



# Annual Report 2015

**Promontory District Finance Group Ltd**

ABN 69 085 537 328

Toora & District Community Bank® Branch and Foster branch

**All Correspondence Addressed to:**

**Toora & District Community Bank<sup>®</sup> 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®** 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

## CONTENTS

Our Vision and Our Mission	2
Chairman's Report	3
The Directors	4
Manager's Report	7
The Branch Staff	8
Community Grants Program	11
Projects in the Community	13
The Directors' Report	15
<b>The Financial Report</b>	<b>20</b>
Financial Statements	20
Directors' Declaration	39
Auditor's Independence Declaration	40

# Chairman's Report

2014 - 2015

It is my pleasure to present the Chairman's report for the Promontory District Finance Group Limited (PDFG) for the year ended 30 June 2015.

This year has seen the company operating in an environment of low interest rates and tight margins. Our profit, before donations to the community of \$40,215 and sponsorship of \$22,464, was \$25,014.

Our contribution to our community in the form of sponsorship and assistance continues. This year we have supported many community organisations and activities. Much work has been done in working with groups to which we provide funds, in order to point out that it must be a two-way relationship. We support our community but that community must support our **Community Bank®** branches so that they can generate the funds on which they rely.

This year saw the temporary closure of the Meeniyah agency but work is going on to secure a new agent for the **Community Bank®** company and we hope to see the service returned to the Meeniyah community. Work must still be done to grow the business in Meeniyah.

The Toora & District **Community Bank®** Branch and Foster branch have both performed above expectations in a very difficult year. The Regional Manager Sophia Cole and her team, plus the **Community Bank®** team, have continued to give the company great support for which we are most grateful. Project Horizon is fast becoming a reality taking the **Community Bank®** concept into a new phase at the beginning of the 2016/17 financial year. It will produce some opportunities and challenges, which I am sure the Board and branch team of the **Community Bank®** company will successfully work through.

We look forward to the new alliance with Rural Finance and our company has been selected as one of the trial sites for this process. We look forward to working with Leongatha Manager of Rural Finance Scott Buijs and his team to provide a specialist rural arm to the banking portfolio.

Once again 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.

I thank my fellow Board members for their support and good governance during the year and I recognise and thank them for their ongoing commitment to their community. My thanks also go to our Executive Officer for her tireless work throughout the year.

There will be challenges and great opportunities in the coming year. We look forward to strengthening the company so we can continue to invest in the community through our grants and sponsorship programs.

**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**<sup>®</sup> 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 evolvement 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**<sup>®</sup> 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**<sup>®</sup> 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.

### **MICHELLE NEUMANN – 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 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 seventy five years, and has worked as a farmer, livestock buyer, agent and transport operator. He remains a beef producer on his farm and operates as a stock agent for a local firm. He is the proud father of four and grandfather of seven.

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 joined the Board in 2001 and has served as Chairman from 2008 – 2013.

He is a leading dairy farmer in the district and brings important rural business skills to the Board.



### **JOE BUCELLO – Board Member**

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.

## MARKETING COMMITTEE INVITEES

**NEVILLE BUCKLAND – Marketing Com'tee Invitee**

Neville had been a Promontory District Finance Group Ltd Director for twelve years before retiring. Neville is a valued member of the PDFG Marketing Committee as a representative for Fish Creek.

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.



**CATHERINE WALDRON – Marketing Com'tee Invitee**

Catherine along with her husband and three children have lived in Meeniyan for twenty seven years. She opened her hairdressing salon in Meeniyan twenty six years ago.

Catherine is an active member of the Meeniyan community having chaired the kinder committee and school council. She is also an inaugural member of the Meeniyan tourism and traders association and active organizer of the Meeniyan on fire festival.

Catherine is proud to be a member of the marketing committee.

# Manager's Report

For year ending 30 June 2015

The 2014/15 financial year has been one of challenge and change. The banking industry is going through a lot of legislative change and strong competition for lending and deposits has required significant effort to both win new business and to retain existing customers.

I am pleased to report however that Toora & District **Community Bank®** Branch and Foster branch had a very successful year with our overall business growing 13.1% to reach \$118.8 million of business on the books. The majority of that growth has once again come from the deposit side of our book. Between the two branches we were able to approve and settle in excess of \$13 million in new lending, however the rate of loan repayment has increased in the last couple of years making our overall lending targets hard to achieve. More competition in the market place with brokers and online lenders has also had an effect, giving customers more options than ever before.

A significant and sustained training program for our staff has certainly paid off with our customer numbers now sitting at 2,928, that's up 18.7% on last year. Strong account opening and insurance sales in a highly competitive market have contributed to a steady bottom line and the number of products each customer now holds with us has been steadily increasing. Every extra product that is held at Toora & District **Community Bank®** Branch and Foster branch contributes directly to our profit which is then invested into our local community.

This was once again highlighted at our annual Grants Night held in June, where we presented various community groups with funding to assist with several different projects being completed across the Corner Inlet district. With our total community investment close to \$900,000 over the past 16 years we couldn't be prouder of the difference we make just by providing a local banking service. We must never lose sight of the fact that our customers are the most vital ingredient to the **Community Bank®** concept and the more support we receive from our community, the more we can give back.

Our success is very much a team effort and I'd like to take this opportunity to acknowledge our enthusiastic and hardworking branch staff. The standard of service they provide to our customers and their willingness to attend community events in their own time sets them apart from our competitors. To Rebecca, Sandra, Anne, Karen, Michelle, Trudy, Terri and Tara I say a huge thank you for your ongoing commitment to the business.

I would also like to thank the contributors, customers and community groups who have supported the Toora & District **Community Bank®** Branch and Foster branch over the last 12 months and Chairman Rob Liley and the Directors of Promontory District Finance Group Limited for volunteering their time and expertise to ensure we can continue to invest in our local community.

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



# THE BRANCH TEAM



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

Allison was appointed the local Branch Manager four years ago and has worked for Bendigo and Adelaide Bank for almost 15 years. A long term local of South Gippsland, she currently lives in Meeniyah with her husband Richard and dog Ella.

She is 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, exploring the local countryside or simply relaxing with her family.

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

Rebecca has been with the Bendigo Bank for 3 years and with PDFG as our Customer Relationship Manager for the last 2 years. Rebecca assists Allison with the Lending and the day to day running of the branches and enjoys working for the Community Bank immensely.

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



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

Sandra has been with Promontory District Finance Group for nearly 14 years. Sandra enjoys horse riding, reading, camping and photography and also going to the cinema.

She has two girls, Stacey, 24 has completed her hospitality training and is currently a chef at Seaford RSL, Tayla 18, who is in Year 12 at SEDA (Sports Education Development Australia), Melbourne, 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 24, Ashlee 22, Kieran 18 and Yasmin 16. Monique, Ashlee and Kieran are all working full time whilst Yasmin is currently in Year 10 at 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, great food and wine.

**KAREN DORLING – Acting Customer Relationship 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 re-joined the bank in 2012 as a Customer Service Officer and is now acting Customer Relationship Officer.

Karen and her husband Andrew live in Fish Creek and have three children. Karen is involved in the community in numerous ways including being current Treasurer of the Corner Inlet Pony Club Inc and a member of the Corner Inlet Motor Cycle Club.

In her spare time Karen enjoys photography, exploring the local beaches and coastline.

## **2015 GRANTS & SCHOLARSHIP PROGRAM**

The 2015 Promontory District **Community Bank**<sup>®</sup> Grants Program is facilitated by the Bendigo Bank Community Enterprise Foundation using funds from Promontory District Finance Group Ltd (PDFG).

PDFG wanted to distribute as much funds as possible into as many organisations as possible in what was a financially challenging year for the **Community Bank**<sup>®</sup>.

As a result, many of this years' Grants were Challenge or Conditional Grants; meaning that PDFG would pledge an amount, and the organisation would have to match the amount or raise the balance of funds to complete the project requested.

This allowed PDFG to support numerous projects and for the Organisation to use our pledge letter to leverage extra capital from other funding bodies.

The presentations were held at the Toora Football Netball Club Rooms at the Toora Recreation Reserve. 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.

We were proud to once again offer a university Scholarship to a deserving local (details below). Our Scholarship program helps a keen local student with the often debilitating costs of going to university.

Congratulations to all of the Grant and Scholarship recipients.

### **Promontory District Finance Group Ltd Grants**

<b>ORGANISATION</b>	<b>PROJECT</b>	<b>GRANT</b>
Dumbalk & District Progress Assoc	Defibrillator for Community Centre	\$2,000
Foster & District Historical Society	Solar Panels	\$2,000
Foster Photography Club	High Res. Projector & Screen	\$1,000
Arthur Sutherland Rec. Reserve	Kitchen Upgrade	\$5,000
Toora Netball Club	New Playground for Rec. Reserve	\$5,000
TP Taylor Res. Com'tee of Management	Solar Panels	\$2,000
Foster Football Netball Club	New Computer	\$1,360
South Gippsland Hospital	Youth Assist Clinic	\$10,000

### **Community Bank<sup>®</sup> Scholarship Program**

Fiona Saliakos	Tertiary Scholarship 1 <sup>st</sup> Year	\$5,000
Michelle James	Tertiary Scholarship 2 <sup>nd</sup> Year	\$5,000
Gemma Baldwin	PDFG Bursary	\$500
Mitchell Prowd	PDFG Bursary	\$500



## 2015 Promontory District Scholarship Program



Left: Llew Vale, Fiona Saliakos, Michelle James & Allison Drury

## Grants and Sponsorship Presentation Evening 2015



## Projects in the Community



### Free WiFi for Meeniyán

This project was planned to provide free wifi for passing tourists, visitors, and residents. The aim was to encourage visitors to lengthen their stay in Meeniyán and enable local residents access to the internet. All restaurants became internet cafes. It also opened opportunities for the Meeniyán hall to expand its role through computer courses and schooling opportunities via internet access.

After obtaining a grant from the Toora & District **Community Bank**<sup>®</sup> and Foster Branch the equipment was purchased, installed and has been operating since 8 Aug 2014.

The project has been a great success and we have had many enquiries from other towns regarding assistance with plans for their installations.

During this time we have experienced over triple growth of log ins to the wifi, from 500 in Sep 2014 to 1800 in May 2015. This is also backed up by anecdotal evidence from traders and feedback from customers.

This project has given Meeniyán a competitive advantage over other towns and creates marketing opportunities through advertising on the wifi landing page.

So thanks to the **Community Bank**<sup>®</sup>, we have seen this project a complete success.

### Greenlight Drivers Program

In 2014 and 2015 Toora & District **Community Bank**<sup>®</sup> and Foster Branch funded a Greenlight Drivers Program at the South Gippsland Secondary College helping a total of 25 students become safer drivers.

Greenlight Drivers Program is a highly engaging and fun one day road safety program for young drivers aged 15-18.

The program is partnered with Lead On, the youth arm of the Bendigo Bank, CGU insurance and facilitated through Motorvation Mobile; a unique driver training provider with a strong focus on driver psychology, attitude change and risk reduction. Motorvation uses a mobile training facility (pictured above) and real cars in the program.

Greenlight teaches the young people strategies to help them reduce risk and improve their understanding of vehicle technology, road laws, safety features and spatial awareness. The course also provides a wonderful opportunity to use a world-class driving simulators, providing participants with practical driving experience in a safe off-road environment.

## Projects in the Community



### 2015 Prom Coast Seachange Festival

From local produce and sporting events to dog dancing and The Magical Theatre of Curiosities and Wonder, the 5<sup>th</sup> bi-annual Seachange Festival showcased the Prom Coast at its best and attracted quality events to the region.

With over 60 events, the 2015 program provided plenty of opportunity for locals, regular holidaymakers and visitors from far afield to experience the Prom Coast in a variety of different ways.

Along with the festival's major sponsors, Toora & District **Community Bank**<sup>®</sup> Branch and Foster branch, Esso BHP Billiton and the South Gippsland Shire Council, and media partner ABC Gippsland, the festival committee acknowledges the many groups, businesses and individuals who funded or contributed sponsorship to stand-alone events. These strong partnerships provide the foundation for others from within the community to come on board and involve themselves.

A great deal of media attention was given to the festival, with many local media outlets providing generous coverage that helped spread the word and promote interest in the region.

"We very much appreciate the continued support of the Toora & Foster **Community Bank**<sup>®</sup>," said festival committee chairperson Deb Bray. "Their contribution helps ensure this fabulous program of events is diverse and successful, a great way to give back to the community."

### FAMDA One Act Play Event

On the second weekend in August Foster Arts Music & Drama Association (FAMDA) hosted its fifteenth one act play festival with an unprecedented 30 plays being staged, including seven youth plays. This activity is proof of how well the local Toora & District **Community Bank**<sup>®</sup> and Foster Branch's sponsorship of the event is working.

The Toora & District **Community Bank**<sup>®</sup> and Foster Branch first sponsored the festival in 2008 when there were just seven entries. Since then the festival's reputation and the number of plays has grown each year thanks to the enticing prize money on offer.

The **Community Bank**<sup>®</sup>'s sponsorship has been of great assistance to FAMDA itself, providing funds enabling FAMDA to advertise the festival widely adding to its profile across the state.

The **Community Bank**<sup>®</sup> Foster Festival of One-Act Plays has grown to become a significant annual event not only for FAMDA and the Corner Inlet community, but also for amateur theatre groups across Victoria.

**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 2015.

**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)	8	12	11
Llewelyn Vale	16	12	7
Irene Spooner	16	12	12
David Roberts	16	12	12
Clive White	16	12	8
Peter Tilley	16	12	8
Irmela McIntyre	13	12	8
Neville Buckland	13	4	2
Allen Van Kuyk	14	12	8
Michelle Newman (Bacon)	3	12	5
Joseph Bucello	1	8	6

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 2015**

<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. 14 years mentoring community groups in Corporate governance.
Clive White	Solicitor	B.Juris LLB (Monash) Barrister & Solicitor	37 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.
Peter Tilley	Accountant	B.Commerce (Melbourne) Chartered Accountant, Company Auditor	34 years in Public Practice
Allen Van Kuyk	Farmer	Advanced Diploma in Agricultural	23 years farming experience including the development of own business
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)	49 years growing own farming business. Volunteering on numerous community committees
Michelle Newman (Bacon)	Office Manager	Various courses in Accounting, Financial and Administration Services	30 years working in the business and financial services industry.
Joseph Bucello	Self Employed	Bachelor of Electro-Mechanical Engineering	6 years Engineering experience 23 years Retail experience

## 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 \$62,679 (\$77,191 in 2014)

## 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:

	2015		2014	
	Budget	Actual	Budget	Actual
Total Banking Book	106.4M	111.8M	108.1M	98.7M
Total Revenues	832,546	861,648	885,235	879,924
Total Expenses	903,885	899,314	885,168	880,771
Net Profit / Loss	(71,339)	(37,665)	70	(847)
Grant's & Sponsorship	66,000	62,679	43,500	77,191

## COMMITTEES OF THE BOARD

### Audit & Finance Committee

DIRECTORS	MEETINGS Number Eligible To Attend	MEETINGS Number Attended
Peter Tilley	3	3
Llewelyn Vale	3	1
Clive White	3	3
Allen Van Kuyk	3	1
Robert Liley	3	2

## Corporate Governance Committee

<b>DIRECTORS</b>	<b>MEETINGS Number Eligible To Attend</b>	<b>MEETINGS Number Attended</b>
Robert Liley	4	4
Allen Van Kuyk	4	2
Michelle Newman (Bacon)	4	3
Irmela McIntyre	4	2
Joseph Bucello	4	1

## Marketing Committee

<b>DIRECTORS</b>	<b>MEETINGS Number Eligible To Attend</b>	<b>MEETINGS Number Attended</b>
David Roberts	6	5
Neville Buckland	6	4
Irene Spooner	6	3
Llewelyn Vale	6	3
Catherine Waldron	6	4
Robert Liley	6	5

## Grant's Advisory Committee

<b>DIRECTORS</b>	<b>MEETINGS Number Eligible To Attend</b>	<b>MEETINGS Number Attended</b>
Llewelyn Vale	1	0
Irene Spooner	1	1
Peter Tilley	1	1
Allen Van Kuyk	1	1
Irmela McIntyre	1	0
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 2015 the number of members was 120.

### **Auditor's Independence**

The auditors' declaration of independence appears on page 40 and forms part of the Directors' report for the year ended 30<sup>th</sup> June 2015.

### **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', is written over a horizontal line.

**Robert Liley**  
Foster, 25 August 2015



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

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2015**

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

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE, 2015**

	Note	Total 2015 \$	Total 2014 \$
<b><i>Revenue from ordinary activities</i></b>	2	861,648	879,924
Employee benefits expense	3	(485,597)	(451,411)
Depreciation and amortisation expense	3	(52,399)	(47,179)
Borrowing costs expense	3	(6,648)	(16,201)
Other expenses from ordinary activities		<u>(354,669)</u>	<u>(365,980)</u>
<b>Profit / Loss from ordinary activities before income tax expense</b>		(37,665)	(847)
<b>TOTAL CHANGES IN EQUITY</b>		<u><u>(37,665)</u></u>	<u><u>(847)</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, 2015**

	Note	Total 2015 \$	Total 2014 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	377,553	359,569
Trade and other receivables	5	82,460	88,597
<b>TOTAL CURRENT ASSETS</b>		<u>460,013</u>	<u>448,166</u>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	12,728	18,543
Property, plant and equipment	6	273,623	294,630
Intangible assets	7	98,948	104,613
<b>TOTAL NON-CURRENT ASSETS</b>		<u>385,299</u>	<u>417,786</u>
<b>TOTAL ASSETS</b>		<u><u>845,312</u></u>	<u><u>865,952</u></u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	58,153	49,393
Short-term provisions	10	50,218	26,757
<b>TOTAL CURRENT LIABILITIES</b>		<u>108,371</u>	<u>76,150</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	8	155,390	155,390
Long-term provisions	10	3,313	18,509
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>158,703</u>	<u>173,899</u>
<b>TOTAL LIABILITIES</b>		<u>267,074</u>	<u>250,049</u>
<b>NET ASSETS</b>		<u><u>578,238</u></u>	<u><u>615,903</u></u>
<b>EQUITY</b>			
Retained earnings	11	578,238	615,903
<b>TOTAL EQUITY</b>		<u><u>578,238</u></u>	<u><u>615,903</u></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, 2015**

	<b>Retained Earnings \$</b>
<b>Balance at 30 June 2013</b>	616,750
Profit / Loss	(847)
<b>Balance at 30 June 2014</b>	<hr/> 615,903 <hr/>
Profit / Loss	(37,665)
<b>Balance at 30 June 2015</b>	<hr/> 578,238 <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, 2015**

	Note	Total 2015 \$ Inflows/ (Outflows)	Total 2014 \$ Inflows/ (Outflows)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from Bendigo Bank		940,357	945,984
Receipts from Telco commission		715	2,047
Interest received		259	19,091
Payments to suppliers and employees		(902,704)	(904,824)
Finance costs		(6,513)	(16,067)
<b>Net cash provided by (used in) operating activities</b>	14(b)	<u>43,908</u>	<u>46,231</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from lending		5477	
Purchase of investments		(28,061)	(68,713)
Purchase of property, plant and equipment		(2,882)	(7,592)
<b>Net cash provided by (used in) investing activities</b>		<u>(25,466)</u>	<u>(76,305)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		-	(157,972)
<b>Net cash provided by (used in) financing activities</b>		<u>-</u>	<u>(157,972)</u>
<b>Net increase in cash held</b>		18,442	(188,046)
<b>Cash at beginning of year</b>		203,591	391,637
<b>Cash at end of year</b>	14(a)	<u>222,033</u>	<u>203,591</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 2015**

**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**  
**ABN 69 085 537 328**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2015**

**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 2015**

**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 2015**

**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 2015 the balance of the funds held by the CEF in respect of the company was \$20,557. (\$4,034 at the 30<sup>th</sup> June 2014).

**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, 2015**

**NOTE 2. REVENUE**

	<b>Total 2015 \$</b>	<b>Total 2014 \$</b>
<b>Operating activities</b>		
Franchise margin income	497,258	516,447
Commercial loan income	3,347	2,575
Commission income	174,680	167,978
Leasing/hire purchase income	2,916	3,095
Market development fund	100,000	100,000
Fee income	71,125	70,136
Telco commission	715	2,047
Interest	11,348	17,646
Other Income	259	-
<b>Total revenue</b>	<b><u>861,648</u></b>	<b><u>879,924</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, 2015****NOTE 3. PROFIT FROM ORDINARY ACTIVITIES****a) Expenses**

	<b>Total 2015 \$</b>	<b>Total 2014 \$</b>
<b>Employee benefits expense</b>		
Wages	431,081	402,146
Workcover	1,471	1,347
Superannuation - SG	38,839	24,944
Fringe benefits tax	6,409	2,802
Sundry Seconded Employee Expenses	7,797	20,172
<b>Total employee entitlements</b>	<b>485,597</b>	<b>451,411</b>
<b>Borrowing cost expense</b>		
Building loan interest	-	717
Refurbishment Loan	-	7,797
Contributors interest	6,513	7,552
Borrowing cost write off	135	135
<b>Total borrowing costs</b>	<b>6,648</b>	<b>16,201</b>
<b>Depreciation of non-current assets</b>		
Buildings and improvements	5,237	5,237
Furniture and fittings	12,143	13,209
Motor vehicles	6,509	9,299
<b>Total depreciation</b>	<b>23,889</b>	<b>27,745</b>
<b>Amortisation of non-current assets</b>		
Franchise fee	27,842	18,766
Goodwill	668	668
<b>Total amortisation</b>	<b>28,510</b>	<b>19,434</b>
<b>Bad debts written off</b>	<b>85</b>	<b>417</b>
<b>Audit fees</b>	<b>3,550</b>	<b>3,477</b>
<b>Rental expense on operating leases</b>		
Computer equipment	8,890	9,997
	<b>8,890</b>	<b>9,997</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, 2015****NOTE 4. CASH AND CASH EQUIVALENTS**

	Note	Total 2015 \$	Total 2014 \$
Cash at bank		102,717	93,113
Term Deposits		242,098	234,228
Term deposit (overdraft security)		16,821	16,820
Term deposit (rent security)		15,917	15,408
		<u>377,553</u>	<u>359,569</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	377,553	359,569
Bank overdrafts	(155,390)	(155,390)
Credit Cards	(130)	(588)
	<u>222,033</u>	<u>203,591</u>

**NOTE 5. TRADE AND OTHER RECEIVABLES**

		Total 2015 \$	Total 2014 \$
<b>CURRENT</b>			
Accrued interest		1,483	1,929
Income share from Bendigo Bank		75,162	81,191
Brown Wigg Loan	15	5,815	5,477
		<u>82,460</u>	<u>88,597</u>
<b>NON-CURRENT</b>			
Brown Wigg Loan	15	12,728	18,543
<b>Total Non-Current</b>		<u>12,728</u>	<u>18,543</u>
<b>TOTAL CURRENT AND NON-CURRENT RECEIVABLES</b>			
Accrued interest		1,483	1,929
Income share from Bendigo Bank		75,162	81,191
Brown Wigg Loan		18,543	24,020
		<u>95,188</u>	<u>107,140</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, 2015**

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

	Total 2015 \$	Total 2014 \$
Land at cost	27,524	27,524
Buildings and improvements at cost	209,428	209,428
Less accumulated depreciation	(28,951)	(23,714)
	<u>180,477</u>	<u>185,714</u>
Furniture and fittings at cost	198,750	195,869
Less accumulated depreciation	(148,318)	(136,175)
	<u>50,432</u>	<u>59,694</u>
Motor vehicles at cost	33,005	33,005
Less accumulated depreciation	(17,815)	(11,306)
	<u>15,190</u>	<u>21,699</u>
<b>Total property, plant and equipment</b>	<u><u>273,623</u></u>	<u><u>294,631</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.

	Land \$	Buildings & Imp'ts \$	Furniture & Fittings \$	Motor Vehicles \$	Total \$
Balance at beginning of year	27,524	185,714	59,694	21,699	294,631
Additions	-	-	2,881	-	2,881
Disposals	-	-	-	-	-
Depreciation expense	-	(5,237)	(12,143)	(6,509)	(23,889)
<b>Carrying amount at end of year</b>	<u><u>27,524</u></u>	<u><u>180,477</u></u>	<u><u>50,432</u></u>	<u><u>15,190</u></u>	<u><u>273,623</u></u>

**NOTE 7. INTANGIBLE ASSETS**

	Total 2015 \$	Total 2014 \$
Goodwill at cost (agency buyout)	13,362	13,362
Less accumulated amortisation	(6,013)	(5,345)
Borrowing Costs	370	505
Prepaid Expenses	-	5,081
Set up costs	70,000	70,000
Less accumulated amortisation	(56,740)	(46,740)
Franchise fee	116,774	88,713
Less accumulated amortisation	(38,805)	(20,963)
<b>Total intangible assets</b>	<u><u>98,948</u></u>	<u><u>104,613</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, 2015**

**NOTE 8. BORROWINGS**

	Note	Total 2015 \$	Total 2014 \$
<b>NON-CURRENT</b>			
Bank overdraft secured	15	155,390	155,390
<b>Total non-current</b>		<u>155,390</u>	<u>155,390</u>

**a) Total current and non-current secured liabilities:**

Bank overdraft	15	155,390	155,390
		<u>155,390</u>	<u>155,390</u>

**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.

**c)** The carrying amounts of non-current assets and contributions pledged as security are:

Land	27,524	27,524
Buildings and improvements	180,477	185,714
Contributions from supporters	138,570	138,570
Bank Deposits	16,821	16,820
	<u>363,392</u>	<u>368,628</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, 2015**

**NOTE 9. TRADE AND OTHER PAYABLES**

	<b>Total 2015 \$</b>	<b>Total 2014 \$</b>
<b>CURRENT</b>		
GST payable	12,429	12,300
Accrued wages	14,614	7,743
Credit Card	130	588
Trade payables	25,779	25,241
Superannuation Payable	2,164	900
PAYG withholding payable	3,037	2,621
<b>Total trade and other payables</b>	<u>58,153</u>	<u>49,393</u>

**NOTE 10. PROVISIONS**

	<b>Total 2015 \$</b>	<b>Total 2014 \$</b>
<b>CURRENT</b>		
Annual leave	24,734	22,661
Long service leave	25,484	9,878
<b>Total current employee entitlements</b>	<u>50,218</u>	<u>32,539</u>
<b>NON-CURRENT</b>		
Long service leave	3,313	12,727
<b>Total non-current employee entitlements</b>	<u>3,313</u>	<u>12,727</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**  
**ABN 69 085 537 328**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2015**

**NOTE 11. RETAINED EARNINGS**

	Total 2015 \$	Total 2014 \$
Retained earnings at the beginning of the financial year	615,903	616,750
Net profit	<u>(37,665)</u>	<u>(847)</u>
<b>Retained earnings at the end of the financial year</b>	<u><u>578,238</u></u>	<u><u>615,903</u></u>

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

There were no contingent assets or liabilities at 30th June 2015.

**NOTE 13. CAPITAL COMMITMENTS**

There were no capital commitments at 30th June 2015.

**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, 2015**

**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 2015 \$</b>	<b>Total 2014 \$</b>
Cash at bank	102,717	93,113
Term deposit	274,836	266,456
Bank overdrafts	(155,390)	(155,390)
Credit Cards	(130)	(588)
	<b><u>222,033</u></b>	<b><u>203,591</u></b>

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

	<b>Total 2015 \$</b>	<b>Total 2014 \$</b>
Profit after income tax	(37,665)	(847)
<b>Non-cash flows in profit</b>		
Borrowing cost write off	135	135
Depreciation and amortisation	52,399	47,179
<b>Changes in assets and liabilities</b>		
(Increase)/decrease in receivables	6,475	945
(Increase)/decrease in prepayments	5,081	(14)
Increase/(decrease) in payables	9,218	(5,522)
Increase/(decrease) in employee entitlements	8,265	4,355
<b>Cash flows from operations</b>	<b><u>43,908</u></b>	<b><u>46,231</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, 2015**

**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 Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing				Non-interest Bearing	
	2015	2014	2015	2014	Within 1 year		1 to 5 years		2015	2014
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>										
Cash & Cash Equivalents	2.85	6.00	102,717	93,113	258,015	249,636	-	-	16,821	16,820
Receivables	6.00	6.00	-	-	5,815	5,477	12,728	18,543	75,163	81,191
<b>Total Financial Assets</b>			<b>102,717</b>	<b>93,113</b>	<b>263,830</b>	<b>255,113</b>	<b>12,728</b>	<b>18,543</b>	<b>91,984</b>	<b>98,011</b>
<b>Financial Liabilities</b>										
Bank Overdraft Secured	-	-	-	-	-	-	-	-	155,390	155,390
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>155,390</b>	<b>155,390</b>

Supporters of the company have made contributions totalling \$155,390 as at 30th June, 2015 (\$155,390 - 2014)

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 2015 \$</b>	<b>Total 2014 \$</b>
The Bendigo Superannuation Plan	31,950	30,734
Summit Services	1,849	1,902
Vic Super	25,695	13,472
	<u>59,494</u>	<u>46,108</u>

- (iii) Contributions are outstanding to Vic Super and Summit Services totalling \$2,164.07 for June 2015. These amounts were paid in July 2015.
- (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, 2015**

**NOTE 17. RELATED PARTY DISCLOSURES**

	Total 2015 \$	Total 2014 \$
<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 (resigned 02/09/14)  
Mrs. Irmela McIntyre  
Mr. Robert Liley  
Mrs. Michelle Newman (Bacon)  
Mr. Joseph Bucello (appointed 02/09/2014)

**Executive Officer Remuneration**

The number of Executive Officers whose total remuneration exceeded \$100,000 amounted to:	Nil	Nil
---	-----	-----

**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, 2015 was \$18,898.

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 2015 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 25th day of August, 2015

Foster, Victoria.



AUDITOR'S INDEPENDENCE DECLARATION UNDER  
SECTION 307C OF *THE CORPORATIONS ACT 2001*

TO THE DIRECTORS OF PROMONTORY DISTRICT FINANCE GROUP LTD

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there has been:

- (i) no contraventions of the auditor's 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.

CARDELL ASSURANCE & AUDIT



Lyndal J. McKenzie  
Registered Company Auditor  
3A Billson Street  
WONTHAGGI VIC 3995

21 August 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
PROMONTORY DISTRICT FINANCE GROUP LTD

**Report on the Financial Report**

We have audited the accompanying financial report of Promontory District Finance Group Ltd which comprises the statement of financial position as at 30 June 2015, 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, 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

***Independence***

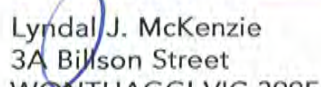
In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of Promontory District Finance Group Ltd, would be in the same terms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

***Auditor's Opinion***

In our opinion:

- a. 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 2015 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001.
- b. The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

CARDELL ASSURANCE & AUDIT

  
Lyndal J. McKenzie  
3A Billson Street  
WONTHAGGI VIC 3995

28 August 2015

Liability limited by a scheme approved under  
Professional Standards Legislation



Community ownership.  
Community decisions.  
Community investment.



#### Franchisee:

Promontory District Finance Group Ltd  
48 Stanley Street, Toora Victoria 3962  
ACN 085 537 328

Toora & District **Community Bank®** Branch  
48 Stanley Street, Toora Victoria 3962  
Phone: 03 5686 2000  
[www.bendigobank.com.au/toora](http://www.bendigobank.com.au/toora)

Foster Branch  
68 Main Street, Foster Victoria 3960  
Phone: 03 5682 2287  
[www.bendigobank.com.au/foster](http://www.bendigobank.com.au/foster)