconditional vested long service leave representing 7+ years of continuous service is:

- a) disclosed in accordance with AASB 101, as a current liability even where the company does not expect to settle the liability within 12 months as it will not have the unconditional right to defer the settlement of the entitlement should an employee request
- b) measured at:
  - nominal value under AASB 119 where a component of this current liability is expected to fall due within 12 months after the end of the period; and
  - present value under AASB 119 where the entity does not expect to settle a component of this current liability within 12 months.

Long Service Leave representing less than 7 years of continuous service is:

- a) disclosed in accordance with AASB 101 as a non-current liability; and
- b) measured at present value under AASB 119 as the entity does not expect to settle this non-current liability within 12 months.

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

**NOTE 11. RETAINED EARNINGS**

	Total 2014 \$	Total 2013 \$
Retained earnings at the beginning of the financial year	616,750	411,739
Net profit	<u>(847)</u>	<u>205,011</u>
<b>Retained earnings at the end of the financial year</b>	<b><u>615,903</u></b>	<b><u>616,750</u></b>

**NOTE 12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no contingent assets or liabilities at 30th June 2014.

**NOTE 13. CAPITAL COMMITMENTS**

There were no capital commitments at 30th June 2014.



**PROMONTORY DISTRICT FINANCE GROUP LTD**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

**NOTE 14. CASH FLOW INFORMATION**

**(a) Reconciliation of Cash**

Cash at the end of the financial year as shown in the statements of cash flows reconciled to the related items in the balance sheet as follows:

	<b>Total 2014 \$</b>	<b>Total 2013 \$</b>
Cash at bank	93,113	515,360
Petty cash	-	4
Term deposit	266,456	31,662
Bank overdrafts	(155,390)	(155,390)
Credit Cards	(588)	(163)
	<b><u>203,591</u></b>	<b><u>391,473</u></b>

**(b) Reconciliation of cash flow from operations with profit from ordinary activities**

	<b>Total 2014 \$</b>	<b>Total 2013 \$</b>
Profit after income tax	(847)	205,011
<b>Non-cash flows in profit</b>		
Borrowing cost write off	135	58
Depreciation and amortisation	47,179	31,480
<b>Changes in assets and liabilities</b>		
(Increase)/decrease in receivables	945	5,229
(Increase)/decrease in prepayments	(14)	(1,585)
Increase/(decrease) in payables	(5,522)	1,076
Increase/(decrease) in provisions	4,355	4,403
<b>Cash flows from operations</b>	<b><u>46,231</u></b>	<b><u>245,672</u></b>

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

**NOTE 15. FINANCIAL INSTRUMENTS**

**(a) Interest rate risk**

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average		Floating Interest		Fixed Interest Rate Maturing				Non-interest	
	Effective Interest Rate		Rate		Within 1 year		1 to 5 years		Bearing	
	2013	2012	2014	2013	2014	2013	2014	2013	2014	2013
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>										
Cash & Cash Equivalents	6.00	6.00	93,113	515,360	15,408	14,842	-	-	16,820	16,820
Receivables	6.00	6.00	-	-	5,477	5,159	18,543	24,019	81,191	80,691
<b>Total Financial Assets</b>			<b>93,113</b>	<b>515,360</b>	<b>20,885</b>	<b>20,001</b>	<b>18,543</b>	<b>24,019</b>	<b>98,011</b>	<b>97,511</b>
<b>Financial Liabilities</b>										
Bank Overdraft Secured	-	-	-	-	-	-	-	-	155,390	155,390
Bank Loan (building)	8.84	8.34	-	-	-	5,816	-	8,069	-	-
Bank Loan (fit out)	8.99	8.99	-	-	-	-	-	-	-	-
Bank Loan (Refurbishment)	6.84	6.84	-	-	-	6,037	-	142,620	-	-
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>11,853</b>	<b>-</b>	<b>150,689</b>	<b>155,390</b>	<b>155,390</b>

Supporters of the company have made contributions totalling \$155,390 as at 30th June, 2014 (\$155,390 - 2013)

The Bendigo Bank holds these contributions as security for the Company's overdraft.

**NOTE 16. SUPERANNUATION**

- (i) The company contributes to the employees' chosen superannuation fund as required under the Choice of Fund legislation;
- (ii) The amount of total contributions made by the Company during the financial year to these Superannuation Funds was as follows:

	<b>Total 2014</b>	<b>Total 2013</b>
	<b>\$</b>	<b>\$</b>
The Bendigo Superannuation Plan	30,734	30,595
Summit Services	1,902	-
Vic Super	13,472	6,585
Vision Super	-	594
	<u>46,108</u>	<u>37,774</u>

- (iii) Contributions are outstanding to Vic Super and Summit Services totalling \$1,280.66 for June 2014. These amounts were paid in July 2014.
- (iv) Contributions are paid in accordance with the Superannuation Guarantee Scheme.

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2014**

**NOTE 17. RELATED PARTY DISCLOSURES**

	Total 2014 \$	Total 2013 \$
<b>Responsible Persons</b>		

The Members of the Board during the year were:

Mrs. Irene Spooner  
Mr. Llewelyn Vale  
Mr. Clive White  
Mr. David Roberts  
Mr. Peter Tilley  
Mr. Allen Van Kuyk  
Mr. Neville Buckland  
Mrs. Irmela McIntyre  
Mr. Robert Liley  
Mrs. Michelle Newman (Bacon)

**Executive Officer Remuneration**

The number of Executive Officers whose total remuneration exceeded \$100,000 amounted to:	Nil	Nil
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**Transactions with Responsible Persons and their Related Parties**

Mr P. Tilley is an accountant of Duesburys Gippsland and a member of the Board. His firm receives remuneration for accountancy services provided to the Community Bank and not for his role on the Board.

The total amount invoiced by Duesburys Gippsland for the year ended 30<sup>th</sup> June, 2014 was \$17,879.

There were no other transactions with responsible persons or their related parties.

**NOTE 18. COMPANY DETAILS**

*The registered office of the company is:*  
*Promontory District Finance Group Limited*  
*48 Stanley Street*  
*Toora Vic 3962*

*The principal place of business is:*  
*Promontory District Finance Group Limited*  
*48 Stanley Street*  
*Toora Vic 3962*

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**DIRECTORS DECLARATION**

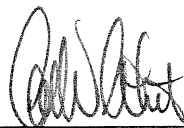
The directors of the company declare that:

In the directors' opinion there are reasonable grounds to believe the company will be able to pay its debts as and when they become due and payable.

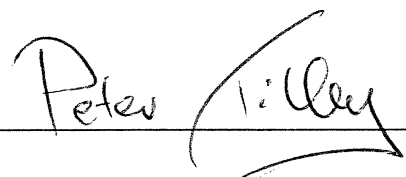
In the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, and:

- (a) comply with Accounting Standards and the Corporations Regulations 2001; and
- (b) give a true and fair view of the financial position as at 30th June 2014 and of the performance for the year ended on that date of the company.

This declaration is made in accordance with a resolution of the Board of Directors.

  
\_\_\_\_\_

Director

  
\_\_\_\_\_

Director

Dated the 26th day of August, 2014

Foster, Victoria.

**PROMONTORY DISTRICT FINANCE GROUP LTD**  
**ABN 69 085 537 328**

**AUDITOR'S INDEPENDENCE DECLARATION**

I declare that, to the best of my knowledge and belief, during the financial year ended 30th 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.



**BARRY J. HUGHES**  
**CARDELL ASSURANCE & AUDIT**

**3A Billson Street**  
**Wonthaggi, VIC 3995**

26th August 2014



PROMONTORY DISTRICT FINANCE GROUP LTD  
ABN 69 085 537 328

INDEPENDENT AUDITOR'S REPORT

We have audited the financial report, being a general purpose financial report, of the Promontory District Finance Group 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 then ended, notes comprising 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 of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These 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 entity'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 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 the 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 Promontory District Finance Group Limited on 26<sup>th</sup> August 2014 would be in the same terms if given to the directors as at the time of this auditor's report.

*Opinion*

In our opinion the financial report of Promontory District Financial Group Ltd. 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 and the Corporations Regulations 2001.



BARRY J. HUGHES  
CARDELL ASSURANCE & AUDIT

3A BILLSON STREET  
WONTHAGGI, VIC 3995

1 September 2014



**Franchisee:**

Promontory District Finance Group Ltd  
48 Stanley Street, Toora Victoria 3962  
Ph: 03 5682 2287 Fx: 035686 2010  
ACN 085 537 328

Toora & District **Community Bank®** Branch  
48 Stanley Street, Toora Victoria 3962

Foster Branch  
68 Main Street, Foster Victoria 3960

Franchisor for:  
Meeniyan Agency  
110 Whitelaw Street, Meeniyan Victoria 3956

[www.bendigobank.com.au](http://www.bendigobank.com.au)

Toora & District **Community Bank®** Branch  
and Foster branch

