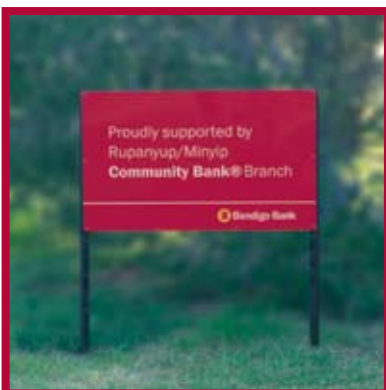




rupanyup minyip
finance group



Annual Report 2010

Rupanyup Miniyp **Community Bank®** Branch



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On behalf of the Rupanyup Minyip Finance Group it is my pleasure to present our annual report.

We have shown a healthy profit for the financial year 2009/2010 of \$129,604.

This is an improvement from the previous year of \$67,396 due to income increasing some 16.8%, mainly in lending margin and costs being well held, particularly employment costs.

We have allocated over \$42,000 to fund projects in the Rupanyup and Minyip communities for 2010.

At the time of printing we are looking forward to the imminent opening of the Rupanyup Community Centre – a project we have funded for a total of \$150,000. As has been previously stated that the initial support of the Community Centre by the Rupanyup Community Bank® Branch provided the financial footing to seek further state, and federal government support.

An ATM is currently being installed at the Minyip branch, further enhancing our banking service to the local community and to those travelling through the town.

A number of local organisations have also benefitted from sponsorship, with over \$4500.00 contributed this year.

Rupanyup Minyip Finance Group has continued to partner with Bendigo Bank Telco and this partnership has contributed over \$2489.00 this year to our local kindergartens.

We have had a number of staffing changes over the past financial year. We farewelled Elaine Wilson, Marney Rollinson and manager Craig Powell. We thank them and wish them well in their future endeavors.

We warmly welcomed Eileen Walsh, Rae Faulkner and our new manager Meagan Edwards to our staff.

There have been changes in the Directors with Diane Walsh and Andrew Matthews resigning from the board. Andrew was a founding director of Rupanyup Minyip Finance Group and has been a valuable contributor over a number of years. We thank both retiring directors for their time, efforts and input into our organization.

A further staffing change was our secretary for nearly seven years, Natalie Robbins, resigned from Knights Accounting to pursue other employment opportunities. The board sincerely thanks Natalie for her outstanding commitment in ensuring the board ran smoothly.

We are very pleased to announce that Natalie Robbins has accepted a seat on the board of the Rupanyup Minyip Finance Group as a director.

The board also welcomes Judy Maher of Knights Accounting who will be providing secretarial services.

I would finally like to thank all the bank staff, directors and staff at Knights Accounting for their time, efforts and commitment to community banking in Rupanyup and Minyip.

Yours sincerely

Gary Bourke
Chairman
Rupanyup Minyip Finance Group

Rupanyup Minyip Finance Group Ltd ACN: 082 834 008
32 Cromie Street, (PO Box 23), Rupanyup Vic 3388. Telephone 03 5385 5320 Facsimile 03 5385 5336
63 Main Street, (PO Box 34), Minyip Vic 3392 Telephone 03 5385 7680 Facsimile 03 5385 7675



MANAGER'S REPORT

For Year Ending June 30, 2010

Since my recent appointment at the Rupanyup and Minyip Community Bank Branches at the end of June 2010 after returning from Canada, I returned to my home town of Warracknabeal and bring with me a wealth of knowledge from the Bendigo Bank network for the past five years, most recently having left the position as Customer Relationship Manager/Assistant Manager at Camberwell Bendigo Bank branch.

Having come from working predominately at company owned sites to the Community Bank, it has opened my eyes to the real benefits of banking with your local community bank and the advantages that it has, for example, the Rupanyup Community Centre is almost complete and it would be safe to say that without the support of Rupanyup/Minyip Community Bank the existence of this new infrastructure in the town certainly would not be as grand as it is shaping up to be today. Rupanyup Minyip Community Banks motivation really is to help its customers succeed and its communities and district to flourish.

Rupanyup/Minyip Community Bank has shared their success with the community and given back over \$500k in Community grants in the past 12 years, with the 2010 grants to be announced soon. The amount of time and effort volunteers would need to put in to their organisation to fundraise this amount would be countless, every bit of support that we get from you; your local community is going to benefit in one way or another. It's all about supporting the bank that supports the community and keeps the town alive.

Local customers would have seen a few face changes over the past 6 months, not only with me but also with Rae Faulkner and Eileen Walsh being welcomed to the team as Customer Service Officers. Sam Neale has also recently joined the Bendigo Bank network and will be servicing the area for all financial planning needs. Damian Bryan, our dedicated Bendigo Agribusiness manager also frequents the branches on a weekly basis. In the near future will also be seeing another new face as we wish Sheri Garton and her family all the best as she leaves for maternity leave and hope to see you back here soon.

Finally, I would like to say thankyou to all of the staff, directors and the local community for making me feel most welcome thus far and I look forward to the challenge ahead with what looks to be a promising year.

Meagan Edwards
Branch Manager
Rupanyup/Minyip Community Bank Branches



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Community Project

Rupanyup Community Centre - Nearing Completion



The Rupanyup Community Centre incorporates Football and Netball change rooms and Amenities, Commercial Kitchen Facilities, a Function area with a Bar Facilities, First Aid and Umpire areas, Office Accommodation and viewing area overlooking the recreation oval.

It will enhance the existing sporting facilities including Tennis Courts, Netball and Basketball Courts, CFA training facilities, A & P Pavilions and Playground area. As well as enhancing existing sporting and recreation uses, the centre will provide significant opportunities for new business, social and community activities. These include business training, seminars and field days, family social functions and community celebrations.

The commitment by Rupanyup Minyip Finance Group of \$150,000 over three years towards the Rupanyup Community Centre, gave the Rupanyup community the confidence to develop the business plan and funding application for the project. Members of the community formed a steering committee to develop the concept, which has been identified as a priority for many years.

This local contribution has been increased significantly, with the announcement by the Victorian Government of a \$300,000 Small Towns Development Grant, a federal contribution of \$50,000 targeting community infrastructure and a community support fund grant of \$50,000.

The design for the Community Centre was developed through a series of community consultations, with input from recreation, business and community groups. The centre incorporates a Function room, Bar Facilities, Commercial Kitchen, change facilities for umpires, men and women, first aid rooms, office facilities, viewing areas and decking.

The support of the Rupanyup Minyip Finance Group was the base for galvanising the community action and attracting government support, resulting in the successful development of a significant community resource.

The Rupanyup Minyip Finance Group Board and Directors look forward to the imminent completion of this great community resource and envisage using the centre for board meetings, training days, regional director conferences and our AGM in the future. We congratulate the Community Centre Committee of Management on their outstanding effort.

The Rupanyup Minyip Finance Group Board and Directors have been proud to play a part in this exciting venture, a reflection on what a small dedicated community can achieve.



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Sponsorship 2010

Triangle Titans Cycling Team

Murray to Moyne Cycling Relay



Triangle Titans Cycling Team—hands over in excess of \$15,000.00!

A Friday July 9—Celebratory dinner held , to hand over the cheque to Dunmunkle Health Services.

30 People including riders, Dunmunkle Health Services staff & board members attended the function at the commercial hotel in Minyip.

18 Riders participated—13 men and 5 women

Total Funds raised in this inaugural year was over \$21,000. However, overheads including construction of the bike trailer. Left a total of \$15,567.89 to be handed to Dunmunkle Health. An extraordinary result—given it was the teams first year—they set the goal very conservatively at \$6000.

Money will be used to purchase some high low beds for the aged care facility in Rupanyup.

A cheque was presented to Board members Mr Andre Clarke and Dunmunkle Health services general manager Mrs Tracey Chenoweth.

On behalf of the Board, Mr Clarke expressed his sincere gratitude to the cycling team stating that “the efforts in this first year were extraordinary. The whole event brought together a wide range of people - All motivated by the desire to assist their local health service.” He went on to add that “the event was the perfect opportunity for younger members of the community to do something for their health service. Those individuals who may not wish to take on other volunteer roles or sign up to the board.”

Mrs Tracey Chenoweth echoed Mr Clark's comments adding that the community reception held for the riders on the weekend of the event was truly amazing. She thanked the riders and the many volunteers who assisted as support crew and the ladies auxiliaries who catered for the Saturday meal.

Triangle titans cycling team president Philip Edgerton presented the cheque and also thanked all those that had been involved. Mr Edgerton said that he was overwhelmed with the level of financial support that the team had received. He specifically mentions Tyler's Hardware and Rural Supplies who were the teams major sponsor and also the Rupanyup Minyip community bank & DMS (Donald Mineral Sands) who were all significant contributors. Mr Edgerton asked all present to thank our sponsors with your support.

Fundraising Efforts for next year's event are well underway. All are looking forward to another very successful Murray to Moyne relay on April 2 and 3. 2011.



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Sponsorship 2010

Murtoa College Student Representative Training Day



On Wednesday March 10th members of the Murtoa College Senior School Student Representative Council and the Junior School Captains participated in an SCR Training Day.

The Training Day, Sponsored by the Rupanyup Minyip Community Bank Branches ® of the Bendigo Bank was designed to develop leadership skills in our young community members and provide them with the opportunity to voice their opinions.

Guest speakers included Mrs Jo Bourke Executive Officer of the Wimmera Development Association who started the day with Gary Bourke (Teacher and chair of the Rupanyup Minyip Community Bank Branches ®) Dr. Jo Day (Principal) Karl Schier (Assistant Principal) providing other insights into leadership and meeting procedures.

Students discussed aspects of the school that could be improved and three main areas were highlighted : Rubbish around the school, the need for lunch time activities and how they best use various spaces around the school.

Feedback from students and the teacher in charge of the SRC Miss Libby Dean was encouraging, with students feeling they are now better equipped to conduct meetings and perform their duties as a SRC representative.

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MINUTES OF THE ANNUAL GENERAL MEETING OF RUPANYUP/MINYIP FINANCE GROUP LTD

HELD ON TUESDAY, 27th OCTOBER, 2009 AT MINYIP.

WELCOME

Stewart Petering welcomed all in attendance to the Annual General Meeting of Rupanyup/Minyip Finance Group Ltd.

ATTENDEES:

Craig Powell, Dianne Walsh, Jenny Walsh, Max Hood, Andrew Matthews, David Matthews, Sam Matthews, Matt Webb, Alison Butler, Peter Knights, Damian Bryon, Simon Cornwell, Peter Niewand, Gary Bourke, Natalie Robbins, Stewart Petering, Kell Tyler, Jo Bourke, Joy King, Owen King, Marg Matthews, Barry Baker, Alan Barry, Chris Niewand, Trent Kerrins, Peter Haney, John Kempford, Gavin Young, Helen Barry, Marion Petering, Marney Rollinson, David Krutzer, Doug Walters.

APOLOGIES:

Leigh & Elaine Wilson, Sheri Garton, Elissa Chalmers, Kellie Oxbrow, Ray Kingston

Moved that the apologies be accepted.

Moved: Max Hood Sec: Lloyd Milgate

Carried unanimously.

MINUTES OF LAST ANNUAL GENERAL MEETING:

No business arising from minutes.

Moved that the minutes be accepted.

Moved: Andrew Matthews Sec: Lloyd Milgate

Carried unanimously.

CHAIRMAN REPORT:

As per Annual Report

MANAGERS REPORT:

Craig congratulated both communities on their support during difficult times of drought and economic climate. The community and the board have proven that hard work and good staff can get through these tough times. With the crops growing and the economic climate improving we are looking forward to the year ahead. Craig thanked Di Walsh for her effort, taking on a lot of additional roles. Craig also thanked the Regional office, Bendigo Bank and Natalie Robbins for their support and efforts.

FINANCIAL REPORT:

Peter Knights, Knights Accounting.

Peter thanked the team at KA for their help during the year and congratulated the branch staff for keeping things rolling along during a tough year. There has been a drop in turn over driven by the economy and a drop in the rate of return on deposits due to the drop in interest rate. RMFG paid \$120,000 in community projects in the 2008 year which reduced the amount on deposit, with an overall decrease of 7%.

The changes in expenses for the year were the staff wage increases but this gives our branches better resource to keep the business growing. A profit of \$67,000 was lower than last year but has the ability to grow in a better economy.

Peter congratulated the boards' effort which is done on an honorary basis. The community needs to remember the benefits the community receive when using local bank branches.

Moved that the financial reports be accepted

Moved: Dianne Walsh Sec: Trent Kerrins

Carried unanimously.

ELECTION OF DIRECTORS:

Two directors retire from office by rotation being Gary Bourke and Charles Stewart Petering and two directors nominated to fill vacancies during the year being Dianne Walsh and Jennifer Walsh. They all offer themselves for re-election.

Nominations for the Board as received are as follows:

1. Gary Bourke
2. Charles Stewart Petering
3. Dianne Walsh
4. Jennifer Walsh

Those nominated were duly elected unopposed.

Moved: David Matthews Sec: Max Hood
carried unanimously

APPOINTMENT OF AUDITOR:

Robert Glass, of WHK, has made himself available for reappointment for the completion of the audit for the year ended 30th June 2010.

Moved that Robert Glass of WHK be appointed as auditor of Rupanyup/Minyip Finance Group Ltd for the year ended 30th June 2010.

Moved: Samantha Mathews Sec: Peter Niewand
Carried unanimously.

GENERAL BUSINESS:

Nil

ALISON BUTLER:

Financial Planner

Alison introduced herself and described her role as empowering people to make informed decisions about their financial future. Alison explained that she can help people make the right financial choices for each age/stage of their lives. Alison can help our community be fully informed about their future.

DAMIAN BRYON:

Agri Business

Damian gave a brief explanation of his back ground, growing up in Minyip and then working and living in the local area. Damian is available for appointments to discuss agri products that best suit client's business needs.

JO BOURKE:

Rupanyup Community Centre

Three years ago, RMFG made the decision to support the Community Centre Project. The Rupanyup Community had a wish list over the decades to have a community centre like this. RMFG then made a commitment to fund the project over 3 years, fifty-thousand per year. This is an example of how the community bank can work for its community. From the \$150,000 received, the community virtually quadrupled the funds. The Victorian Government has contributed \$300,000 from Small Towns Development grant, a federal contribution of \$50,000 targeting community infrastructure, and a Community Support Fund grant of \$50,000. The community has also committed sixty-thousand voluntary hours.

The existing building has now been demolished with tenders closing last Friday. Once the tenders have been evaluated the timelines for rolling out the project will be known. The community are hoping to be ready for the next footy season.

Jo reported that the process has brought the community together with a variety of community groups being involved. The community centre will not only be beneficial to the existing community but will more inviting for outside people to come to our area.

Jo thanked the bank for their support and stressed the benefits the community can receive from the community bank and the potential for projects in the future.

DAVID MATTHEWS

David addressed the meeting explaining how big the community bank network has become. Eleven years ago the idea was not believed to work and look at how strong we are now. At the recent National conference there where 650 delegates compared to 15 at the first conference held. The community need to be proud of what we have. Stewart Petering has played a large part in this network. We give joint thanks to Stewart for his work over eleven years and now as chairman.

Stewart Petering responded by expressing how proud he is to be apart of a project that has become a national success and thanked Rob Hunt for his inspiration.

MEETNG CLOSED: 6.40PM

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Financial Statements
For the year ended 30 June, 2010

Knights Accounting

16 Cromie Street, PO Box 95
Rupanyup, Vic, 3388

Phone: (03) 53 855 330

Fax: (03) 53 855 375

Email: rupanyup@knightsaccounting.com.au

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Directors Report For the Year ended 30 June 2010

DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 30 June 2010.

Directors

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

Andrew Matthews
David Matthews
Dianne Walsh
Gary Bourke
Jenny Walsh
Lloyd Milgate
Maxwell Hood
Natalie Robbins
Peter Niewand
Samantha Matthews
Stewart Petering

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

Company Secretary

The following person held the position of entity secretary at the end of the financial year:

Gary Bourke

Principal Activities

The principal activity of the entity during the financial year was:

Community Bank Service provision

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

Operating Results

The profit of the entity amounted to \$129,204

Dividends Paid or Recommended

No dividends are payable on the basis of being a not for profit community purpose entity and as such is prohibited from distributing any income or profits to its members in any form: cash property or otherwise.

Review of Operations

A review of operations of the entity during the financial year indicated that changes in trading conditions resulted in decrease in revenue by 10%. The decrease in revenue, coupled with an increase in expenditure contributed to a decrease in the entity's profit.

Significant Changes in State of Affairs

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

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Directors Report

For the Year ended 30 June 2010

After Balance Date Events

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

Future Developments

The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

Environmental Issues

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

Options

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

Information on Directors

| | | |
|------------------------|---|---|
| Andrew Matthews | — | Director, 12 years (Resigned May 2010) |
| Qualifications | — | |
| Experience | — | Consultative Committee, Emma's and Golf Club Committee's |
| David Matthews | — | Director , 12 Years |
| Qualifications | — | Diploma Business (International Trade) |
| Experience | — | Pulse Aust. And Grain Trust Director, Churchill Fellow, Co-Chair of CBank Advisory Board chair of Cbank Advisory Board |
| Dianne Walsh | — | Director (Resigned June, 2010) |
| Qualifications | — | |
| Experience | — | 5 Years Banking Experience |
| Gary Bourke | — | Chairman - Company Secretary, 8 years |
| Qualifications | — | Batchelor Ec & Politics, Dip of Ed, Grad Dip of career ed |
| Experience | — | |

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Directors Report

For the Year ended 30 June 2010

| | | |
|--------------------------|---|---|
| Jenny Walsh | — | Director (Appointed June 09) |
| Qualifications | — | |
| Experience | — | |
| Lloyd Milgate | — | Director, 12 Years |
| Qualifications | — | Dip. Farm Management |
| Experience | — | Director Dunmunkle Health Services |
| Maxwell Hood | — | Director, 11 Years |
| Qualifications | — | |
| Experience | — | |
| Natalie Robbins | — | Director, (Appointed June 10) |
| Qualifications | — | |
| Experience | — | |
| Special Responsibilities | — | |
| Peter Niewand | — | Director, 7 years |
| Qualifications | — | |
| Experience | — | Director Rup North Co-operative, Lions President |
| Samantha Matthews | — | Director, 9 years |
| Qualifications | — | Bachelor of Business, Fellow Professional National Accountant, |
| Graduate AICD | — | |
| Experience | — | |
| Stewart Petering | — | Director, 12 years |
| Qualifications | — | Awarded OAM |
| Experience | — | Shire Councillor for 17 yrs, Life Member of DHS, Chair of Pipeline Study, Served Wimmera Dev Assoc. |

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Directors Report

For the Year ended 30 June 2010

Meetings of Directors

During the financial year, 12 meetings of directors were held. Attendances by each director were as follows:

| | Directors Meetings | |
|-------------------|---------------------------|-----------------|
| | Number eligible to attend | Number attended |
| Andrew Matthews | 9 | 1 |
| David Matthews | 12 | 7 |
| Dianne Walsh | 10 | 8 |
| Gary Bourke | 12 | 12 |
| Jenny Walsh | 10 | 9 |
| Lloyd Milgate | 12 | 9 |
| Maxwell Hood | 12 | 4 |
| Natalie Robbins | 1 | 1 |
| Peter Niewand | 12 | 10 |
| Samantha Matthews | 12 | 7 |
| Stewart Petering | 12 | 12 |

Indemnifying Officers or Auditor

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 the entity.

Proceedings on Behalf of the Entity

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

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

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2010 has been received.

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

Director



Gary Bourke

Dated this

FIRST

day of

OCTOBER

2010

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Directors Report

For the Year ended 30 June 2010

| | Note | 2010 \$ | 2009 \$ |
|---|------|-----------------------|----------------------|
| Revenues from Ordinary Activities | 2 | 587,496 | 502,939 |
| Employee Expenses | | (227,106) | (229,639) |
| Depreciation and Amortisation Expenses | 3 | (17,584) | (17,537) |
| Other Expenses from Ordinary Activities | | (213,602) | (188,367) |
| Profit (Loss) from Ordinary Activities | | <u>129,204</u> | <u>67,396</u> |
| Net Profit (Loss) | | <u>129,204</u> | <u>67,396</u> |

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Directors Report

For the Year ended 30 June 2010

| | Note | 2010 \$ | 2009 \$ |
|--------------------------------------|------|----------------|----------------|
| Current Assets | | | |
| Cash and Cash Equivalents | 4 | 422,965 | 288,965 |
| Trade and Other Receivables | 5 | 54,805 | 48,563 |
| Total Current Assets | | 477,770 | 337,528 |
| Non-Current Assets | | | |
| Property, plant and equipment | 6 | 226,475 | 237,559 |
| Intangible assets | 7 | 6,173 | 7,968 |
| Total Non-Current Assets | | 232,648 | 245,527 |
| Total Assets | | 710,418 | 583,055 |
| Current Liabilities | | | |
| Trade and Other Payables | 8 | 41,684 | 28,453 |
| Provisions | 9 | 6,120 | 9,330 |
| Chattel Mortgage | 10 | 9,797 | 9,797 |
| Total Current Liabilities | | 57,601 | 37,783 |
| Non-Current Liabilities | | | |
| Provisions | 9 | 6,603 | 2,278 |
| Chattel Mortgage | 10 | 4,271 | 13,458 |
| Total Non-Current Liabilities | | 10,874 | 15,736 |
| Total Liabilities | | 68,475 | 53,519 |
| Net Assets | | 641,943 | 529,536 |
| EQUITY | | | |
| Retained profits | | 641,943 | 529,536 |
| Total Equity | | 641,943 | 529,536 |

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Directors Report

For the Year ended 30 June 2010

| | Retained Earnings | Total |
|--------------------------------|-------------------|----------------|
| Balance at 1 July 2008 | 469,700 | 469,700 |
| Profit attributable to Members | 67,396 | 67,396 |
| Community Funds Distribution | (17,357) | (17,357) |
| Balance at 30 June 2009 | 519,739 | 519,739 |
| | | |
| Balance at 1 July 2009 | 519,739 | 519,739 |
| Profit attributable to Members | 129,204 | 129,204 |
| Community Funds Distribution | (7,000) | (7,000) |
| Balance at 30 June 2010 | 641,943 | 641,943 |

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Statement of Cash Flows

As at 30 June 2010

| | Note | 2010 \$ | 2009 \$ |
|---|------|-----------------|-----------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 569,957 | 494,707 |
| Payments to suppliers and employees | | (413,927) | (396,302) |
| Interest received | | 14,231 | 13,546 |
| Interest and other costs of finance | | (14,344) | (14,810) |
| Income tax paid | | - | - |
| Net cash provided by (used in) operating activities | 14 | <u>155,917</u> | <u>97,141</u> |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | | | 6,418 |
| Proceeds from sale of investments | | | |
| Payment for property, plant and equipment | | <u>(14,917)</u> | <u>(28,109)</u> |
| Net cash provided by (used in) investing activities | | <u>(14,917)</u> | <u>(21,691)</u> |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Community Project Payments | | <u>(7,000)</u> | <u>(17,357)</u> |
| Net cash provided by (used in) financing activities | | <u>(7,000)</u> | <u>(17,357)</u> |
| Net increase (decrease) in cash held | | 134,000 | 58,093 |
| Cash at beginning of year | | 288,965 | 230,872 |
| Cash at end of year | 4 | <u>422,965</u> | <u>288,965</u> |

Notes to the Financial Statements

For the Year ended 30 June 2010

Note 1 - Statement Of Significant Accounting Policies

The financial report is a general purpose financial report and it 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. The financial report is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets and they have been prepared on an accruals basis. Cost is based on fair value which is the amount in which an asset could be exchanged between knowledgeable, willing participants in an arm's length transaction.

Unless otherwise stated the accounting policies have been consistently applied. The financial report is for the entity known as Rupanyup Minyip Finance Group Ltd a company, as an individual entity. The company was incorporated and has its domicile in Australia.

The financial report complies with all International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies used by Rupanyup Minyip Finance Group Ltd in the preparation of the financial report.

(a) - Cash

For the purpose of the statement of cash flows, cash includes the following, net of bank overdrafts, all cash on hand, at call deposits with banks or financial institutions and investments in money market instruments maturing within less than two months.

(b) - Employee Benefits

Provision is made for the liability due to employee benefits arising from services rendered by employees but unpaid as at balance date. Employee benefits expected to be settled within one year and benefits arising from wages & salaries, long service leave and annual leave which will be paid after one year have been measured at the amount expected to be paid when the liability falls due, plus any associated on-costs. Other benefits payable later than one year are measured at the present value of the estimated future cash outflows for those benefits. Contributions made to employee superannuation funds are charged as expenses when incurred.

(c) - 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 benefit will result and that outflow can be reliably measured.

(d) - Property, Plant & Equipment

Each class of property, plant and equipment is carried at fair value less any accumulated depreciation, where applicable or at cost. They are measured on fair value, being the amount for which an asset could be exchanged in an arm's length transaction between informed participants.

Plant and Equipment

Plant and equipment are carried at either cost or at independent or directors' valuation, less any accumulated depreciation or amortisation applicable. The director's review annually the carrying amount of property, plant and equipment to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the expected net cash flows which will be received from the assets employment and eventual disposal. In determining the recoverable amount, the expected net cash flows have not been discounted to present values.

Depreciation

Excluding freehold land the depreciable amount of all fixed assets including capitalised leased assets and buildings are depreciated on a straight line basis over the useful lives to the company commencing from the time the asset is ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Depreciation is not charged as an expense to properties held for investment purposes

The depreciation rates used for each class of assets are:

| Class of Fixed Assets | Depreciation Rate |
|-----------------------|-------------------|
| Buildings | 2% |
| Plant & Equipment | 15 - 40% |
| Motor Vehicles | 20 - 25% |
| Furniture & Fittings | 15 - 30% |

Capital gains tax for assets acquired after the introduction of that tax, has not been recorded in the company's financial report where there has been a revaluation of freehold land and buildings.

Notes to the Financial Statements

For the Year ended 30 June 2010

(e) - Revenue

Income from providing a service is recognised when the customer receives the service

(f) - Income Tax

The company is an income tax exempt company. There are two requirements for a company to be accepted as income exempt. Firstly, it should be a non-profit organisation. Secondly, the company must be established for one of the exempt purposes, specified in the income tax legislation. Both requirements are satisfied as outlined below:"

A non-profit organisation generally means that the company:-

- is prohibited from distributing any income or profits to its members in any form: cash property or otherwise; and
- on winding up, no money or property will be paid, given or shared amongst the members.

These two conditions are clearly stated in the Rupanyup / Minyip Finance Group Ltd constitution.

The exempt purpose for which the company has been established is for community service purposes. Clause 1.2.3.21 of the Constitution outlines one of the objects of the company: To pursue community service purposes only and to apply its income in promoting those purposes.

(g) - Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(h) - Comparative Figures

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

| | 2010 \$ | 2009 \$ |
|--|----------------|----------------|
| Note 2 - Revenue From Ordinary Activities | | |
| Operating revenue | | |
| - Gross receipts | 521,082 | 446,293 |
| - Market Development | 52,083 | 43,000 |
| - Expense Reimbursement | - | - |
| - Membership Fees | 100 | 100 |
| | <u>573,265</u> | <u>489,393</u> |
| Non-operating revenue | | |
| - Interest received | 14,231 | 13,546 |
| - Rental Income Received | - | - |
| - Sundry Income | - | - |
| | <u>14,231</u> | <u>13,546</u> |
| Total Revenue from Ordinary Activities | <u>587,496</u> | <u>502,939</u> |

Note 3 - Operating Profit

Operating profit before income tax has been determined after:

Crediting as Income:

Interest received

14,230 13,546

Charging as Expenses:

Bad and doubtful debts

3,803 438

Depreciation of non-current assets:

- Plant and equipment

15,584 15,537

Amortisation

- Franchise fee and IT license

2,000 2,000

Remuneration of the auditors:

- audit

2,550 2,450

Net loss on disposal of non-current assets:

- Property, plant & equipment

- 3,014

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Notes to the Financial Statements

For the Year ended 30 June 2010

| | 2010 \$ | 2009 \$ | | | |
|---|-----------------|------------------|--------------------------------|------------------------------|----------------|
| Note 4 - Cash & Cash Equivalents | | | | | |
| Current | | | | | |
| Cash At Bank | 46,138 | 26,364 | | | |
| Sandhurst Trustees | 107,198 | 4,041 | | | |
| Term Deposits | <u>269,629</u> | <u>258,560</u> | | | |
| | <u>422,965</u> | <u>288,965</u> | | | |
| Note 5 - Trade & Other Receivables | | | | | |
| Current | | | | | |
| Trade Debtors | 54,805 | 48,563 | | | |
| GST Refundable | <u>-</u> | <u>-</u> | | | |
| | <u>54,805</u> | <u>48,563</u> | | | |
| Note 6 - Property, Plant and Equipment | | | | | |
| Fixtures & Fittings | | | | | |
| At Cost | 82,986 | 82,986 | | | |
| Less: Accumulated depreciation | <u>(58,192)</u> | <u>(53,398)</u> | | | |
| | <u>24,794</u> | <u>29,588</u> | | | |
| Plant and equipment | | | | | |
| At Cost | 64,172 | 64,172 | | | |
| Less: Accumulated depreciation | <u>(40,474)</u> | <u>(33,304)</u> | | | |
| | <u>23,698</u> | <u>30,868</u> | | | |
| Land | | | | | |
| Freehold Land - at cost | <u>5,200</u> | <u>5,200</u> | | | |
| | <u>5,200</u> | <u>5,200</u> | | | |
| Buildings | | | | | |
| At Cost | 182,515 | 178,015 | | | |
| Less: Accumulated depreciation | <u>(9,732)</u> | <u>(6,112)</u> | | | |
| | <u>172,783</u> | <u>171,903</u> | | | |
| | <u>226,475</u> | <u>237,559</u> | | | |
| Movement in Carrying Amounts | | | | | |
| | Land | Buildings | Fixtures & Fittings | Plant & Equipment | Total |
| Balance at Beginning of Year | 5,200 | 171,903 | 29,588 | 30,868 | 237,559 |
| Additions | - | 4,500 | - | - | 4,500 |
| Disposals | - | - | - | - | - |
| Depreciation Expense | - | (3,620) | (4,794) | (7,170) | (15,584) |
| Carrying Amount at End of Year | <u>5,200</u> | <u>172,783</u> | <u>24,794</u> | <u>23,698</u> | <u>226,475</u> |
| Note 7 - Intangible Assets | | | | | |
| Franchise Fee and IT License | 41,000 | 41,000 | | | |
| Less: Accumulated amortisation | <u>(35,032)</u> | <u>(33,032)</u> | | | |
| | <u>5,968</u> | <u>7,968</u> | | | |
| Research and development expenditure | 15,000 | 15,000 | | | |
| Less: Accumulated amortisation | <u>(15,000)</u> | <u>(15,000)</u> | | | |
| | <u>-</u> | <u>-</u> | | | |
| Borrowing Costs - Chattel Mortgage | 205 | | | | |
| | <u>6,173</u> | <u>7,968</u> | | | |

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Notes to the Financial Statements

For the Year ended 30 June 2010

| | 2010 \$ | 2009 \$ |
|---|---------------|---------------|
| Note 8 - Trade and Other Payables | | |
| Current | | |
| Unsecured | | |
| Trade Creditors | 24,411 | 14,319 |
| GST & FBT Payable | 17,273 | 14,134 |
| | <u>41,684</u> | <u>28,453</u> |
| Note 9 - Provisions | | |
| Current | | |
| Employee Entitlements | 6,120 | 9,330 |
| | <u>6,120</u> | <u>9,330</u> |
| Non Current | | |
| Employee Entitlements | 6,603 | 2,278 |
| | <u>6,603</u> | <u>2,278</u> |
| Note 10 - Financial Liabilities | | |
| Current | | |
| Chattel Mortgage | 10,418 | 10,418 |
| Less: Unexpired Interest Charges | (621) | (621) |
| | <u>9,797</u> | <u>9,797</u> |
| Non-Current | | |
| Chattel Mortgage | 4,341 | 14,759 |
| Less: Unexpired Interest Charges | (70) | (1,301) |
| | <u>4,271</u> | <u>13,458</u> |
| Note 11 - Superannuation Commitments | | |

The company has registered as an employer with the fund nominated by each employee. Contributions to the funds are based on percentage of employee gross remuneration and are made by the employer or by the employee and the employer.. Contributions to the plans will not exceed the permitted levels prescribed by income tax legislation from time to time.

| | 2010 | 2009 |
|--|--------------|--------------|
| Note 12 - Remuneration of Auditor | | |
| Amounts received, or due and receivable by the auditor of the company for: | | |
| Auditing the accounts | 2,550 | 2,450 |
| Other services | - | - |
| | <u>2,550</u> | <u>2,450</u> |

Note 13 - Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated:

| | 2010 \$ | 2009 \$ |
|---|----------------|---------------|
| Note 14 - Cashflow Information | | |
| Reconciliation of Cash Flow from Operations with Profit | | |
| Profit (Loss) from ordinary activities | 129,204 | 67,396 |
| Non-cash flows in profit from ordinary activities | | |
| Amortisation | 3,230 | 2,000 |
| Depreciation | 15,584 | 15,537 |
| Net loss on disposal of plant and equipment | - | 3,014 |
| Changes in assets and liabilities, net of the effects of purchase | | |
| Decrease/(Increase) in receivables | (6,242) | (1,754) |
| Decrease/(Increase) in other assets | (205) | - |
| Increase/(Decrease) in payables | 13,231 | 3,704 |
| Increase/(Decrease) in provisions | 1,115 | 7,244 |
| Cash flows from operations | <u>155,917</u> | <u>97,141</u> |

Note 15 - Members' Guarantees

The company is limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 30 June 2010, the number of members was 167

Note 16 - Segment Reporting

The economic entity operates as community branches of the Bendigo Bank Ltd in the Rupanyup and Minyip districts.

Notes to the Financial Statements

For the Year ended 30 June 2010

Note 17 - Economic Dependency

The normal trading activities of the Company (which undertakes the branch activities of the Bendigo Bank in Rupanyup and Minyip districts) rely on the franchise contracts with the Bendigo Bank Group.

Note 18 - Financial Instruments

(a) Interest Rate Risk

The Company's exposure to interest rate risk, which is the risk that financial instruments will fluctuate as a result of change in market interest rates and the effective average interest rates on those financial assets is as follows:

Floating Interest Rate

Financial Assets

| | | |
|-----------------------------------|---------|--------|
| Cash at Bank - Operating Account | 46,138 | 26,364 |
| Average interest rate | 0.00% | 0.01% |
| Cash at Bank - Sandhurst Trustees | 107,198 | 4,041 |
| Average interest rate | 0.00% | 3.48% |
| Cash at Bank - Term Deposit 1 | 117,206 | - |
| Average interest rate | 5.00% | 5.00% |
| Cash at Bank - Term Deposit 2 | 91,003 | - |
| Average interest rate | 4.00% | 4.00% |
| | | - |

Non Interest Bearing

Financial Assets

| | | |
|------------------|--------|--------|
| - Receivables | 54,805 | 48,563 |
| Financial Assets | | |
| - Payables | 41,684 | 28,453 |

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

The Company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Company.

(c) Net Fair Values

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 and forming part of the financial statements.

Note 19 - Company Details

The registered office of the company is:
Rupanyup / Minyip Finance Group Ltd
16 Cromie Street
Rupanyup Vic 3388

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Directors Declaration For the Year ended 30 June 2010

The directors of the company declare that:

1. The financial statements and notes, are in accordance with the Corporations Act 2001:
 - a. comply with Australian Accounting Standards; and
 - b. give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion there are reasonable grounds to believe that the entity 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.



Gary J Bourke
Director



Natalie Robbins
Director

Dated: 22nd September 2010

Rupanyup Minyip Finance Group Ltd

ACN 083 123 924

Profit and Loss Statement

For the Year ended 30 June 2010

| | 2010 \$ | 2009 \$ |
|---|-----------------------|----------------------|
| INCOME | | |
| Gross Receipts | 521,082 | 446,293 |
| Market Development Incentive | 52,083 | 43,000 |
| Membership fees | 100 | 100 |
| Interest Received | 14,231 | 13,546 |
| Loss on Sale of Non-current Assets | - | (3,014) |
| Sundry Income | - | - |
| | <u>587,496</u> | <u>499,925</u> |
| EXPENDITURE | | |
| Accountancy Fees | 26,095 | 29,475 |
| Amortisation - Franchise Fee | 2,000 | 2,000 |
| Advertising | 13,475 | 9,115 |
| Administration Fees | 22,533 | 20,779 |
| Auditor's Remuneration | 2,550 | 2,450 |
| Bad Debts | 3,803 | 438 |
| Bank Charges | 34 | 494 |
| Birthday Expense | - | 6,754 |
| Cleaning / Rubbish Removal | 50 | 15 |
| Cash Delivery & Management Fees | 3,404 | 1,877 |
| Consultancy Fees | 8,800 | 7,700 |
| Depreciation | 15,584 | 15,537 |
| Filing Fees | 80 | - |
| Freight & Cartage | 15,973 | 14,841 |
| Fringe Benefits Tax | 3,367 | 3,096 |
| Insurance | 18,352 | 16,405 |
| Interest | 54 | 1,074 |
| Legal Costs | 3,770 | - |
| Leasing Charges | 13,113 | 13,789 |
| Light & Power | 3,776 | 3,522 |
| IT Running & Support Costs | 27,491 | 30,590 |
| Meeting expense | 319 | 464 |
| Motor Vehicle Expenses | 12,370 | 8,822 |
| Postage | 2,456 | 944 |
| Printing & Stationery | 6,818 | 6,654 |
| Rates & Taxes | 1,995 | 1,958 |
| Repairs & Maintenance | 5,136 | 9,495 |
| Salaries & Wages | 205,411 | 190,636 |
| Security Costs | 2,298 | 834 |
| Search Fees & Credit Checks | 1,148 | 535 |
| Staff Amenities | 5,464 | 1,529 |
| Subscriptions | 417 | - |
| Sundry Expenses | 906 | 160 |
| Superannuation | 17,714 | 16,201 |
| Telephone | 10,094 | 9,745 |
| Travel, Accom & Conferences | 828 | 3,808 |
| Water | - | 299 |
| Workcover | 614 | 494 |
| | <u>458,292</u> | <u>432,529</u> |
| OPERATING PROFIT BEFORE INCOME TAX | <u>129,204</u> | <u>67,396</u> |

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RUPANYUP/MINYIP FINANCE GROUP LIMITED
A.B.N. 79 083 123 924

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
RUPANYUP MINYIP FINANCE GROUP LIMITED

Ballarat
9 Creswick Road
Ballarat, Victoria 3350

PO Box 350
Ballarat, Victoria 3353

T 03 5331 4044
F 03 5333 2750

We have audited the accompanying financial report of Rupanyup Minyip Finance Group Limited (the company), which comprises the Balance Sheet as at 30 June 2010 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 directors' declaration.

The Responsibility of the Directors 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 designing, implementing 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.

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.

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 the Rupanyup Minyip Finance Group Ltd on 21st September 2001, 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 statements present fairly, in all material aspects, the financial position of the Rupanyup Minyip Finance Group Ltd as at 30 June 2010, and its financial performance and cash flows for the year then ended in accordance with the Corporations Act 2001 and Australian Accounting Standards (including the Australian Accounting Interpretations)



Robert H. Glass F.C.A.
Registered Company Auditor
WHK Western Victoria Audit Partnership
9 Creswick Road
Ballarat VIC 3350
Dated: 22nd September 2010

Casterton

Colac

Coleraine

Geelong

Hamilton

Ocean Grove

Portland

Stawell

Warrnambool

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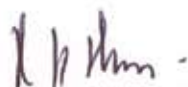
**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
RUPANYUP MINYIP FINANCE GROUP LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 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.

ballarat@whk.com.au
www.whk.com.au

WHK Western Victoria
Audit Partnership
ABN 96 588 679 258

A handwritten signature in black ink, appearing to read "R H Glass".

**Robert H Glass
Audit Principal
WHK Western Victoria Audit Partnership**

Dated this 21st day of September 2010

Created by



☎ 0429 852 327



Rupanyup **Community Bank®** Branch
32 Cromie St, Rupanyup VIC 3388
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Bendigo and Adelaide Bank Limited
The Bendigo Centre, Bendigo VIC 3550.
ABN: 11 068 049 178
AFSL: 237 879