

Robe & Districts Community Bank[®] Branch

Annual Report 2015

Robe Community
Financial Services
Limited

ABN 24 101 974 887



bendigobank.com.au

ROBE COMMUNITY FINANCIAL SERVICES LTD
ABN 24 101 974 887

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Robe Community Financial Services Limited - Chairman's Report 2015

We commenced the year on a positive and confident note following on from the appointment of the new team. Whilst we must acknowledge that in the current economic climate it has been tough going and we made a loss for the 2014/15 financial year, there were significant achievements in the year. With a strong management team I believe we are now in a good position to build the business in the coming year.

Paul Bobridge and his team in their first full year managed to build the book back to where it was before the Keith business was transferred to the new branch. This was nearly a 20% increase in business growth resulting in the branch winning the 'No. 1 Branch for the Year' in SA / NT with 42 branches eligible for the award. The criteria for the award is based on overall performance consisting of increased business activity in all areas, for example growth in business loans, personal loans, insurance sales and an increased customer base growth of 20%.

Success of this nature can be directly attributed to Paul and his staff's energy and enthusiasm to their roles within Robe Community Financial Services Limited. On behalf of the Board I would like to thank Paul and his team on this great achievement.

Paul has identified and accessed some opportunities in Kingston and with this we are establishing an agency which opened in late August 2015. The Agency will be situated at the Kingston Newsagency and be operated by Ken and Pauline Williams. By offering a service to the Kingston community through establishing an agency we hope to promote a bipartisan relationship with Kingston, become involved and support the community.

Our major sponsorships this year once again were the Robe & Districts **Community Bank®** Branch Boating and Fishing Festival, The Southern Ocean Art Prize and the Lions Club university scholarships. There were also numerous minor sponsorships.

Around the branch in the last 12 months we undertook some minor refurbishments to freshen up the office after 10 years of service. These included the air conditioning upgrade, painting of the interior and a fairly obvious ATM replacement.

We would like to thank Michael Slessar for his contribution over the last five years as a Board member and as Secretary. His ability to deal with all the correspondence and ASIC matters in an organised and timely manner was very much appreciated by all on the Board. We all wish him well in his new endeavours.

I would like to welcome new incoming Director Adrian Johns to the Board, who brings a new valuable community connection to the Board.

With our developing business in Kingston we would welcome any members of the Kingston community as well as the Robe community, to join us on the Board in this very worthwhile activity.

A handwritten signature in black ink, appearing to read 'Mark Baker', with a stylized flourish at the end.

Mark Baker
Chairman

Manager's report - 2014/15 Robe & Districts **Community Bank**® Branch

I am pleased to bring you the 2014/15 Annual Report.

I am very proud of the branch and team efforts over the last year with all their hard work paying off. At our recent Bendigo Bank State Conference it was announced that Robe & Districts **Community Bank**® Branch had been awarded as Bendigo Bank's 'Branch of the Year' for South Australia and Northern Territory! This is an amazing achievement for overall performance out of 42 branches.

Last year saw our branch gave back to the community just over \$13,000 in sponsorships, which has been a pleasure to assist some of these community projects and events year in and out. Our total contributions are nearing \$155,000 to date.

Due to the economic challenges that we have faced this past financial year, we have seen our **Community Bank**® branch not meet our income as projected however we have set ourselves a new plan to see us bring in the budget this coming financial year.

With that in mind, in order for us to continue moving forward we have branched out into Kingston with the opening of our agency on Wednesday 2 September 2015 with amazing results and nearly \$1.5 million come on the their book in the first month, so definitely watch this space.

With the opening of our Kingston agency, along with the Mt Gambier & District **Community Bank**® Branch Port McDonnell Agency, the **Community Bank**® branch presence within the South East is fast becoming a force to reckon with.

We have a new face in the team Lauren Walter who will be stepping into a Customer Service Officer role while Emma is away on maternity leave, please make her feel welcome when you come into the branch next. I would also like to congratulate Tracy for stepping up to the role of Customer Relationship Officer for the coming year.

I would like to thank all of my staff for all their hard work and efforts throughout the year and the ongoing leadership and support of the Board of Directors and our business partner Bendigo and Adelaide Bank Limited.

Lastly we would like to thank Emma for all her efforts this year and wish her the very best with her new role as a mother we look forward to having you back in 12 months.

Thank you



Paul Bobridge
Branch Manager

Bendigo and Adelaide Bank report

For year ending 30 June 2015

In the 2015 financial year, the **Community Bank®** network opened its 310th branch and community contributions since the model's inception exceed \$130 million. Both of these achievements could not have been achieved without your ongoing support as a shareholder, customer and advocate of what is a truly unique way of banking for the benefit of your local community.

Local communities continue to embrace the **Community Bank®** model, a banking movement founded on the simple belief that successful customers and successful communities create a successful bank.

Seventeen years later communities are still approaching us and the model is as robust and relevant as ever, however a review of what we were doing, why and how we could do it better was timely.

During an 18 month period the Bank, in partnership with the **Community Bank®** network, undertook a comprehensive review of the **Community Bank®** model. Project Horizon was the largest single engagement process ever undertaken by our organisation.

As a result, a focus for the next 18 months will be the implementation of 64 recommendations. What was overwhelmingly obvious is that our **Community Bank®** network, and our Bank, care deeply about what has been developed and in what the future holds for the network.

In the early days of **Community Bank®** development, the **Community Bank®** model was seen as a way to restore branch banking services to rural towns, regional cities and metropolitan suburbs after the last of the banks closed their doors.

Today, although the focus is still about providing banking services, there is perhaps an even greater interest in the way in which the model creates a successful community enterprise used to effectively, and sustainably, build community capacity.

In October 2014, we welcomed **Community Bank®** branches in Bacchus Marsh, Kilmore, Maffra, Kwinana and Nubeena. All of these branches join a strong and mature banking network where valued partnerships enhance banking services, taking the profits their banking business generates and reinvesting that funding into initiatives to ultimately strengthen their community.

Following consultation with local residents and business owners responding to other banks reducing their branch presence, Aldinga Beach **Community Bank®** Branch opened the Willunga Customer Service Centre in April 2015, providing a full banking service to local people five days a week.

The **Community Bank®** model is a great example of shared value and was centre stage at an international Shared Value conference in the United States earlier this year.

Funding generated by **Community Bank®** branches support projects that make a difference to a community. But no matter how big or small the place people call home, the **Community Bank®** network recognises that when they act as one, powered by the good that money can bring, bigger things can happen for local towns, regions and states.

In WA, a \$125,000 commitment to Ronald McDonald House by Collie & Districts **Community Bank®** Branch resulted in a further \$125,000 from 21 branches (both community and company owned) in the state.

In QLD, Longreach farming families are now feeding their stock thanks to a dedicated Rotary Club and financial contributions from 16 **Community Bank®** (and company) branches.

Across regional and rural NSW, young people are today better drivers thanks to a driver education program supported by **Community Bank®** branches and across Australia, 58 young people headed off to their first year of university with the help of a **Community Bank®** scholarship.

Bendigo and Adelaide Bank report (continued)

Interest in the **Community Bank**[®] model remains strong, with 20 **Community Bank**[®] sites currently in development and a further six **Community Bank**[®] branches expected to open nationally during the next 12 months.

The network's steady expansion demonstrates the strength and relevance of a banking model where the desire to support the financial needs of customers is equalled by the desire to support the community with the good that money can bring.

By the end of the financial year 2014/15 the **Community Bank**[®] network achieved the following:

- Returns to community – over \$130 million since the model's inception
- **Community Bank**[®] branches – 310
- **Community Bank**[®] branch staff – more than 1,500
- **Community Bank**[®] company Directors – 1,946
- Banking business – \$28.79 billion
- Customers – 699,000
- Shareholders – 74,393
- Dividends paid to shareholders since inception – \$38.6 million

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

In Bendigo and Adelaide Bank, your **Community Bank**[®] company has a committed and strong partner and over the last financial year our company has continued its solid performance. Our Bank continues to be rated at least "A-" by Standard & Poor's, Moody's and Fitch in recognition of its strong performance in the face of what continues to be a challenging economic environment.

Our **Community Bank**[®] partners played an integral role in the Bank's involvement in the Financial Systems Inquiry, lobbying their local Federal Government representatives and calling for a level playing field.

Recent APRA announcements regarding changes to risk weights on mortgages will positively impact our Bank – providing customers with a level playing field by giving them more choice from a wider variety of financial providers.

Thanks to the efforts of our people, our peers and **Community Bank**[®] partners, we're starting to see the benefits. In continuing to take a collaborative approach, we act as one network driving positive outcomes for all Australians.

As **Community Bank**[®] company shareholders you are part of a unique banking movement.

The model offers an alternative way to think about banking and the role banks play in modern society, and because of your support there really is no limit to what can be achieved for local people and the communities in which you live.

Thank you for your ongoing support of your local **Community Bank**[®] branch.



Robert Musgrove
Executive Community Engagement

ROBE COMMUNITY FINANCIAL SERVICES LTD
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Your directors present their report on the company for the financial year ended 30 June 2015.

The names of the directors in office at anytime during or since the end of the year are:

Mark Andrew Baker
Evelyn Ann Schinckel
Annie Marie Matthews
Geoffrey Colin Saunders
Adrian Johns
Michael William Slessar (retired 18 December 2014)

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

The net loss of the company for the financial year after providing for income tax amounted to \$11,484.

A review of the operations of the company during the financial year and the results of those operations are as follows:

During the year the company's Net Profit decreased by \$82,883 in comparison with the previous year. There was a decrease in revenue of 14%, a contributing factor for the decrease was attributed to the fact that the Keith book that was previously held by the Robe Branch has now been transferred to the Keith Branch since it's opening. The margin on income was also down. Expenditure has been steady with a 3% increase with most of this taken up by employee costs. Profits over the last 4 years ending 30 June 15 have resulted in the company being in a positive net asset position despite this years loss.

No significant changes in the company's state of affairs occurred during the financial year.

The principal activities of the company during the financial year were:

to provide a banking and financial service to Robe and the surrounding districts.

No significant change in the nature of these activities occurred during the financial year.

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

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

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of the State.

Notwithstanding the deficiency of net assets, the financial report has been prepared on a going concern basis as the directors have received a guarantee of financial support and the directors believe that such financial support will continue to be made available.

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DIRECTORS' REPORT

No dividends were paid during the year and no recommendation is made as to dividends.

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

No indemnities have been given, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company. The Directors are covered by a policy to a limit of \$5,000,000 covering comprehensive crime and professional indemnity which is paid by the company.

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.


The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is attached to this financial report.

Signed in accordance with a resolution of the board of directors:

Director



Mark Andrew Baker

24 September 2015

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NANKIVELL**

Your future...count on us

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

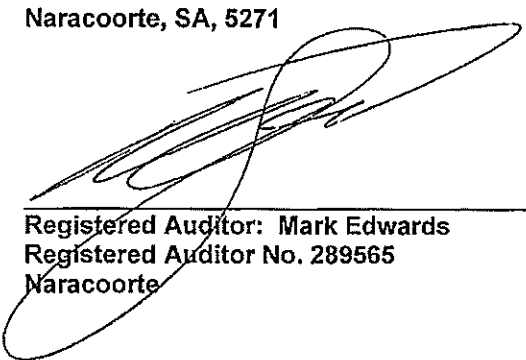
**TO THE DIRECTORS OF
ROBE COMMUNITY FINANCIAL SERVICES LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 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.

**Mark Stephen Edwards
Chartered Accountant
172 Smith Street**

Naracoorte, SA, 5271



**Registered Auditor: Mark Edwards
Registered Auditor No. 289565
Naracoorte**

24 September 2015

ROBE COMMUNITY FINANCIAL SERVICES LTD
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INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Revenue	2	426,088	497,479
Employee benefits expense		(239,150)	(220,264)
Depreciation and amortisation expenses		(23,671)	(23,371)
Finance costs		(6,193)	(6,320)
Other expenses		<u>(173,247)</u>	<u>(180,814)</u>
Profit (loss) before income tax expense		(16,173)	66,710
Income tax benefit (expense)	3	<u>4,689</u>	<u>(18,553)</u>
Profit (loss) attributable to member of the company		<u>(11,484)</u>	<u>48,157</u>
Dividend per share			5

The accompanying notes form part of these financial statements.

ROBE COMMUNITY FINANCIAL SERVICES LTD
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BALANCE SHEET
AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	-	38,629
Trade and other receivables	8	29,331	29,466
Other current assets	9	3,783	3,782
TOTAL CURRENT ASSETS		33,114	71,877
NON-CURRENT ASSETS			
Property, plant and equipment	10	46,380	50,226
Intangibles	11	41,794	56,123
Deferred tax assets	12	115,545	110,856
TOTAL NON-CURRENT ASSETS		203,718	217,204
TOTAL ASSETS		236,832	289,081
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	15,953	14,779
Financial liabilities	14	13,376	39,773
Short-term provisions	15	13,150	13,692
TOTAL CURRENT LIABILITIES		42,480	68,245
NON-CURRENT LIABILITIES			
Financial liabilities	14	95,000	110,000
TOTAL NON-CURRENT LIABILITIES		95,000	110,000
TOTAL LIABILITIES		137,480	178,245
NET ASSETS		99,353	110,836
EQUITY			
Issued capital	16	427,989	427,989
Retained profits (accumulated losses)		(328,636)	(317,152)
TOTAL EQUITY		99,353	110,836

The accompanying notes form part of these financial statements.

ROBE COMMUNITY FINANCIAL SERVICES LTD
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STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2015

	Share Capital \$	Retained Earnings \$	Total \$
Balance at 1 July 2013	427,989	(343,029)	84,960
Profit attributable to equity shareholders		48,157	48,157
Sub-total	427,989	(294,872)	133,117
Dividend paid or provided for	6	(22,281)	(22,281)
Balance at 30 June 2014	427,989	(317,152)	110,836
Profit (loss) attributable to equity shareholders		(11,484)	(11,484)
Balance at 30 June 2015	427,989	(328,636)	99,353

The accompanying notes form part of these financial statements.

ROBE COMMUNITY FINANCIAL SERVICES LTD
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from Customers		426,054	507,252
Payments to Suppliers & Employees		(420,950)	(446,952)
Interest Received		11	32
Trade Creditors		(33,941)	(33,357)
GST		571	3,380
PAYG Withholding		(4,724)	660
Debtors		2,207	36,546
Dividends		-	(22,280)
Net cash provided by (used in) operating activities	20	<u>(30,772)</u>	<u>45,281</u>
Cash flows from investing activities			
Plant Purchases/Adjustments		<u>(5,496)</u>	<u>(21,424)</u>
Net cash provided by (used in) investing activities		<u>(5,496)</u>	<u>(21,424)</u>
Cash flows from financing activities			
Repayments of Borrowings		<u>(15,000)</u>	<u>(15,000)</u>
Net cash provided by (used in) financing activities		<u>(15,000)</u>	<u>(15,000)</u>
Net increase (decrease) in cash held		(51,268)	8,857
Cash at beginning of financial year		<u>38,628</u>	<u>29,772</u>
Cash at end of financial year	20	<u><u>(12,640)</u></u>	<u><u>38,629</u></u>

The accompanying notes form part of these financial statements.

ROBE COMMUNITY FINANCIAL SERVICES LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers Robe Community Financial Services Ltd as an individual entity. Robe Community Financial Services Ltd is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

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 to which they apply. 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. They 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

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

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

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

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

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

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

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

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(b) Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount related to the revalued amount of the asset.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

ROBE COMMUNITY FINANCIAL SERVICES LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charges against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on a straight line basis over their estimated useful lives to the entity commencing from the time the asset is held ready for use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

(c) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs, where the instrument is not classified at fair value through profit or loss. Transactions costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit and loss

Financial assets are classified at fair value through profit or loss where they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

ROBE COMMUNITY FINANCIAL SERVICES LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

(d) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits liabilities have been recognised to the extent that it will be probable of future economic outflows resulting from past services which have been rendered by the employees.

(e) Provisions

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

(f) Cash and Cash Equivalents

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

(g) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted as a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Revenue recognition relating to the provision of a service is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

(h) 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 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.

ROBE COMMUNITY FINANCIAL SERVICES LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Going Concern

Notwithstanding the company's deficiency of net assets with the exclusion of the deferred tax asset, the financial report has been prepared on the going concern basis. This basis has been adopted as the company has received a guarantee of continuing financial support from the Bendigo Bank to allow the company to meet its liabilities and it is the directors' belief that such financial support will continue to be made available.

The bank overdraft and loan are secured by Bendigo Bank Limited who provide Working Capital by the way of an Overdraft facility to support the company's operations. Bendigo Bank believe the need for any substantial financial support is unlikely, but nonetheless, provision of additional funding will be dependant upon the Robe Community Financial Services Limited fulfilling their ongoing responsibilities under the Franchise Agreement and continuing to work closely with Bendigo Bank Management to further develop the business.

ROBE COMMUNITY FINANCIAL SERVICES LTD
ABN 24 101 974 887

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
2. REVENUE			
Rendering of services		424,577	497,447
Interest Received	2(a)	11	32
Government Subsidies		1,500	-
Total Revenue		<u>426,088</u>	<u>497,479</u>
3. INCOME TAX EXPENSE			
(a) The components of tax expense comprise:			
Current tax			
Deferred tax	12	<u>(4,689)</u>	<u>18,553</u>
		<u>(4,689)</u>	<u>18,553</u>
(b) The prima facie tax payable on profit (loss) before income tax is reconciled to the income tax as follows:			
Prima facie tax payable on profit (loss) before income tax at 30% (2015: 30%)		-	-
Add tax effect of:			
Profit as per Income Statement		(16,173)	66,710
Tax Applicable to Profit		(4,689)	18,553
 The applicable weighted average effective tax rates are as follows:		 30	 30

ROBE COMMUNITY FINANCIAL SERVICES LTD
ABN 24 101 974 887

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
4. KEY MANAGEMENT PERSONNEL COMPENSATION			
Directors on the board of the Company are all positions of a voluntary nature where no remuneration is paid. The Company provides Director/Officer Indemnity for its Directors on their behalf			
5. AUDITORS' REMUNERATION			
Auditing or Reviewing the Financial report		6,090	5,940
6. DIVIDENDS			
Distributions paid		-	22,281
7. CASH AND CASH EQUIVALENTS			
Cash At Bank - Business Account		-	38,629
8. TRADE AND OTHER RECEIVABLES			
CURRENT			
Trade Debtors		29,331	29,466
9. OTHER ASSETS			
CURRENT			
Prepayments		3,783	3,782
10. PROPERTY, PLANT AND EQUIPMENT			
Property Improvements		63,356	59,280
Less Accumulated Depreciation		(28,149)	(22,911)
Total land and buildings		35,207	36,369

ROBE COMMUNITY FINANCIAL SERVICES LTD
ABN 24 101 974 887

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015	2014
		\$	\$
Motor Vehicles		7,529	7,529
Less Accumulated Depreciation		(2,683)	(1,067)
		<u>4,846</u>	<u>6,462</u>
Furniture And Fittings		54,232	52,812
Less Accumulated Depreciation		(47,904)	(45,416)
		<u>6,327</u>	<u>7,395</u>
Total plant and equipment		<u>11,173</u>	<u>13,857</u>
Total property, plant and equipment		<u>46,380</u>	<u>50,226</u>
11. INTANGIBLE ASSETS			
Franchise Fees		71,646	71,646
Accumulated amortisation and impairment losses		29,852	15,424
		<u>41,794</u>	<u>56,123</u>
Reconciliation of franchise fees			
Balance at beginning of year		56,123	71,646
Additions		-	-
Disposals		-	-
Amortisation charge		14,329	15,524
Impairment losses		-	-
Closing carrying value at 30 June 2015		<u>41,794</u>	<u>56,123</u>

ROBE COMMUNITY FINANCIAL SERVICES LTD
ABN 24 101 974 887

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
12. TAX			
Deferred Tax Assets			
Provisions - Employee Benefits			
Opening balance		4,108	2,648
Credited (charged) to the income statement		(163)	1,460
Closing balance		3,945	4,108
Carried Forward Losses			
Opening balance		106,748	127,096
Credited (charged) to the income statement		4,852	(20,348)
Closing balance		111,600	106,748
Balance at year end		115,545	110,856
13. TRADE AND OTHER PAYABLES			
CURRENT			
Goods And Services Tax		6,802	5,981
Payroll Liabilities		3,268	7,992
Trade Creditors		5,884	806
		15,953	14,779
14. FINANCIAL LIABILITIES			
CURRENT			
Bank Overdraft - Business Account		12,640	-
Bank Overdraft - Trust Account		-	19
Managers Mastercard		736	349
Franchise Renewal Fees - Current		-	39,405
		13,376	39,773
NON-CURRENT			
Bendigo Bank Interest Only		95,000	110,000
15. PROVISIONS			
Provision for Annual Leave		13,150	13,692

ROBE COMMUNITY FINANCIAL SERVICES LTD
ABN 24 101 974 887

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
16. ISSUED CAPITAL			
Ordinary Shares @ \$1 each		445,610	445,610
Prospectus Fees & Costs		(17,621)	(17,621)
		<u>427,989</u>	<u>427,989</u>
17. LEASING COMMITMENTS			
Leasing commitments not capitalised in the financial statements			
Payable:			
not later than 12 months		16,771	16,126
between 12 months and 5 years		35,581	52,352
Present value of minimum lease payments		<u>52,352</u>	<u>68,478</u>

18. FINANCIAL RISK MANAGEMENT

(a) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the company intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date.

19. COMPANY DETAILS

The registered office of the company is:
Robe Community Financial Services Ltd

The principal place of business is:
Robe Community Financial Services Ltd
9 Victoria Street
Robe SA 5276

ROBE COMMUNITY FINANCIAL SERVICES LTD
ABN 24 101 974 887

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
20. CASH FLOW INFORMATION			
(a) Reconciliation of Cash			
Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Bank Overdraft		(12,640)	38,629
		<u>(12,640)</u>	<u>38,629</u>
(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax			
Profit from ordinary activities after income tax		(11,484)	48,157
Non-cash flows in profit from ordinary activities:			
Depreciation & amortisation		23,671	23,371
Changes in Assets & Liabilities:			
(Increase)/Decrease in Plant		-	(21,424)
(Increase)/Decrease in Trade and Term Debtors		135	34,148
Increase/(Decrease) in Provisions		(542)	4,867
Increase/(Decrease) in Payables		(37,863)	(61,014)
(Increase)/Decrease in Deferred Taxes		(4,689)	18,552
Net cash provided by (used in) operating activities		<u>(30,772)</u>	<u>46,657</u>

ROBE COMMUNITY FINANCIAL SERVICES LTD
ABN 24 101 974 887

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 4 to 18 are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the company
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director



Mark Andrew Baker

24 September 2015

Bordertown T 08 8752 1300
PO Box 270, Bordertown SA 5268
E bordertown@murraynankivell.com.au

Naracoorte T 08 8762 1544
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Your future...count on us

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ROBE COMMUNITY FINANCIAL SERVICES LTD

Report on the Financial Report

We have audited the accompanying financial report of Robe Community Financial Services Ltd (the company) which comprises the balance sheet as at 30 June 2015 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the director's declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: 'Presentation of Financial Statements', that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

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 Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
ROBE COMMUNITY FINANCIAL SERVICES LTD**

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, provided to the directors of Robe Community Financial Services Ltd on 25 September 2015, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion:

The financial report of Robe Community Financial Services 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 the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Mark Stephen Edwards
Chartered Accountant
172 Smith Street
Naracoorte, SA, 5271


Registered Auditor: Mark Edwards
Registered Auditor No. 289565

25 September 2015

Hi Paul,

We use this checklist to make sure everything required is included, this might help you collate your report:

<input checked="" type="checkbox"/>	Report covers (front and back)	(legally required)
<input checked="" type="checkbox"/>	Chairman's Report and signature	(strongly recommended)
<input checked="" type="checkbox"/>	Manager's Report and signature	(strongly recommended)
<input checked="" type="checkbox"/>	Bendigo and Adelaide Bank Report and signature	(optional)
<input checked="" type="checkbox"/>	Dividend Payment history	(strongly recommended)
<input checked="" type="checkbox"/>	Report of sponsorships and contributions	(strongly recommended)
<input checked="" type="checkbox"/>	Directors' Report and signatures	(legally required)
<input checked="" type="checkbox"/>	Financial Statements	(legally required)
<input checked="" type="checkbox"/>	Notes to Financial Statements	(legally required)
<input checked="" type="checkbox"/>	Directors' Declaration and signatures	(legally required)
<input checked="" type="checkbox"/>	Independent Audit Report and signature	(legally required)
<input checked="" type="checkbox"/>	Auditor's Independence Declaration and signature	(legally required)

From the Dividend Payment history down, these documents would all form part of your Financials from Joel Thomas (not all Boards do the Dividend Payment history and Report of sponsorships and contributions, he will provide them if you are)

You should also include a contents page.

I can send you a copy of Aldinga Beach and Penola's reports from last year if you'd like a reference to use?

Let me know if you need anything more.

Thanks

Fleurieu Community Enterprises Limited

Financial Statements

For the Year Ended 30 June 2014

Contents

For the Year Ended 30 June 2014-10-29

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Fleurieu Community Enterprises Limited
Chairman's Report for the Year Ending 30 June 2014

The past inaugural year as Chairman has afforded me the opportunity to be introduced to many facets of our wider community and I have been impressed with the diversity, talent and commitment of so many volunteers that freely give their time. These many varied organisations and associations continue to strengthen the fabric of our local communities and I have been extremely honoured to meet and observe their activities first hand and see the difference our **Community Bank**[®] branch makes to these volunteers.

Being able to financially assist our community organisations comes from the continued growth of our **Community Bank**[®] branch. Over the past year we have seen excellent growth of the banking, insurance and investment products, along with a solid increase in our customer numbers. This is a credit to our shareholders, Directors and, most importantly, our branch staff. The more we can promote our full service banking operation to the wider population the stronger we will become, and, in return we can assist more organisations. This message can take time to promote, and for others to understand, but it is at the heart of our mission to leverage our collective community and achieve our vision.


That contribution has continued to increase despite lower margin returns on our customer portfolios. Coupled with the momentum we have in community activities, investments and business growth it gives us a solid platform from which we will see returns for our local shareholders and an increasing community investment budget.

To help that message, and to understand the priorities of our wider community, we will be hosting a Community Forum in September. This will raise our profile and also help us with specific feedback on where we are best to plant our community investments. Assisting, that is our recently launched Ambassador Program and I would encourage shareholders to express an interest in attending and becoming a positive advocate for us at these quarterly events and in the general community.

In accordance with the company constitution, three Directors will be retiring and may nominate for re-election. Any shareholder may nominate for election and nomination forms were issued with the Preliminary Notice of the Annual General Meeting. If you are unable to attend the Annual General Meeting please consider completing the Proxy Form that accompanies the Annual Report and Notice of Annual General Meeting.

I have been pleased to see the new Directors we have welcomed during the year to fill vacancies. Increasing our talent pool and maintaining a diverse group is improving our capabilities and bringing new ideas which will help us grow. Shortly we will be advising of changes to our Share Registrar and adopting more electronic processes for our communication and dividend payments. These will help manage our costs and ensure we have easily accessible records to improve the management of the company.

I look forward to meeting you at the Annual General Meeting and thank you for your ongoing support.



Ron Logan
Chairman

MANAGER'S REPORT

For Year Ending 30 June 2014

Welcome to another end of financial year report. The time has flown and we feel that we have risen to the challenging economic times. During the year we have met with many of our customers, both business and consumer, to help the wider community to join with us in our point of difference of being **Bigger than a bank** by our investing into our local community. Those investments now exceed \$100,000. Our partnerships that we have developed and forged over the last 12 months have been very positive for our branch and assist us in supporting our community.

Business activities saw the team achieve a number of goals this financial year with our Footings (deposits and lending) growing at 17% over last year and now exceed \$89 million. Our customer base has grown by 4.1% with 2,645 customers holding in excess of 3,800 accounts. Increasingly, feedback is confirming that in addition to our customer service commitment it is our community involvement, activities and investments that are spreading the word and strongly helping this growth.

Encouragingly, we have also been successful at increasing the number of products held by our customers with insurance being a major success as we become the primary bank for our customers.

As part of our ongoing support to our local community I would like to mention just a few of the current sponsorships that we have assisted this financial year. Groups such as the Aldinga Bay Surf Life Saving Club, Aldinga Football Club, Aldinga Community Centre, Willunga Bowling Club, SAPOL Blue Light, Willunga Community Bus, Willunga 175 which it has been a joy to a part of, and our interactions with all our schools this year has been excellent. Through supporting these local groups it has given me a chance to visit and interact with many of the members of these organisations, and the support that we have been received in return has been amazing.

Finally, I would like to recognise the work of our staff and the ongoing leadership and support of our Board of Directors and our business partner Bendigo and Adelaide Bank. It is through the work of these people that we have become and will continue to be a sustainable growing business.

Please continue to show your support for your **Community Bank[®]** branch and tell your friends and family about our **Community Bank[®]** branch and let them know that we are more than a bank. We genuinely want the opportunity to be able to help each customer meet their financial needs and invest into our community.



Annette Seeliger
Branch Manager

Fleurieu Community Enterprises Limited

Directors' Report

30 June 2014

The directors present their report on Fleurieu Community Enterprises Limited for the financial year ended 30 June 2014.

1. General information

Information on directors

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

George Apap JP

Role

Director & Chairman - resigned 13/01/14

Experience

Elected Member City of Onkaparinga, President of Land Tax and Rate Payers Association of SA, former President Neighbourhood Watch SA of Aldinga Bay, Past Director of Labour Union Retirement Fund, former Union Secretary.

Special responsibilities

Member of Audit, Financial Marketing & Governance; Community Grants Programme, Marketing and Promotions; Community Vision and AGM Organising Sub-committees.

Adam John Lucey

Role

Director & Vice-Chairman

Experience

Director of multiple companies with interests in commercial property development, project management and construction. Also holds a builder's licence.

Special responsibilities

Chairman of AGM Organising Sub-committee and member of Business Planning, Business Development and Asset Management; Audit, Financial Management & Governance & proxy for Human Resources Sub-committees.

Anthony David Rowley Dutton

Role

Director & Treasurer - resigned 13/01/14

Experience

Currently owner/operator local accounting and finance practice. Former Finance Director, many years' experience as a Public Accountant and consultant covering most sectors

Special responsibilities

Member of Business Planning, Business Development and Asset Management; Audit, Financial Management & Governance Sub-committees.

Narelle Susan Looker

Role

Director & Company Secretary

Experience

Booking Officer Aldinga / Sellicks Community Halls and Treasurer of Management Committee Aldinga Community Centre, Treasurer of the Aldinga Bay Residents Association. Former Secretary of the Community Services Board; the Southern Vales Cancer Council, Celebrate Seniors City of Onkaparinga Committee and South Coast Road Safety Group. Retired Psychiatric Nurse.

Special responsibilities

Records Manager; member of Audit, Financial Management & Governance; Human Resources; Community Vision and AGM Organising Sub-committees.

Fleurieu Community Enterprises Limited

Directors' Report

30 June 2014

Information on directors continued

Stanley Beck

Role

Director - resigned 19/08/13

Experience

Past President of Friends of the Libraries Aldinga, former Treasurer of Sellicks Progress Association, President of the former Sellicks Neighbourhood Watch. Former owner/operator of a wholesale/retail electronics and repair business. Past experience as an importer. Retired.

Special responsibilities

Member of Audit, Financial Management & Governance; Community Grants Programme, Marketing and Promotions and AGM Organising Sub-committees.

George Francis Lucey

Role

Director - resigned 13/01/14

Experience

Currently managing director of a commercial property development and construction company. Over 50 years experience in commercial property development and holds a builder's licence.

Special responsibilities

Business Planning, Business Development and Asset Management Sub-committee.

John Blakiston Martin

Role

Director - resigned 22/09/13

Experience

Currently freelance management consultant specialising in Change Management, Project Management, Executive Recruitment and Human Resources. Qualified architect, project manager, HRM professional and equities trader. Past and Present owner/manager of a series of private and public sector consultancy practices.

Special responsibilities

Member of Business Planning, Business Development and Asset Management; Human Resources and Community Vision Sub-committees.

Peter John Smith

Role

Director

Experience

Over 20 years of service with Centre Management at the Aldinga Central Shopping Centre, during which time an extensive network of Community and Business contacts has been developed in the area.

Special responsibilities

Audit, Financial Management & Governance and Community Grants Programme, Marketing and Promotions Sub-committee.

Shirley James

Role

Director

Experience

Past Treasurer of Aldinga Bay Residents Association, Victorian Ceramic Group and the Fourth National Ceramic Conference. Past President, Treasurer and Life member of Southern Vales Ladies Probus. Currently Treasurer, Off the Gate Gallery, Willunga.

Special responsibilities

Treasurer's Assistant

Michael Farrell JP

Role

Director - resigned 23/12/13

Experience

Educator, 30yrs experience in Secondary and Tertiary education. Past President of Rotary Club at McLaren Vale, past Deputy Chairman SDNMM Foundation and Director McLaren Vale Hospital. Formerly a Pilot Officer RAAF Reserves, Justice of the Peace.

Fleurieu Community Enterprises Limited

Directors' Report

30 June 2014

Information on directors continued

Dianne Thompson

Role

Director - appointed 13/01/14, resigned 11/03/14

Experience

Formerly a Director of Working Strategy Pty Ltd, COPA (SA) Ltd and Playford Capital, also a business auditor.

Special responsibilities

Treasurer

Christopher Michael West

Role

Director

Experience

Recently opened the Home Grain Bakery in Aldinga and is helping to re-vitalise the historic township.

Hazel Ann Wainwright

Role

Director

Experience

Chairwoman of Aldinga Bay Business and Tourism Association and a representative on the Economic Development Forum of the City of Onkaparinga

Ronald Leslie Logan

Role

Director & Chairman - appointed 26/08/13

Experience

Employed previously as a senior executive and Director with HSBC, CBA, Colonial and TSB (UK). Experience includes working in the UK, Australia, China, Vietnam and the Philippines. Now resident in Sellicks Hill and operates an aviation and private investment company.

Special responsibilities

Member of Audit, Financial Management and Governance, Business Development and Asset Management, Community Grants Programme, and Human Resources sub-committees.

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

Principal activities

The principal activity of Fleurieu Community Enterprises Limited during the financial year was the operation of a branch of Bendigo Bank, pursuant to a franchise agreement.

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

2. Operating results and review of operations for the year

Operating results

The profit of the Company after providing for income tax amounted to \$ 53,649 (2013: \$ 38,451).

Dividends paid or recommended

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

- A un-franked dividend of \$ 21,744 was paid during the year.

Directors' Report

30 June 2014

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

A review of the operations of the Company during the financial year and the results of those operations show [describe changes in operating results, assets, liabilities etc].

3. Other items

Significant changes in state of affairs

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

Events after the reporting date

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

Future developments and results

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

Environmental issues

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

The Clean Energy Bill 2012 will have an indirect impact on the Company due to increased costs.

Directors' Report

30 June 2014

Meetings of directors

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
George Apap JP	5	5
Adam John Lucey	12	8
Anthony David Rowley Dutton	5	3
Narelle Susan Looker	12	10
Stanley Beck	1	1
George Francis Lucey	5	3
John Blakiston Martin	2	-
Peter John Smith	12	5
Shirley James	12	10
Michael Farrell JP	5	5
Dianne Thompson	4	4
Christopher Michael West	8	7
Hazel Ann Wainwright	8	4
Ronald Leslie Logan	11	11

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Fleurieu Community Enterprises Limited.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2014 has been received and can be found on page 6 of the financial report.

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

Director: 

Director: 

Dated this 28th day of October 2014

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

To the Directors of Fleurieu Community Enterprises Limited:

As lead auditor for the audit of Fleurieu Community Enterprises Limited for the year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been:

- i no contraventions of the independence requirements of the Corporations Act 2001 in relation to the audit; and
- i no contraventions of any applicable code of professional conduct in relation to the audit.



ACCRU⁺ HARRIS ORCHARD



**BEN WILLINGTON
PARTNER**

Signed at Dulwich this 27th day of October 2014.

Fleurieu Community Enterprises Limited

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2014

	2014	2013
Note	\$	\$
Revenue	599,589	608,923
Employee benefits expense	(303,324)	(311,303)
Depreciation and amortisation expense	(5,138)	(7,787)
Other expenses	(237,478)	(251,374)
Finance costs	-	(8)
Profit before income tax	53,649	38,451
Income tax expense	-	-
Profit from continuing operations	53,649	38,451
Profit for the year	53,649	38,451
Other comprehensive income, net of income tax		
Items that will not be reclassified subsequently to profit or loss		
Items that will be reclassified to profit or loss when specific conditions are met		
Total comprehensive income for the year	53,649	38,451

The accompanying notes form part of these financial statements.

Fleurieu Community Enterprises Limited

Statement of Financial Position
30 June 2014

		2014	2013
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	197,440	122,814
TOTAL CURRENT ASSETS		<u>197,440</u>	<u>122,814</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	161,708	173,982
TOTAL NON-CURRENT ASSETS		<u>161,708</u>	<u>173,982</u>
TOTAL ASSETS		<u><u>359,148</u></u>	<u><u>296,796</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	14,099	8,889
Short-term provisions		3,469	7,131
TOTAL CURRENT LIABILITIES		<u>17,568</u>	<u>16,020</u>
NON-CURRENT LIABILITIES			
Employee benefits	7	56,365	27,466
TOTAL NON-CURRENT LIABILITIES		<u>56,365</u>	<u>27,466</u>
TOTAL LIABILITIES		<u>73,933</u>	<u>43,486</u>
NET ASSETS		<u><u>285,215</u></u>	<u><u>253,310</u></u>
EQUITY			
Issued capital	8	724,815	724,815
Retained earnings		(439,600)	(471,505)
TOTAL EQUITY		<u>285,215</u>	<u>253,310</u>
		<u><u>285,215</u></u>	<u><u>253,310</u></u>

The accompanying notes form part of these financial statements.

Fleurieu Community Enterprises Limited

Statement of Changes in Equity
For the Year Ended 30 June 2014

2014

	Note	Ordinary Shares \$	Retained Earnings \$	Total \$
Balance at 1 July 2013		724,815	(471,505)	253,310
Profit attributable to members of the entity		-	53,649	53,649
Dividends provided for or paid		-	(21,744)	(21,744)
Balance at 30 June 2014		724,815	(439,600)	285,215

2013

	Note	Ordinary Shares \$	Retained Earnings \$	Total \$
Balance at 1 July 2012		724,815	(495,458)	229,357
Profit attributable to members of the entity		-	38,451	38,451
Contribution of equity, net of transaction costs		-	-	-
Dividends provided for or paid		-	(14,498)	(14,498)
Balance at 30 June 2013		724,815	(471,505)	253,310

The accompanying notes form part of these financial statements.

Fleurieu Community Enterprises Limited

Statement of Cash Flows
For the Year Ended 30 June 2014

	2014	2013
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	596,225	608,920
Payments to suppliers and employees	(532,099)	(581,191)
Net cash provided by (used in) operating activities	12 64,126	47,729
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	10,500	-
Net cash used by investing activities	10,500	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase (decrease) in cash and cash equivalents held	74,626	47,729
Cash and cash equivalents at beginning of year	122,814	75,085
Cash and cash equivalents at end of financial year	4 197,440	122,814

The accompanying notes form part of these financial statements.

Fleurieu Community Enterprises Limited

Notes to the Financial Statements

For the Year Ended 30 June 2014

Fleurieu Community Enterprises Limited is a for profit Company limited by shares, incorporated and domiciled in Australia.

The functional and presentation currency of Fleurieu Community Enterprises Limited is Australian dollars.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The directors have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore a special purpose financial statements that has been prepared in order to meet the requirements of the *Corporations Act 2001*.

The financial statements have been prepared in accordance with recognition and measurement criteria in the Australian Accounting Standards and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The significant accounting policies disclosed below are those which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

(b) Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

(c) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income relates to current income tax expense plus deferred tax expense (being the movement in deferred tax assets and liabilities and unused tax losses during the year).

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

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(c) Income Tax continued

the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

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

Deferred tax consequences relating to a non-monetary asset carried at fair value are determined using the assumption that the carrying amount of the asset will be recovered through sale.

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

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset where there is a legal right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

(d) Revenue and other income

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

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Rendering of services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(e) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of GST.

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

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

(f) Property, Plant and Equipment

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight-line method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

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

Fixed asset class	Depreciation rate
Plant & Equipment Leased to External Parties	20%
Motor Vehicles	25%
Improvements	2.5%

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

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to the profit or loss.

(g) Financial Instruments

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

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

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in profit or loss. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

In some circumstances, the Company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

- which are derivatives not qualifying for hedge accounting.

The Company has some derivatives which are designated as financial assets at fair value through profit or loss.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Company's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets.

Purchases and sales of available-for-sale investments are recognised on settlement date.

All other available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Losses recognised in prior period consolidated income statements resulting from the impairment of debt securities are reversed through the income statement, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the income statement line items "finance costs" or "finance income".

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Company uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

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

Impairment of financial assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(h) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

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

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

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

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

(i) Cash and cash equivalents

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

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are

Fleurieu Community Enterprises Limited

Notes to the Financial Statements
For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

- (i) **Cash and cash equivalents continued**
presented within current liabilities on the statement of financial position.

- (j) **Employee benefits**

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

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

- (k) **Share capital**

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

Preference share capital is classified as equity if it is non-redeemable or redeemable only at the company's option, and any dividends are discretionary.

Preference share capital is classified as financial liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary.

2 Revenue and Other Income

Revenue from continuing operations

Finance income includes all interest-related income, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance income line in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	2014	2013
	\$	\$
Sales revenue		
- provision of services	596,723	608,850
	<u>596,723</u>	<u>608,850</u>
Finance income		
- other interest received	729	73
	<u>729</u>	<u>73</u>
Other revenue		
- profit on sale of motor car	3,137	-
	<u>3,137</u>	<u>-</u>
Total Revenue	599,589	608,923

Fleurieu Community Enterprises Limited

Notes to the Financial Statements
For the Year Ended 30 June 2014

3 Result for the Year

Finance cost includes all interest-related expenses, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance costs line in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	2014	2013
	\$	\$
Finance Costs		
Financial liabilities measured at amortised cost:		
- Other finance costs	-	8
Total finance costs	-	<u>8</u>

The result for the year includes the following specific expenses:

	2014	2013
	\$	\$
Other expenses:		
Impairment of receivables:		
- Bad debts	-	1,703
Total impairment of receivables	-	<u>1,703</u>

4 Cash and cash equivalents

	2014	2013
	\$	\$
Cash at bank and in hand	197,440	122,814
Reconciliation of cash		

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

	2014	2013
	\$	\$
Cash and cash equivalents	197,440	122,814

5 Property, plant and equipment

PLANT AND EQUIPMENT

Plant and equipment

At cost

Accumulated depreciation

Total plant and equipment

	2014	2013
	\$	\$
At cost	3,541	3,541
Accumulated depreciation	(366)	(386)
Total plant and equipment	<u>3,175</u>	<u>3,175</u>

Fleurieu Community Enterprises Limited

Notes to the Financial Statements

For the Year Ended 30 June 2014

5 Property, plant and equipment continued

Motor vehicles

At cost

- 31,700

Accumulated depreciation

- (24,337)

Total motor vehicles

- 7,363

Improvements

At cost

198,423 198,423

Accumulated depreciation

(39,890) (34,979)

Total improvements

158,533 163,444

Total plant and equipment

161,708 173,982

Total property, plant and equipment

161,708 173,982

6 Trade and other payables

2014 2013

\$ \$

CURRENT

Unsecured liabilities

Sundry payables and accrued expenses

14,099 8,889

14,099 8,889

14,099 8,889

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

7 Employee Benefits

2014 2013

\$ \$

Non-current liabilities

Long service leave

- -

Defined benefit obligations

- Present value of obligations

56,365 27,466

8 Issued Capital

2014 2013

\$ \$

724,815 (2013: 724,815) Ordinary shares

724,815 724,815

(a) Ordinary shares

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

Fleurieu Community Enterprises Limited

Notes to the Financial Statements

For the Year Ended 30 June 2014

8 Issued Capital continued

(a) Ordinary shares continued

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

9 Dividends

	2014	2013
	\$	\$
a. The following dividends were declared and paid:		
Final un-franked ordinary dividend of 3 cents per share	21,744	14,498

The proposed final dividend for 2014 was declared after the end of the reporting period and therefore has not been provided for in the financial statements. There are no income tax consequences arising from this dividend at 30 June 2014.

10 Remuneration of Auditors

	2014	2013
	\$	\$
Remuneration of the auditor of the Company, Accru Harris Orchard, for:		
- auditing or reviewing the financial statements	6,400	6,300

11 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2014 (30 June 2013: None).

Fleurieu Community Enterprises Limited

Notes to the Financial Statements

For the Year Ended 30 June 2014

12 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2014	2013
	\$	\$
Profit for the year	53,649	38,451
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	5,138	7,787
- dividends paid	(21,744)	(14,498)
Other non-cash adjustments	-	(100)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	6,732	(4,104)
- increase/(decrease) in employee benefits	20,351	20,193
Cashflow from operations	<u>64,125</u>	<u>47,729</u>

13 Company Details

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

Fleurieu Community Enterprises Limited
Shop 32, Aldinga Central Shopping Centre
1 Pridham Boulevard
Aldinga Beach SA 5173

Fleurieu Community Enterprises Limited

Directors' Declaration

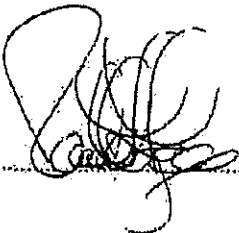
The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 8 to 21, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director



Director



Dated

28 October 2014

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLEURIEU COMMUNITY ENTERPRISES LIMITED**

Accru⁺
Harris Orchard

Report on the Financial Report

We have audited the accompanying financial report of Fleurieu Community Enterprises Limited. This comprises the balance sheet as at 30 June 2014, the income statement, cash flow statement, statement of changes of equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of Fleurieu Community Enterprises Limited are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have 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 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 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 Fleurieu Community Enterprises Limited on 28 October 2014, would be in the same terms if given to the directors as at the time of the auditor's report.

Opinion

In our opinion the financial report of Fleurieu Community Enterprises Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of Fleurieu Community Enterprises Limited for the year ended 30 June 2014 included on its website. The Company's directors are responsible for the integrity of Fleurieu Community Enterprises Limited's website. We have not been engaged to report on the integrity of the website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying our opinion we draw attention to Company's accumulated net losses. Notwithstanding this year's profit of \$53,649, the Company has accumulated losses of \$439,600 as at 30th June 2014.

ACCRU⁺ HARRIS ORCHARD *Alan Harris Orchard*



BEN WILLINGTON
PARTNER

Signed at Dulwich this 29th day of October 2014.

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Phone: (08) 8768 1855

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