

Annual Report 2016

Robe Community Financial
Services Limited

ABN 24 101 974 887

Robe & Districts **Community Bank**[®] Branch

Contents

Chairman's report	2
Manager's report	3
Bendigo and Adelaide Bank report	4
Directors' report	5
Auditor's independence declaration	7
Financial statements	8
Notes to the financial statements	12
Directors' declaration	21
Independent audit report	22

Chairman's report

For year ending 30 June 2016

We are proud to present to you our 2015/16 Annual Report for Robe Community Financial Services Limited.

Completing the budget for 2015/16 was a difficult job, with a profit for 2015/16 seeming to be a distant outcome. The first six months of 2015/16 were to say at the least, tough going. It seemed that it would be very difficult for us to meet our obligations to the community as a **Community Bank**[®] company.

With the closure of a local bank branch and recruiting of some valuable staff we were able to take advantage of the situation and strengthen our position. We were able to grow our book and exceed our lending budget by \$2.9 million placing us second in the state for branch lending approvals.

During the year Lauren Walters joined the team at Robe & Districts **Community Bank**[®] Branch and undertook training to take on some of Emma Brookes responsibilities whilst Emma was on maternity leave. We also welcomed Sharon Hondow to the team. With Sharon's previous banking experience, she will be able to continue her strong connection with the Robe community servicing their banking needs.

Kingston agency and the community continued to support Robe & Districts **Community Bank**[®] Branch and contributed to the strong growth of our book in the second half of the year.

We were able to be involved with the other **Community Bank**[®] branches in the region and have a joint sponsorship and presence at the Lucindale Field Days, which was of great value to the brand. Also we were able to contribute \$11,000 in sponsorships to various community groups, to assist them with their goals. This brings our total contributions to the community to \$170,280.

Our long-term debt has risen this year as we have upgraded the company car so our Manager can service the Kingston agency and our growing client base outside of Robe. With the strong turn around in the second half of the 2015/16 year, and whilst we still show a small loss for the year, the strong turn around in the second half has placed us in a position where the budget for 2016/17 shows a modest profit for the year.

I would like to thank our Board members for their commitment and continued effort in 2015/16 and I look forward with confidence to the coming year.

In closing I would like to thank all the staff for their dedication, enthusiasm and efforts throughout the year for positioning the Robe & Districts **Community Bank**[®] Branch in a strong position for the coming years.



Mark Baker
Chairman

Manager's report

For year ending 30 June 2016

Good evening everybody,

Thank you all for coming along tonight and welcome to another end of financial year Annual General Meeting.

Again I'm very proud of the team's efforts last year with all their hard work paying off when we found out that we exceeded our lending budget by \$2.9 million, which is no easy feat in this economic climate.

We have been extremely lucky this year in welcoming a new but familiar face to the team Sharon Hondow who brings a huge amount of experience and skill to the team as one of our Customer Relationship Officers.

Last year saw our branch give back to the community just over \$11,000 in sponsorships, which has been a pleasure to assist some of these community projects and events year in and out. Our total contributions to the Robe and districts area are now \$170,280.

Unfortunately this year we missed out on making a profit by \$4,240. This was a fantastic effort by the Board and the team to claw back from an \$11,484 deficit last year. With rates still at an all-time low we are hopeful that with continuing customer support we will make profit this year and be able to return a dividend to our patience shareholders.

In regards to continuing business growth last year we opened up Kingston agency which to date have recorded a growth of \$3.172 million. With that fresh in thought we are looking to expand further to support the current and potential clients of the Lucindale and district area by opening up an agency in the Lucindale with great feedback and results so far so please stay tuned.

In light of Bank SA and ANZ closures throughout the metropolitan and regional areas of the state we realise that now is more important than ever to support your local **Community Bank**[®] branches.

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.

Lastly I would also like to give a big thankyou to our outgoing Regional Manager Alison Burr for the ongoing support she has given us for the past three years.

We would like to wish her the very best with her new role as State Community Strengthening Manager.

Thanks very much.



Paul Bobridge
Branch Manager

Bendigo and Adelaide Bank report

For year ending 30 June 2016

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

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

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

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

The statistics are impressive:

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

Yes, these figures are staggering.

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

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

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

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

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

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

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

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

On behalf of Bendigo Bank, thank you.

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



Robert Musgrove
Executive Community Engagement

Directors' report

For the financial year ended 30 June 2016

Your Directors present their report on the company for the financial year ended 30 June 2016.

Directors

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

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

Review of operations

The loss of the company for the financial year after providing for income tax amounted to \$4,240.

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 before Income Tax increased by \$6,815 in comparison with the previous year. There was an increase in revenue of 10%. Expenditure has been steady with a 8% increase. Profits over the last five years ending 30 June 2015 have resulted in the company being in a positive net asset position despite this years loss.

Significant changes in the state of affairs

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

Principal activities

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.

Events subsequent to the end of the reporting period

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 and expected results of operations

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.

Directors' report (continued)

Environmental regulation

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.

Dividends

No dividends have been paid or declared since the start of the financial year.

Options

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

Indemnification of Officers

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.

Proceedings on behalf of 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.

This Directors' report is signed in accordance with a resolution of the Board of Directors:



Evelyn Ann Schinckel
Director

22 September 2016

Auditor's independence declaration

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

Naracoorte T 08 8762 1544
PO Box 403, Naracoorte SA 5271
E naracoorte@murraynankivell.com.au

Murray Bridge T 08 8531 1563
PO Box 3007, Murray Bridge SA 5253
E mb@murraynankivell.com.au

www.murraynankivell.com.au
ABN 68 191 400 792



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

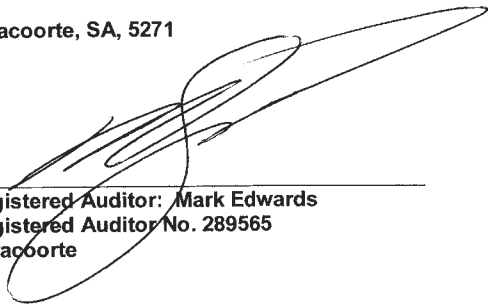
TO THE DIRECTORS OF ROBE COMMUNITY FINANCIAL SERVICES LTD

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been:

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

Mark Stephen Edwards
Chartered Accountant
172 Smith Street

Naracoorte, SA, 5271



Registered Auditor: Mark Edwards
Registered Auditor No. 289565
Naracoorte

22 September 2016

Liability limited by a scheme approved under Professional Standards Legislation

Financial statements

Statement of Profit or Loss for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Revenue	2	469,542	426,088
Employee benefits expense		(285,938)	(239,150)
Depreciation and amortisation expenses		(25,105)	(23,671)
Finance costs		(8,921)	(6,193)
Other expenses		(158,936)	(173,247)
Profit (loss) before income tax		(9,358)	(16,173)
Tax income (expense)	3	5,118	4,689
Profit (loss) for the year		(4,240)	(11,484)
Profit (loss) attributable to member of the company		(4,240)	(11,484)

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Financial Position as at 30 June 2016

	Notes	2016 \$	2015 \$
Assets			
Current assets			
Trade and other receivables	5	42,139	29,331
Other assets	6	3,769	3,784
Total current assets		45,908	33,115
Non-current assets			
Property, plant and equipment	7	65,368	46,380
Intangible assets	8	27,825	41,794
Deferred tax assets	9	120,662	115,544
Total non-current assets		213,855	203,718
Total assets		259,763	236,833
Liabilities			
Current liabilities			
Trade and other payables	10	15,410	15,953
Borrowings	11	9,640	13,377
Provisions	12	20,851	13,150
Total current liabilities		45,901	42,480
Non-current liabilities			
Borrowings	11	118,750	95,000
Total non-current liabilities		118,750	95,000
Total liabilities		164,651	137,480
Net assets		95,112	99,353
Equity			
Issued capital	13	427,989	427,989
Retained earnings (accumulated losses)		(332,877)	(328,636)
Total equity		95,112	99,353

The accompanying notes form part of these financial statements.

Financial statements (continued)

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

	Share capital \$	Retained earnings \$	Total \$
Balance at 1 July 2014	427,989	(317,152)	110,837
Comprehensive income			
Profit (loss) for the year	-	(11,484)	(11,484)
Total comprehensive income for the year attributable to the member of the company	-	(11,484)	(11,484)
Balance at 30 June 2015	427,989	(328,636)	99,353
Balance at 1 July 2015	427,989	(328,637)	99,352
Comprehensive income			
Profit (loss) for the year	-	(4,240)	(4,240)
Total comprehensive income for the year attributable to the member of the company	-	(4,240)	(4,240)
Balance at 30 June 2016	427,989	(332,877)	95,112

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Cash Flows for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from customers		469,822	426,054
Payments to suppliers & employees		(482,051)	(420,950)
Interest received		-	11
Trade creditors		3,018	(33,941)
GST		1,355	571
PAYG Withholding		2,898	(4,724)
Debtors		4,407	2,207
Net cash provided by (used in) operating activities	17	(551)	(30,772)
Cash flows from investing activities			
Plant purchases/adjustments		(18,988)	(5,496)
Net cash provided by (used in) investing activities		(18,988)	(5,496)
Cash flows from financing activities			
Proceeds from borrowings		27,500	-
Repayments of borrowings		(3,750)	(15,000)
Net cash provided by (used in) financing activities		23,750	(15,000)
Net increase (decrease) in cash held		4,211	(51,268)
Cash and cash equivalents at beginning of financial year		(12,640)	38,628
Cash and cash equivalents at end of financial year	17	(8,429)	(12,640)

The accompanying notes form part of these financial statements.

Notes to the financial statements

For year ended 30 June 2016

The financial statements cover 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.

The financial statements were authorised for issue on 22 September 2016 by the Directors of the company.

Note 1. Summary of significant accounting policies

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Income tax

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

Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination or are recognised directly in equity or in other comprehensive income. 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 as 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.

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.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Notes to the financial statements (continued)

Note 1. Summary of significant accounting policies (continued)

(a) Income tax (continued)

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 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 carried 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 accumulated depreciation for buildings.

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

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 asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of profit or loss in the financial period in which they are incurred.

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 lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

Notes to the financial statements (continued)

Note 1. Summary of significant accounting policies (continued)

(c) Financial Instruments

Initial recognition and 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.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

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.

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

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are 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. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(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. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have 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.

Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Notes to the financial statements (continued)

Note 1. Summary of significant accounting policies (continued)

(c) Financial Instruments (continued)

Classification and subsequent measurement (continued)

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

(d) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the nominal amounts expected to be paid when the liability is settled, plus any related on-costs. Both annual leave and long service leave are recognised within the provisions liability.

(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.

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.

Notes to the financial statements (continued)

Note 1. Summary of significant accounting policies (continued)

(g) revenue and other income (continued)

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.

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.

	Note	2016 \$	2015 \$
Note 2. Revenue and other income			
Rendering of services		467,042	424,577
Interest received	2(a)	-	11
Government subsidies		2,500	1,500
Total revenue		469,542	426,088

Note 3. Tax expense

(a) The components of tax income (expense) comprise:

Current tax	5,118	4,689
--------------------	--------------	--------------

Note 4. Auditor's remuneration

Remuneration of the Auditor:

Auditor's remuneration	5,240	5,090
-------------------------------	--------------	--------------

Notes to the financial statements (continued)

	2016 \$	2015 \$
--	------------	------------

Note 5. Trade and other receivables

Current

Trade debtors	42,139	29,331
----------------------	---------------	---------------

Note 6. Other assets

Current

Prepayments	3,769	3,784
--------------------	--------------	--------------

Note 7. Property, plant and equipment

Property improvements	70,972	63,356
Less accumulated depreciation	(34,772)	(28,149)
Total land and buildings	36,200	35,207
Motor vehicles	24,507	7,529
Less accumulated depreciation	(17)	(2,683)
	24,490	4,846
Furniture and fittings	55,510	54,232
Less accumulated depreciation	(50,832)	(47,905)
	4,678	6,327
Total plant and equipment	29,168	11,173
Total property, plant and equipment	65,368	46,380

Note 8. Intangible assets

Borrowing costs	360	-
Franchise fees	27,465	41,794
Accumulated amortisation and impairment losses	-	-
Net carrying value	27,465	41,794
	27,825	41,794
Reconciliation of franchise fees		
Balance at beginning of year	27,465	41,794
Additions	-	-
Disposals	-	-
Amortisation charge	-	-
Impairment losses	-	-
Closing carrying value at 30 June 2016	27,465	41,794

Notes to the financial statements (continued)

	2016 \$	2015 \$
Note 9. Tax		
Assets		
Non-current		
Future income tax benefits	120,662	115,545

Note 10. Trade and other payables

Current		
Goods and Services Tax	8,159	6,802
Trade creditors	1,085	5,883
Payroll liabilities	6,166	3,268
	15,410	15,953

Note 11. Borrowings

Current		
Bank overdraft - Business account	8,430	12,640
Managers Mastercard	1,210	737
Total current borrowings	9,640	13,377
Non-current		
Bendigo Bank interest only	91,250	95,000
Equipment finance	27,500	-
Total non-current borrowings	118,750	95,000
Total borrowings	128,390	108,377

Note 12. Provisions

Current		
Provision for annual leave	20,851	13,150

Note 13. Issued capital

Ordinary shares @ \$1 each	445,610	445,610
Prospectus fees & costs	(17,621)	(17,621)
	427,989	427,989

Notes to the financial statements (continued)

	2016	2015
	\$	\$
Note 14. Leasing commitments		
(a) Finance lease commitments		
Leasing commitments not capitalised in the financial statements		
Payable:		
not later than 12 months	7,562	-
between 12 months and five years	22,687	-
Present value of minimum lease payments	11	30,249
(b) Operating lease commitments		
Non-cancellable operating leases contracted for but not recognised in the financial statements		
Payable:		
not later than 12 months	17,442	-
between 12 months and five years	18,140	-
	35,582	-

Note 15. Financial risk management

Fair values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments, which are carried at amortised cost (ie trade receivables, loan liabilities), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the company.

Note 16. 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

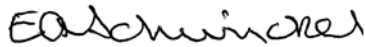
Notes to the financial statements (continued)

	2016 \$	2015 \$
Note 17. Cash flow information		
(a) Reconciliation of cash		
Cash at the end of financial year as included in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Bank overdraft	(8,429)	(12,640)
	(8,429)	(12,640)
(b) Reconciliation of cash flow from operations with profit after income tax		
Profit after income tax	(4,241)	(11,483)
Non-cash flows in profit:		
Depreciation & amortisation	25,106	23,670
Changes in assets and liabilities:		
(Increase)/Decrease in plant	(26,582)	
(Increase)/Decrease in other assets	-	
(Increase)/Decrease in trade and term debtors	(12,793)	134
Increase/(Decrease) in provisions	7,701	(543)
Increase/(Decrease) in payables	15,376	(37,864)
(Increase)/Decrease in deferred taxes	(5,118)	(4,690)
Net cash provided by (used in) operating activities	(551)	(30,776)

Directors' declaration

In accordance with a resolution of the Directors of Robe Community Financial Services Ltd, the Directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 20 are in accordance with the Corporations Act 2001:
and
 - a. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
 - b. give a true and fair view of the financial position as at 30 June 2016 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.



Evelyn Ann Schinckel
Director

22 September 2016

Independent audit report

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

Naracoorte T 08 8762 1544
PO Box 403, Naracoorte SA 5271
E naracoorte@murraynankivell.com.au

Murray Bridge T 08 8531 1563
PO Box 3007, Murray Bridge SA 5253
E mb@murraynankivell.com.au

www.murraynankivell.com.au
ABN 68 191 400 792



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 2016 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.

Liability limited by a scheme approved under Professional Standards Legislation

Independent audit report (continued)

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

Naracoorte T 08 8762 1544
PO Box 403, Naracoorte SA 5271
E naracoorte@murraynankivell.com.au

Murray Bridge T 08 8531 1563
PO Box 3007, Murray Bridge SA 5253
E mb@murraynankivell.com.au

www.murraynankivell.com.au
ABN 68 191 400 792



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 22 September 2016, 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 2016 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

22 September 2016

Liability limited by a scheme approved under Professional Standards Legislation

Robe & Districts **Community Bank**[®] Branch
9 Victoria Street, Robe SA 5276
Phone: (08) 8768 1855 Fax: (08) 8768 2749

Franchisee: Robe Community Financial Services Limited
9 Victoria Street, Robe SA 5276
Phone: (08) 8768 1855
ABN: 24 101 974 887

www.bendigobank.com.au/robe
www.facebook.com/robecomcommunitybankbranch
(BNPAR16159) (10/16)