



Annual Report 2014

Rupanyup/Minyip
Finance Group Limited

ABN 79 083 123 924

Rupanyup/Minyip **Community Bank®** Branch

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Chairman's report

For year ending 30 June 2014

The last 12 months have certainly been a roller coaster for the Rupanyup Minyip Finance Group Limited. The year has seen the full effect of the restoring the balance through the profit share with Bendigo and Adelaide Bank, the start of the acquisition of Rural Finance, the Rural Bank integration and the changing of the Manager to name a few things.

Firstly I would like to thank Meagan Edwards for her contribution to the Rupanyup Minyip Finance Group Limited during her time as Branch Manager of the branches and wish her well in her new role as Retail Sales Lead for the Ballarat/Wimmera Region, and we look forward to the interaction with her in this new role.

We have been fortunate to appoint Damian Bryan to the role of Branch Manager, and have loved seeing a local returning to the area to take up such a pivotal role in the community. Damian brings with him a wealth of knowledge on rural lending and we hope that this enables Rupanyup Minyip Finance Group Limited to better service our clients with the expertise on this portfolio of the business.

I would like to thank the staff of the branches for a fantastic year, especially during the testing time that comes between the changeovers of Branch Managers, where the staff were required to cover each other in this six-week period.

The change in services provided through the Rural Bank products, and now the Rural Finance and Doug Clifford Insurance purchases are exciting additions to the **Community Bank**[®] model. These will hopefully translate into a financial benefit to our communities, as well as better services for customers. We all appreciate that our communities are not growing in population, so the addition of these new products will hopefully allow us grow the business for the future and secure the continued funds flowing into the two towns.

To the project recipients, well done on helping to improve our communities, through the projects that you have started to implement. We are lucky in that we have community minded residents who continue to better their communities for everyone to have a better quality of life. Looking at our towns, we definitely punch above our weight for the quality of the amenities in our towns, and this is due a lot of work from the two communities.

I would like to acknowledge and thank the Board members of the Rupanyup Minyip Finance Group Limited for their continued work as Board members, which is purely on a volunteer basis. During the last 12 months, the restructuring of the profit share through the 'Restoring the Balance2', has forced the Board to work very hard at ensuring we can not only have a good business now, but long into the future.

Taking on the role of Chairman has been a huge learning curve, but has been made significantly easier through the support and help of the other Board members. I would also like to thank the team at the Ballarat Region Office for their support and help during the year, especially through the Branch Manager appointment period.

While the role of the Project Officer has been discontinued into the new financial year, I would like to thank Daryl Warren for the work he did during the year in sourcing grants and working with some of the community groups.

Obviously the running of the Board takes a lot of background support. Calinda Hurley has done a great job in facilitating the day-to-day running of the Rupanyup Minyip Finance Group Limited and we thank her for her continued hard work in this area.

The final acknowledgement is to thank Peter Knights/Watts Price Accounting for the years of service as the financial accountants for our business, and welcome Samantha Matthews & Associates as our new service provider in this area.

Chairman's report (continued)

As we have turned over into our 17th year, I believe that it is important that we continue to develop the Rupanyup Minyip Finance Group Limited for what it is, and that is the community's own bank. I believe that sometimes we fall into the trap of seeing our **Community Bank**[®] branch as a source of funding for community projects, rather than the reinvestment of our own money back into our community. If we can continue to have this as the focus, then we will continue to have the successful business that can keep assisting community groups long into the future.



Anthony Chapman
Chairman

Manager's report

For year ending 30 June 2014

Welcome to the 16th Annual Report for Rupanyup/Minyip Finance Group Limited, and my first report as Branch Manager of Rupanyup/Minyip **Community Bank**[®] Branch.

The 2014 financial year has proven to be a relatively successful year during times where margins are continually declining and the cash rate at a record low. Although we still face the challenges of a volatile financial market we are optimistic entering into our 16th year of business.

The branch has now been operating for 16 years and we continue to see a steady growth in business. The past financial year showed a growth in total business of \$2.09 million in new loans and deposits. Our total footings as at 30 June 2014 were \$74.454 million.

To date, Rupanyup/Minyip **Community Bank**[®] Branch have contributed in excess of \$850,000 in community grants. The **Community Bank**[®] concept, as you can see, shows to the banking industry that people in small communities can have a positive impact in the growth and prosperity of their respective townships.

The Rupanyup/Minyip **Community Bank**[®] Branch's staff can assist you with all of your banking and lending requirements and with myself all aspects of agribusiness can be done at a local level.

Bendigo and Adelaide Bank have also purchased the Doug Clifford Insurance business in Horsham which will add a great benefit to our business with Doug available for all insurance appointments on site at farms.

I would like to also thank the staff, Dianne Walsh, Hannah Ellen, Rae Faulkner, Kellie Oxbrow, Sheri Garton and Kirstin MacMillan for their hard work during the year.

I would also like to thank Chairman, Anthony Chapman, and the Board of Directors for their hard work and dedication to making the Rupanyup/Minyip **Community Bank**[®] Branch a sustained success.



Damian Bryan
Branch Manager

Community contributions

Rupanyup Golf Club - Solar panels.

The Rupanyup Golf Club received \$4,000 to assist with the purchase and installation of solar panels on the Club House.

Rupanyup **Community Bank**[®] Branch's support for this project will help to sustain the club into the future. Given the size of the membership and increasing costs, being able to reduce the electricity bill and perhaps even generate a small income will mean costs can be held and possibly reduced.

Community members will be able to continue to enjoy the Golf Club, providing valuable exercise and an opportunity to mix socially.



Electric Hi/Low beds for Dunmunkle Lodge.



Dunmunkle Lodge sought assistance from the Rupanyup Minyip Finance Group 2013 Community Projects Funding to assist with the completion of the upgrade to Electric Hi / Low beds for all residents. The Rupanyup Minyip Finance Group 2013 Community Projects Funding, funded the purchase of a further 4 Electric Hi / Lo beds to complete the upgrade.

All Residents now have been provided with an Electric Hi / Low beds that increases Resident independence and comfort whilst in bed, and assists to minimise the risk of falls from bed.

Electric beds also reduce the risk to staff of manual handling injuries as a result of moving residents and making beds.

Dunmunkle Lodge greatly appreciates and thanks you for your continued support and funding.

We have included a photograph of a resident, Melva Banachowycz who is enjoying the independence that an Electric Hi / Low bed offers.

Yours faithfully,

Barbara Whiteford
Hostel Services Co ordinator

Community contributions (continued)

Minyip bushland walking track.

The township of Minyip was established in the 1870's with 56 acres set aside as a public reserve in 1877. This reserve has had various uses, including a manure depot and rubbish tip. In 1995/96 bulldozers were used to bury rubbish and community volunteers helped with the clean up and revegetation. In 1998, Parks Victoria named the area Minyip Bushland Reserve. With a State Government Grant and the assistance of the Rupanyup/Minyip Finance Group Limited and various other organisations, in 2013, the walking track was resurfaced.



Rupanyup Uniting Church - External painting.



The painting of the interior and exterior of the church coincided with the centenary celebration of the building. A time capsule from 1913 at the front of the building was uncovered and resealed with items from 2013.

Financial support from the Rupanyup **Community Bank**® Branch enabled the external painting of the front of the church facing Cromie Street. A task that not financially possible without the branch's support.

The recently painted building is very aesthetically pleasing to churchgoers, community people passing by and visitors to our town. The church looks cared for and loved.

Directors' report

For the financial year ended 30 June 2014

Your Directors submit their report on the entity for the financial year ended 30 June 2014.

Directors

The names and details of the company's Directors who held office during or since the start of the financial year are:

Anthony Chapman – Chairman
David Matthews – Director
Jenny Walsh – Director
Gary Bourke – Director
Maxwell Hood – Director
Natalie Robbins – Director
Peter Niewand – Director
Samantha Matthews – Director
Michelle Clark – Director
Lloyd Milgate – Director
Kristy Davidson – Director

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:

Samantha Matthews

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

Operations have continued to perform in line with expectations. The profit of the company:

• For the year ended 30 June 2014 was	\$126,008
• For the year ended 30 June 2013 was	\$94,592

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.

Directors' report (continued)

Review of operations

A review of operations of the entity indicates that Operating revenue increased by 1.6% to \$573,058 during the 2014 financial year. Total expenses decreased by 1.4% to \$480,092 for the same period. Non-operating revenue increased by 87% to \$33,041. This was largely due to the receipt of a grant to fund a study to be completed in 2015 into the redevelopment of the retail precinct in Rupanyup. The resulting overall increase in net profit was 33% to \$126,008, of which \$92,967 was from operations (2013 \$76,947).

Significant changes in state of affairs

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

Significant events after balance date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the 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

David Matthews	Director 16 years
Qualifications	Diploma Business (International Trade) Graduate of the Australian Institute of Company Directors (GAICD)
Experience	Pulse Australia - Director Australian Field Crops Association - Director (past) Co - Chair Community Bank [®] Strategic Advisory Board Bendigo and Adelaide Bank Limited - Non Executive Director
Gary Bourke	Director 13 years
Qualifications	Bachelor Economics & Politics, Diploma of Education Graduate Diploma of Career Education
Jenny Walsh	Director 4 years
Qualifications	
Experience	
Lloyd Milgate	Director 16 years
Qualifications	Dip. Farm Management
Experience	Board Member Dunmunkle Health Services Board Member of Dunmunkle Lodge

Directors' report (continued)

Information on Directors (continued)

Maxwell Hood	Director 15 years
Qualifications	
Experience	
Natalie Robbins	Director 4 years
Qualifications	
Experience	
Peter Niewand	Director 11 years
Qualifications	
Experience	Director Rupanyup North Co-Operative, Lions President
Samantha Matthews	Director 13 years
	Company Secretary 8 Years
Qualifications	Bachelor of Business (Acc), GAICD, FIPA
Experience	Director - GWM Water
Michelle Clark	Director 3 years
Qualifications	
Experience	
Anthony Chapman	Director 3 years
Qualifications	Bachelor of Business (FBM)
Experience	
Kristy Davidson	Director 1 year
Qualifications	
Experience	

Meetings of Directors

During the financial year, 11 meetings of Directors were held. Attendances by each Director were as follows:

	Directors' meetings	
	Number eligible to attend	Number attended
Anthony Chapman – Chairman	11	10
David Matthews – Director	11	9
Jenny Walsh – Director	11	4
Gary Bourke – Director	11	9
Maxwell Hood – Director	11	6
Natalie Robbins – Director	11	7
Peter Niewand – Director	11	9
Samantha Matthews – Director	11	9
Michelle Clark – Director	11	7
Lloyd Milgate – Director	11	11
Kristy Davidson – Director	11	8

Directors' report (continued)

Indemnification and insurance of Directors and Officers

The company had indemnified all Directors and the Manager in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as Directors or Managers of the company except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for an Auditor of the company or a related body corporate.

Director's benefits

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a Director, a firm which a Director is a member or an entity in which a Director has a substantial financial interest. This statement excludes a benefit included in aggregate amount of emoluments received or due and receivable by Directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

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 2014 has been received.

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



Anthony Chapman
Director

Dated 10 September 2014

Auditor's independence declaration



Auditor's Independence Declaration Under S307C 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 2014 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

CH

CROWE HORWATH WEST VIC

A handwritten signature in black ink that reads "John Findlay".

JOHN FINDLAY
Partner

Ballarat, Victoria

Date: 10th September 2014

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Financial statements

Statement of comprehensive income for the year ended 30 June 2014

	Note	2014 \$	2013 \$
Revenues from ordinary activities	2	606,099	581,678
Employee expenses		(254,658)	(250,997)
Depreciation and amortisation expenses	3	(27,263)	(16,957)
Other expenses from ordinary activities		(198,170)	(219,133)
Profit (loss) from ordinary activities		126,008	94,592
Net profit (loss)		126,008	94,592
Other comprehensive income:			
Revaluation increments/ decrements		-	-
Total comprehensive income for the year		126,008	94,592

Financial statements (continued)

Statement of financial position for the year ended 30 June 2014

	Note	2014 \$	2013 \$
Current assets			
Cash and cash equivalents	4	545,853	511,468
Trade and other receivables	5	51,452	49,481
Total current assets		597,305	560,949
Non-current assets			
Property, plant and equipment	6	272,578	286,812
Intangible assets	7	55,684	0
Total non-current assets		328,262	286,812
Total assets		925,567	847,761
Current liabilities			
Trade and other payables	8	38,691	25,440
Provisions	9	4,041	5,468
Total current liabilities		42,732	30,908
Non-current liabilities			
Provisions	9	12,825	12,763
Total non-current liabilities		12,825	12,763
Total liabilities		55,557	43,671
Net assets		870,010	804,090
Equity			
Retained profits		870,010	804,090
Total equity		870,010	804,090

Financial statements (continued)

Statement of cash flows for the year ended 30 June 2014

	Note	2014 \$	2013 \$
Cash flow from operating activities			
Cash receipts in the course of operations		571,085	568,126
Cash payments in the course of operations		(440,939)	(469,917)
Net cash flows from / (used in) operating activities	13	130,146	98,209
Cash flow from investing activities			
Interest and grants received		33,040	17,645
Proceeds from sale of property, plant and equipment		-	11,818
Proceeds from sale of investments		-	-
Payments for purchase of intangibles		(68,713)	-
Payments for property, plant and equipment		-	(102,581)
Net cash flows from / (used in) investing activities		(35,673)	(73,118)
Cash flow from financing activities			
Community project payments		(60,088)	(68,039)
Net cash flows from / (used in) financing activities		(60,088)	(68,039)
Net increase / (decrease) in cash held		34,385	(42,948)
Cash at beginning of year		511,468	554,416
Cash at end of year	4	545,853	511,468

Financial statements (continued)

Statement of changes in equity for the year ended 30 June 2014

	Retained earnings \$	Total \$
Balance at 1 July 2012	777,537	777,537
Profit attributable to members	94,592	94,592
Community funds distribution	(68,039)	(68,039)
Balance at 30 June 2013	804,090	804,090
Balance at 1 July 2013	804,090	804,090
Profit attributable to members	126,008	126,008
Community funds distribution	(60,088)	(60,088)
Balance at 30 June 2014	870,010	870,010

Notes to the financial statements

For year ended 30 June 2014

Note 1. Statement of significant accounting policies

The financial statements were authorised for issue on 13 September 2014 by the Directors of the company.

Basis of preparation

Rupanyup Minyip Finance Group Ltd has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 July 2010.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified where applicable and do not take into account changing money values or, except where stated, current valuations of non-current assets. 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 statements are for the entity known as Rupanyup Minyip Finance Group Ltd a company, as an individual entity. The company is limited by guarantee and has its domicile in Australia.

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

(a) 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. On the basis of current ATO case law and Income Tax Rulings and Determinations the company assesses itself as fulfilling the exemption requirements set out therein.

Notes to the financial statements (continued)

Note 1. Statement of significant accounting policies (continued)

(b) Property, plant & equipment

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

Plant and equipment

The carrying amount of property, plant and equipment is reviewed annually by Directors 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. 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 Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the assets useful life to the group commencing from the time the asset is held 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 recognised in the statement of comprehensive income.

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%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

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

(c) Impairment of assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Notes to the financial statements (continued)

Note 1. Statement of significant accounting policies (continued)

(c) Impairment of assets (continued)

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill of intangible assets and indefinite lives.

(d) 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. In determining the liability, consideration is given to employee wage increased and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Contributions made to employee superannuation funds are charged as expenses when incurred.

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

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(f) Cash

Cash and cash equivalents include cash on hand, deposits held as-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 short-term borrowings in current liabilities in the statement of financial position.

(g) Revenue

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

(h) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

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

(j) Comparative figures

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

Notes to the financial statements (continued)

	2014 \$	2013 \$
Note 2. Revenue from ordinary activities		
Operating revenue		
- Gross receipts	522,836	514,033
- Market development	50,222	50,000
- Membership fees		-
	573,058	564,033
Non-operating revenue		
- Interest received	15,041	17,645
- Grants received	18,000	-
	33,041	17,645
Total revenue from ordinary activities	606,099	581,678

Note 3. Operating profit

Operating profit before income tax has been determined after:

Crediting as income:		
Interest received	15,041	17,645
Charging as expenses:		
Bad and doubtful debts	80	30
Depreciation of non-current assets:		
- Plant and equipment	14,235	14,989
Amortisation		
- Franchise fee and IT license	13,028	1,968
Remuneration of the Auditors:		
- audit	3,700	3,000
Net loss on disposal of non-current assets:		
- Property, plant & equipment	-	3,696

Note 4. Cash & cash equivalents

Current		
Cash at bank	146,448	79,803
Sandhurst Trustees	398,656	430,902
Term deposits	-	-
Eftpos account	749	763
	545,853	511,468

Notes to the financial statements (continued)

	2014 \$	2013 \$
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Note 5. Trade & other receivables

Current

Trade debtors	51,452	49,481
FBT refundable	-	-
	51,452	49,481

Note 6. Property, plant and equipment

Fixtures & fittings

At Cost	92,357	92,357
Less: Accumulated depreciation	(76,411)	(73,192)
	15,946	19,165

Plant and equipment

At Cost	65,431	65,431
Less: Accumulated depreciation	(44,075)	(36,708)
	21,356	28,723

Land

Freehold land - at cost	5,200	5,200
	5,200	5,200

Buildings

At Cost	254,409	254,408
Less: Accumulated depreciation	(24,333)	(20,684)
	230,076	233,724
	272,578	286,812

Movement in carrying amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year.

Notes to the financial statements (continued)

Note 6. Property, plant and equipment (continued)

Movement in carrying amounts (continued)

2013	Land	Buildings	Fixtures & fittings	Plant & equipment	Total
Balance at beginning of year	5,200	165,480	23,292	20,761	214,733
Additions		71,894		30,687	102,581
Disposals				(11,818)	(11,818)
Loss on disposal				(3,695)	(3,695)
Depreciation expense		(3,650)	(4,127)	(7,212)	(14,989)
Carrying amount at end of year	5,200	233,724	19,165	28,723	286,812

2014	Land	Buildings	Fixtures & fittings	Plant & equipment	Total
Balance at beginning of year	5,200	233,724	19,165	28,723	286,812
Additions					-
Disposals					-
Loss on disposal					-
Depreciation expense		(3,649)	(3,219)	(7,367)	(14,235)
Carrying amount at end of year	5,200	230,075	15,946	21,356	272,577

	2014	2013
	\$	\$

Note 7. Intangible assets

Franchise fee and IT licence - at cost	109,713	41,000
Less: Accumulated amortisation	(54,029)	(41,000)
	55,684	-
Research and development expenditure - at cost	15,000	15,000
Less: Accumulated amortisation	(15,000)	(15,000)
	-	-
Borrowing costs - Chattel mortgage	-	-
	55,684	-

Notes to the financial statements (continued)

	2014 \$	2013 \$
Note 8. Trade and other payables		
Current		
Unsecured		
Trade creditors	26,096	13,441
GST & FBT payable	12,595	11,999
	38,691	25,440

Note 9. Provisions

Current		
Employee entitlements	4,041	5,468
	4,041	5,468
Non current		
Employee entitlements	12,825	12,763
	12,825	12,763

Note 10. 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.

	2014 \$	2013 \$
Note 11. Remuneration of Auditor		
Amounts received, or due and receivable by the Auditor of the company for:		
Auditing the accounts	3,700	3,000
Other services	-	-
	3,700	3,000

Note 12. 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.

Notes to the financial statements (continued)

	2014 \$	2013 \$
Note 13. Cashflow information		
Reconciliation of cash flow from operations with profit from ordinary activities after income tax		
Profit (loss) from ordinary activities	92,969	76,947
Non-cash flows in profit from ordinary activities		
Amortisation	13,028	1,968
Depreciation	14,235	14,989
Net loss on disposal of plant and equipment	-	3,696
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Decrease/(increase) in receivables	(1,971)	4,093
Decrease/(increase) in other assets	-	842
Increase/(decrease) in payables	13,251	(4,670)
Increase/(decrease) in provisions	(1,366)	344
Cashflows from operations	130,146	98,209

Note 14. 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 2014, the number of members was 167.

Note 15. Segment reporting

The economic entity operates as community branches of the Bendigo and Adelaide Bank Limited in the Rupanyup and Minyip districts. There have been no events subsequent to reporting date that would materially effect the financial statements at the reporting date.

Note 16. Economic dependency

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

Note 17. Financial risk management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long term investments, accounts receivable and payable, and leases. The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Notes to the financial statements (continued)

	2014 \$	2013 \$
Note 17. Financial risk management (continued)		
Financial assets		
Cash and cash equivalents	545,853	511,468
Loans and receivables	51,452	49,481
Total financial assets	597,306	560,949
Financial liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	38,691	25,440
- Borrowings	-	-
Total financial liabilities	38,691	25,440

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 18. Company details

The registered office of the company is:

Rupanyup / Minyip Finance Group Ltd
9 Stewart Street,
Rupanyup VIC 3388

Directors' declaration

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 2014 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.



Anthony Chapman
Director



Gary Bourke
Director

Dated: 10 September 2014

Disclaimer to members

Rupanyup Minyip Finance Group Ltd

DISCLAIMER TO THE MEMBERS OF RUPANYUP MINYIP FINANCE GROUP LTD

The additional financial data presented on the following page is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the financial year ended 30 June 2014. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Rupanyup Minyip Finance Group Ltd.) in respect of such data, including any errors or omissions therein however caused.

CROWE HORWATH WEST VIC



JOHN FINDLAY

Partner
Ballarat, Victoria

Dated this 10th day of September 2014

Income statement

For the year ended 30 June 2014

	2014	2013
	\$	\$
Income		
Gross receipts	522,836	514,033
Market development incentive	50,222	50,000
Membership fees		-
Interest received	15,041	17,645
Profit on sale of non-current assets		-
Grants received	18,000	-
	606,099	581,678
Expenditure		
Accountancy fees	11,049	29,415
Amortisation - franchise fee	13,028	1,968
Advertising	24,485	34,789
Auditor's remuneration	3,700	3,000
Bad debts	80	31
Bank charges	656	869
Cleaning / rubbish removal	-	374
Cash delivery & management fees	4,840	5,551
Depreciation	14,235	14,989
Filing fees	757	112
Freight & cartage	16,898	16,733
Fringe benefits tax	2,176	2,839
Insurance	16,670	16,194
Legal costs	58	-
Leasing charges	13,739	14,422
Light & power	5,301	5,512
Loss on sale of non-current assets	-	3,696
IT Running & support costs	26,437	26,312
Meeting expense	150	1,158
Motor vehicle expenses	7,875	8,402
Postage	1,046	1,144
Printing & stationery	8,932	9,047

Income statement (continued)

	2014 \$	2013 \$
Expenditure (continued)		
Rates & taxes	3,179	2,548
Repairs & maintenance	4,752	7,088
Salaries & wages	233,468	228,136
Secondment Manager	12,976	-
Security costs	4,125	2,600
Search fees & credit checks	1,225	941
Staff amenities	16,191	15,876
Subscriptions	-	649
Sundry expenses	1,386	464
Superannuation	18,320	19,737
Telephone	10,839	9,297
Travel, accom & conferences	825	2,909
Workcover	695	285
	480,092	487,087
Operating profit before income tax	126,008	94,592

Independent audit report



Independent Auditor's Report to the Members of Rupanyup Minyip Finance Group Ltd

Report on the financial report

We have audited the accompanying financial report of Rupanyup Minyip Finance Group Ltd (the company), which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statements of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – *Reduced Disclosure Requirements* and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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 company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

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Independent audit report (continued)



Opinion

In our opinion, the financial report of Rupanyup Minyip Finance Group Ltd is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – *Reduced Disclosure Requirements* and the *Corporations Regulations 2001*.

CH

CROWE HORWATH WEST VIC

A handwritten signature in black ink that reads "John Findlay".

JOHN FINDLAY
Partner

Ballarat, Victoria

Dated this 10th day of September 2014



Rupanyup **Community Bank**[®] Branch
32 Cromie Street, Rupanyup VIC 3388
Phone: (03) 5385 5320 Fax: (03) 5385 5336
www.bendigobank.com.au/rupanyup

Minyip **Community Bank**[®] Branch
63 Main Street, Minyip VIC 3392
Phone: (03) 5385 7680 Fax: (03) 5385 7675
www.bendigobank.com.au/minyip

Franchisee: Rupanyup/Minyip Finance Group Limited
16 Cromie Street, Rupanyup VIC 3388
ABN: 79 083 123 924

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