



# Annual Report 2017

Rupanyup/Minyip  
Finance Group Limited  
ABN 79 083 123 924

Rupanyup/Minyip **Community Bank**® Branch

# Contents

---

<b>Chairman's report</b>	<b>2</b>
<b>Manager's report</b>	<b>3</b>
<b>Community engagements</b>	<b>4</b>
<b>Minutes of 2016 AGM</b>	<b>6</b>
<b>Directors' report</b>	<b>8</b>
<b>Auditor's independence declaration</b>	<b>12</b>
<b>Financial statements</b>	<b>13</b>
<b>Notes to the financial statements</b>	<b>17</b>
<b>Directors' declaration</b>	<b>26</b>
<b>Independent audit report</b>	<b>27</b>
<b>Auditor disclaimer</b>	<b>29</b>
<b>Income statement</b>	<b>30</b>

# Chairman's report

---

For year ending 30 June 2017

Greetings to all fellow minded citizens.

The year has passed very quickly. Industry wheels continue to turn. People strive to grow their profits and create a level of security for their business and families.

It's very pleasing to see our community spirit is alive and well. While small country towns like ours are slowly declining, we have reversed this trend. Money spent by your **Community Bank**<sup>®</sup> branch keeps our towns alive. We invest back to the local areas in many ways. This year adequate rainfalls have helped us to grow. Profit for your bank is generated by the actions of your support of the **Community Bank**<sup>®</sup> branch. There are many banks out there keen to keep your business, but they don't contribute to your community in the way we do. The support of your bank has contributed \$959,997 into both the Rupanyup and Minyip communities.

Thank you to my fellow Directors, who keep the wheels turning.

Many thanks to Di Walsh and her team, you can feel very satisfied with the results achieved this year.

Thank you to Megan Boyd and SMA for their precise account keeping.

It would be remiss of me not to mention the umpire with the coloured cards. Natalie Krause your help and assistance is greatly appreciated.

Take pride in your bank.

Take pride in your town.

Take pride that you have created jobs for your hard-working staff.

Take pride that the heart beat in Rupanyup and Minyip is beating like the base drum of the Coromby Brass Band at the Flying Doctor's Parade.



**Peter Niewand**  
**Chairman**

# Manager's report

---

For year ending 30 June 2017

It is with pleasure that I present the Manager's report for Rupanyup and Minyip **Community Bank**<sup>®</sup> branches for the year ended 30 June 2017.

Over the last financial year we have seen our business reach \$79 million. This is a great result given the economic climate.

A **Community Bank**<sup>®</sup> branch needs strong community support and I am grateful to the many individuals, businesses and community groups who support their local **Community Bank**<sup>®</sup> branch. I believe that if you are passionate about your local community, then it makes sense to support businesses and groups that add value to that community. I stress the importance of not only banking with Rupanyup and Minyip **Community Bank**<sup>®</sup> branches but also supporting our local businesses and traders, to ensure that the products and services we are fortunate to have in our community can continue to be delivered, and in return, benefit our community to prosper and grow.

Last year we ran a Farmers Breakfast where we had a number of industry guest speakers attend and this year our focus has been on insurance. Our 'have a coffee on us' campaign was successful with many taking up the opportunity of getting a free quote and a free coffee. Our thanks to Rachel at Emma's Café Minyip and Claire at Rupanyup Living for providing the delicious coffee. I was also able to attend the Wimmera Field days, and caught up with a number of locals there.

There are numerous community projects that have received sponsorships and grant funding over the last 19 years to the tune of a whopping \$959,997. This is a direct result of our community simply banking with us.

To my staff, Rae, Kellie, and recently appointed Carlie and casual CSO Eileen, I thank you for your support, engagement and vision during the year. I also wish to recognise the contribution of both Clay and Kirstin who left us during the year. Our team is committed to the provision of excellent customer service and community engagement.

I also wish to thank Chairman Pete Niewand and Directors of the Board as well as Rupanyup/Minyip Finance Group Limited Secretary Natalie for their time and efforts and support over the last 12 months.

Finally, I wish to thank you, our customers for supporting your **Community Bank**<sup>®</sup> branch.



**Dianne Walsh**  
**Relationship Manager**



# Community engagements

## Minyip Show and Shine

The 2017 Show and Shine weekend of 18-19 February 2017 was a boost for the organisations of our town. This event in 2016 provided the basis for an even better event this year. Saturday night BBQ and entertainment was attended by both locals and visitors and the number of entrants on Sunday was great to see. The Ovarian Cancer Market had lots of lovely items and provided an alternative to cars and bikes for both visiting and local ladies. The Primary School students all entered the art competition and each participant was given a certification of participation and a small gift with winners in each Grade. The event raised \$2,500 that was handed over to the Royal Flying Doctors.



## Farmer's breakfast morning



Our Rupanyup and Minyip **Community Bank**<sup>®</sup> branches held a farmers information morning in August of 2016.

The 40 attendees began the morning with delicious egg and bacon rolls and much needed coffee and tea served by our staff.

Presentations began with Chris Walsh, Seednet Australia, followed by Vic No Till by Paul Oxbrow. Leanne from Dunmunkle Health also gave a talk on mental health, which is quite relevant in today's society. Luke Riley, Rural Bank Agribusiness Manager, finished off the morning with an informative presentation on Ag Answers land values.

It was great to get feedback from attendees advising the morning was beneficial.

## Murray to Moyn 2017

On Saturday 1-2 April 'The Dunmunkle Titans' Murray to Moyn Cycle Relay Team commenced the arduous 520km journey from Swan Hill to Port Fairy. This was a huge effort for the team as training and preparation for the event was minimal. Their fundraising target for the event was to reach their \$5,000 goal.

The team consisted of Peter Brown, Philip Edgerton, Michael Finnigan, Bruce Koschmann, Brian Storey, Ron Storey and Craig Turner with support team Alan Foster, Peter Rudge, Susie O Donnell and Tracey Chenoweth.

The Team wishes to acknowledge and thank the Rupanyup and Minyip Hospital Ladies Auxiliaries for their support and generosity in providing a lovely meal for the Saturday night.

We wish to acknowledge our most generous sponsors for their contribution which assisted the Team in surpassing their fundraising target and achieving in excess of \$6,000. Thanks go to the Rupanyup/Minyip **Community Bank**<sup>®</sup> Branch for their continued sponsorship.



West Wimmera Health Service wishes to congratulate and thank the Titans on their effort and we look forward to continued participation in this special event which provides enormous opportunity to promote health, wellbeing and team building while raising much needed funds for our local hospitals.

## Projects

The Rupanyup **Community Bank**<sup>®</sup> Branch was proud to support the elimination of the debt in the Rupanyup Community Centre through a donation of \$45,000.

The **Community Bank**<sup>®</sup> Branch originally seed funded the project with \$50,000 over three years to gain the \$150,000 needed to attract the funding from the government to build the centre.

Over the last five years the management of the centre has been attempting to pay the over spend on the centre through the running of functions. Unfortunately the economic climate in the region was not conducive to this achieving the goal, and the Rupanyup **Community Bank**<sup>®</sup> Branch saw an opportunity to help the community by assisting in the elimination of the \$45,000 debt.

The Rupanyup **Community Bank**<sup>®</sup> Branch is excited that this donation will release the burden from the small community to allow the small band of volunteers in the associated clubs that use the facility to concentrate on the task of keeping the clubs running.



## Rupanyup Primary School Pirate Ship Project

In 2014 Rupanyup Primary School's School Council decided to have a safe and attractive playground for students. We come up with an idea of a wooden structure Pirate Ship and a feature wall which will give more attraction for all age groups in school.

With the help of our community, local business and Rupanyup/Minyip Finance Group Limited's grant we were able to get \$4,000 towards to this project. We started the project later 2015 and finished the ship late 2016, early 2017 was able to get the feature wall completed.

Rupanyup Primary School Council and Students thank Rupanyup/Minyip Finance Group Limited for helping out to get this project completed.



# Minutes of 2016 AGM

---

Minutes for the Annual General Meeting of Rupanyup/Minyip Finance Group Ltd held on Wednesday, 26 October 2016, Rupanyup Recreation Reserve.

**Welcome:** 6:05pm Mark O'Dowd

**Attendees:** Anthony & Rachael Chapman, Mark O'Dowd, Gary & Jo Bourke, Kristy Davidson, Natalie Robbins, Peter & Christine Niewand, Corrinne Heintze, Dale & Chris Petering, Adrian Tyler, Glen Morgan, Kellie Oxbrow, Mark O'Dowd, Sudath Pathirana, Calinda Hurley, Sonny Johns, Graeme Oxbrow, June Walsh, Dianne Walsh, Rae Falkner, Clay Prew, Graeme Meldrum, Peter Bridgland, Jo Hotker, Emily Hotker, Dale & Rachel Maggs, Michael & Stephanie Funcke, Lloyd & Marie Milgate, Warren Funcke, Natalie Krause & Ryan Milgate, Barry Baker, Malcolm Uhe, Annie Robbins, David Bush & Robert Eelman

**Apologies:** Peter & Vicki South, Michael Finnigan, Bob Robbins, Peter Haney, Iris Wiese, Sheri Garton, David Matthews, Samantha Matthews, Michelle Clarke, Rod Weidman

Moved that the apologies be accepted.

Moved: Gary Bourke      Sec: Dianne Walsh

## **Minutes of the last Annual General Meeting:**

Moved: Peter Niewand      Sec: Rae Falkner

**Chairman's report:** As presented by Anthony Chapman

Anthony thanked Dianne Walsh for her enthusiasm and great work, along with the staff. Also thanked the secretary Natalie Krause and the Board for their work to maintain the business and guide it through constantly changing landscape of the finance industry. Anthony also stated that he has enjoyed the last three years as Chairman of RMFG Ltd.

The much higher than budgeted financial performance has directly been attributed to the restructure of the branches that was started 18 months ago. Whilst it has been a big change behind the scenes, we hope that customers have only seen the slight change in the Friday as the physical change over that time, leading to a structure that can more appropriately service the physical transactions.

I would like to thank the community for the ongoing support, and truly believe that even after 18 years, it feels like we are just starting the journey together to keep building our Rupanyup and Minyip **Community Bank**<sup>®</sup> branches and in turn our own.

**Manager's report:** As presented by Dianne Walsh

Dianne thanked Chairman Anthony Chapman and the Board for their enthusiasm over the last 12 months and also thanked the staff and the local community.

Our two branches are well recognised for supporting our community, providing access to funding in big and small ways, and making a difference. This is only possible because local people choose to do their banking with us. We are well on the way to achieving \$1 million in grants and sponsorship's given back to the communities. This has been very rewarding and satisfying, as a local community business generating profits through very tough times, then returning these profits back into community activities and groups to help them accomplish their ambitions. Imagine where would our communities be without that funding? We look forward to continue supporting our community and help to keep it vibrant and strong.

The challengers are certainly ahead for myself and the team. These are as a result of our current climate of exceptionally low interest rates and squeezed profit margins, but our staff and business are firmly positioned to continue to support our customers and their communities.

So, it's still exciting times for our business going forward. We hope the journey ahead will provide some favourable seasons and in turn provide our community with increased trade and capital.

# Minutes of 2016 AGM (continued)

---

**Financial report:** As presented by Anthony Chapman

Operations have continued to perform in line with expectations.

For the year ended 30 June 2016 was \$136,024

For the year ended 30 June 2015 was \$45,941

A review of operations of the entity indicates that operating revenue decreased by 5.9% to \$509,03 during the 2016 financial year. Total expenses decreased by 24% to \$387,381 for the same period. The resulting overall increase in Net Profit was 196% to \$136,024 of which \$121,642 was from operations (2015 \$49,550).

The change of branch hours and staffing structure are to make the branches sustainable and be able to continue to give back to the community.

Moved that the Financial Reports be accepted

Moved: Lloyd Milgate      Sec: Dianne Walsh

## **Election of Directors:**

Four Directors retire from office by rotation being Kristy Davidson, Samantha Matthews, Peter Niewand and Natalie Robbins. Only three offer themselves for re-election, plus a new nominee. Nominations for the Board as received are as follows:

Natalie Robbins was up for re-election but has resigned after 6 years;

1. Kristy Davidson
2. Samantha Matthews
3. Peter Niewand
4. Michael Funcke

Those nominated were duly elected unopposed

Moved: Kellie Oxbrow      Sec: Clay Prew

## **Appointment of Auditor:**

Crow Horwarth elected as Auditors

Moved: Kristy Davidson      Sec: Adrian Tyler

## **General business:**

- **Project Tenders:** The Board are still looking at the projects on offer and will endeavour to support where they can.

## **Closing / Thankyou:**

Meeting closed: 6:23pm



# Directors' report

---

For the financial year ended 30 June 2017

The Directors present their report, together with the financial statements, on the company for the year ended 30 June 2017.

## **Directors**

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

Peter Niewand - Chairman  
David Matthews - Director  
Gary Bourke - Director  
Michael Funcke - Director (from 26 October 2016)  
Anthony Chapman - Director (to 22 February 2017)  
Natalie Robbins - Director (to 26 October 2016)  
Samantha Matthews - Director  
Michelle Clark - Director  
Lloyd Milgate - Director  
Kristy Davidson - Director  
Robert Eelman - Director (from 21 June 2017)  
Sudath Pathirana - Director (from 21 June 2017)

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 since: 30 November 2011.

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 2017 was \$203,570. For the year ended 30 June 2016 was \$136,024.

## **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 indicates that Operating Revenue increased by 7.8% to \$548,599 during the 2017 financial year. Total Expenses decreased by 7.5% to \$358,464 for the same period. The resulting overall increase in Net Profit was 49.6% to \$203,570, of which \$190,134 was from operations (2016 \$121,642).

# Directors' report (continued)

---

## 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.

## Information on Directors

<b>David Matthews</b>	Director 19 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 <b>Community Bank</b> <sup>®</sup> Strategic Advisory Board Bendigo and Adelaide Bank - Non Executive Director
<b>Gary Bourke</b>	Director 16 years
Qualifications	Bachelor Economics & Politics, Diploma of Education Graduate Diploma of Career Education
<b>Lloyd Milgate</b>	Director 19 Years
Qualifications	Dip. Farm Management
Experience	Board Member Dunmunkle Health Services Board Member of Dunmunkle Lodge
<b>Michael Funcke</b>	Director 1 Year
Qualifications	
Experience	President Minyip Primary School Council
<b>Peter Niewand</b>	Director 14 Years
Qualifications	
Experience	Director Rupanyup North Co-Operative, Lions President
<b>Samantha Matthews</b>	Director 16 Years
	Company Secretary 11 Years
Qualifications	Bachelor of Business ( Acc ), GAICD, FIPA
Experience	Director - GWM Water
<b>Michelle Clark</b>	Director 6 Years
Qualifications	
Experience	Banking experience 12 years

# Directors' report (continued)

## Information on Directors (continued)

<b>Kristy Davidson</b>	Director 4 Years
Qualifications	
Experience	
<b>Sudath Pathirana</b>	Director
Qualifications	
Experience	
<b>Robert Eelman</b>	Director
Qualifications	Bachelor of Business (Acc)
Experience	Vice President Rupanyup Lions Treasurer Rupanyup Bowls Treasurer Rupanyup and District Mens Shed Committee Member West Wimmera Health Services Community Advisory

## 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
Peter Niewand- Chairman	11	11
David Matthews - Director	11	7
Gary Bourke - Director	8	8
Michael Funcke - Director (from 26 October 2016)	8	7
Anthony Chapman - Director (to 22 February 2017)	6	5
Natalie Robbins - Director (to 26 October 16)	4	3
Samantha Matthews - Director	11	8
Michelle Clark - Director	11	5
Lloyd Milgate - Director	11	7
Kristy Davidson - Director	11	8
Robert Eelman - Director (from 21 June 2017)	2	2
Sudath Pathirana - Director (from 21 June 2017)	2	1

## 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.

# Directors' report (continued)

---

## **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.

## **Auditor's independence declaration**

The lead Auditor's independence declaration for the year ended 30 June 2017 has been received.

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



**Peter Niewand**  
**Director**

Dated this 18 September 2017

# 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 2017 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.

**CROWE HORWATH WEST VIC**

A handwritten signature in black ink, appearing to read "Martin Thompson".

**MARTIN THOMPSON**  
Partner

Ballarat, Victoria  
Dated this 18<sup>th</sup> day of September 2017

Crowe Horwath West Vic is a member of Crowe Horwath International, a Swiss Verein. Each member of Crowe Horwath is a separate and independent legal entity. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omission of financial services licensees.



# Financial statements

---

## Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Revenue	2	562,035	523,405
Employee expenses		(175,800)	(180,134)
Depreciation and amortisation expenses	3	(24,413)	(26,424)
Other expenses		(158,252)	(180,823)
<b>Profit (loss) before income tax expense</b>		<b>203,570</b>	<b>136,024</b>
Income tax expense		-	-
<b>Net profit (loss) attributable to members</b>		<b>203,570</b>	<b>136,024</b>

These financial statements should be read in conjunction with the accompanying notes.

# Financial statements (continued)

## Statement of Financial Position as at 30 June 2017

	Notes	2017 \$	2016 \$
<b>Current assets</b>			
Cash and cash equivalents	4	811,754	642,923
Trade and other receivables	5	52,769	45,574
<b>Total current assets</b>		<b>864,523</b>	<b>688,497</b>
<b>Non-current assets</b>			
Property, plant and equipment	6	258,502	259,155
Intangible assets	7	14,458	28,200
<b>Total non-current assets</b>		<b>272,960</b>	<b>287,355</b>
<b>Total assets</b>		<b>1,137,483</b>	<b>975,852</b>
<b>Current liabilities</b>			
Trade and other payables	8	25,371	15,819
Employee benefits	9	14,920	12,890
<b>Total current liabilities</b>		<b>40,291</b>	<b>28,709</b>
<b>Non-current liabilities</b>			
Employee benefits	9	33	4,354
<b>Total non-current liabilities</b>		<b>33</b>	<b>4,354</b>
<b>Total liabilities</b>		<b>40,324</b>	<b>33,063</b>
<b>Net assets</b>		<b>1,097,159</b>	<b>942,789</b>
<b>Equity</b>			
Retained profits		1,097,159	942,789
<b>Total equity</b>		<b>1,097,159</b>	<b>942,789</b>

These financial statements should be read in conjunction with the accompanying notes.

## Financial statements (continued)

### Statement of Cash Flows for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
<b>Cash flow from operating activities</b>			
Cash receipts in the course of operations		541,404	510,474
Cash payments in the course of operations		(326,705)	(375,762)
<b>Net cash flows from / (used in) operating activities</b>	<b>13</b>	<b>214,699</b>	<b>134,712</b>
<b>Cash flow from investing activities</b>			
Interest and grants received		13,436	24,382
Payments for property, plant and equipment		(10,104)	-
<b>Net cash flows from / (used in) investing activities</b>		<b>3,332</b>	<b>24,382</b>
<b>Cash flow from financing activities</b>			
Community project payments		(49,200)	(99,000)
<b>Net cash flows from / (used in) financing activities</b>		<b>(49,200)</b>	<b>(99,000)</b>
Net increase / (decrease) in cash held		168,831	60,094
Cash and cash equivalents at beginning of year		642,923	582,829
<b>Cash and cash equivalents at end of year</b>	<b>4</b>	<b>811,754</b>	<b>642,923</b>

These financial statements should be read in conjunction with the accompanying notes.

## Financial statements (continued)

---

### Statement of Changes in Equity for the year ended 30 June 2017

	Retained earnings \$	Total equity \$
Balance at 1 July 2015	895,765	895,765
Profit attributable to members	136,024	136,024
Community funds distribution	(99,000)	(99,000)
Community funds grants	10,000	10,000
<b>Balance at 30 June 2016</b>	<b>942,789</b>	<b>942,789</b>
Balance at 1 July 2016	942,789	942,789
Profit attributable to members	203,570	203,570
Community funds distribution	(49,200)	(49,200)
Community funds grants	-	-
<b>Balance at 30 June 2017</b>	<b>1,097,159</b>	<b>1,097,159</b>

These financial statements should be read in conjunction with the accompanying notes.

# Notes to the financial statements

---

For year ended 30 June 2017

## Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Rupanyup Minyip Finance Group Ltd is a company limited by guarantee.

### New, revised or amending accounting standards and interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

### Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001.

### Historical cost convention

The financial statements have been prepared under the historical cost convention.

### Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1L.

### **(a) Revenue**

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

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

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all the conditions complied with.

### **(b) Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.



# Notes to the financial statements (continued)

---

## Note 1. Significant accounting policies (continued)

### (b) Current and non-current classification (continued)

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

### (c) Property, plant & equipment

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

#### Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line or diminishing value 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 profit or loss and other comprehensive income.

The depreciation rates used for each class of assets are:

<b>Class of fixed assets</b>	<b>Depreciation rate</b>
Buildings	2%
Plant & equipment	15 - 40%
Fixtures & 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.

### (d) Intangible assets

#### Franchise fee and IT licence

Costs associated with franchise fee and IT licence are deferred and amortised on a straight line basis over the period of their expected benefit, being their finite life of 5 years.

### (e) 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.

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.

# Notes to the financial statements (continued)

---

## Note 1. Significant accounting policies (continued)

### **(f) Employee benefits**

#### Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

#### Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

### **(g) Cash and cash equivalents**

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.

### **(h) Income tax**

The company is an income tax exempt company. There are two requirements for a company to be accepted as income tax 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.

### **(i) 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.

### **(j) 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.

# Notes to the financial statements (continued)

## Note 1. Significant accounting policies (continued)

### (k) Comparative figures

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

### (l) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

#### Employee benefits provision

As discussed in note 1(f), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

	2017 \$	2016 \$
<b>Note 2. Revenue</b>		
Operating revenue		
- Gross receipts	512,349	459,023
- Market Development	36,250	50,000
	<b>548,599</b>	<b>509,023</b>

## Notes to the financial statements (continued)

	2017 \$	2016 \$
Note 2. Revenue (continued)		
Non-operating revenue		
- Interest received	13,436	14,382
	<b>13,436</b>	<b>14,382</b>
<b>Total revenue</b>	<b>562,035</b>	<b>523,405</b>

### Note 3. Operating profit

Operating profit before income tax has been determined after:

Crediting as Income:

Interest received	13,436	14,382
-------------------	--------	--------

Charging as Expenses:

Bad and doubtful debts	-	34
------------------------	---	----

Depreciation of non-current assets:

- Plant and equipment	10,671	12,682
-----------------------	--------	--------

Amortisation

- Franchise fee and IT license	13,742	13,742
--------------------------------	--------	--------

Remuneration of the Auditors:

- audit	4,100	4,100
---------	-------	-------

### Note 4. Cash and cash equivalents

**Current**

Cash at bank	18,380	48,739
Sandhurst Trustees	792,636	593,472
Eftpos account	738	712
	<b>811,754</b>	<b>642,923</b>

### Note 5. Trade and other receivables

**Current**

Trade debtors	52,769	45,574
	<b>52,769</b>	<b>45,574</b>

## Notes to the financial statements (continued)

	2017 \$	2016 \$
<b>Note 6. Property, plant and equipment</b>		
<b>Fixtures &amp; fittings</b>		
At cost	114,045	106,848
Less: Accumulated depreciation	(91,559)	(87,546)
	<b>22,486</b>	<b>19,302</b>
<b>Plant and equipment</b>		
At cost	66,246	65,425
Less: Accumulated depreciation	(56,556)	(53,548)
	<b>9,690</b>	<b>11,877</b>
<b>Land</b>		
Freehold land - at cost	5,200	5,200
	<b>5,200</b>	<b>5,200</b>
<b>Buildings</b>		
At cost	256,409	254,409
Less: Accumulated depreciation	(35,283)	(31,633)
	<b>221,126</b>	<b>222,776</b>
	<b>258,502</b>	<b>259,155</b>

### 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.

	Land	Buildings	Fixtures & fittings	Plant & equipment	Total
<b>2016</b>					
Balance at beginning of year	5,200	226,426	24,302	15,909	271,837
Depreciation expense	-	(3,650)	(5,000)	(4,032)	(12,682)
<b>Carrying amount at end of year</b>	<b>5,200</b>	<b>222,776</b>	<b>19,302</b>	<b>11,877</b>	<b>259,155</b>
<b>2017</b>					
Balance at beginning of year	5,200	222,776	19,302	11,877	259,155
Additions	-	2,000	7,196	908	10,104
Loss on disposal	-	-	-	(86)	(86)
Depreciation expense	-	(3,650)	(4,013)	(3,008)	(10,671)
<b>Carrying amount at end of year</b>	<b>5,200</b>	<b>221,126</b>	<b>22,485</b>	<b>9,691</b>	<b>258,502</b>



## Notes to the financial statements (continued)

	2017 \$	2016 \$
<b>Note 7. Intangible assets</b>		
Franchise fee and IT Licence - at cost	109,713	109,713
Less: Accumulated amortisation	(95,255)	(81,513)
	<b>14,458</b>	<b>28,200</b>

## Note 8. Trade and other payables

### Current

Unsecured		
Trade creditors	14,313	8,710
Net GST payable	11,058	7,109
	<b>25,371</b>	<b>15,819</b>

## Note 9. Provisions

### Current

Employee benefits	14,920	12,890
	<b>14,920</b>	<b>12,890</b>

### Non Current

Employee benefits	33	4,354
	<b>33</b>	<b>4,354</b>

## 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.

	2017 \$	2016 \$
<b>Note 11. Remuneration of Auditor</b>		
Amounts received, or due and receivable by the Auditor of the company for:		
Auditing the accounts	4,100	4,100
Other services	-	-
	<b>4,100</b>	<b>4,100</b>

# Notes to the financial statements (continued)

## 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.

### Transactions with related parties:

Professional fees of \$25,072 for accounting and taxation were paid to Samantha Matthews & Associates, of which Samantha Matthews is the principal.

	2017 \$	2016 \$
--	------------	------------

## Note 13. Cash flow information

### Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax

Profit (Loss) from ordinary activities	203,570	136,024
Revenue and expenditure disclosed as investing and financing activities in statement of cash flows		
Interest revenue	(13,436)	(14,382)
Non-cash flows in profit from ordinary activities		
Amortisation	13,742	13,742
Depreciation	10,671	12,682
Net loss on disposal of plant and equipment	86	-
Changes in assets and liabilities		
Decrease/(Increase) in receivables	(7,195)	(764)
Decrease/(Increase) in other assets	-	2,215
Increase/(Decrease) in payables	9,552	(18,664)
Increase/(Decrease) in provisions	(2,291)	3,859
<b>Cash flows from operations</b>	<b>214,699</b>	<b>134,712</b>

## 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 2017, the number of members was 167.

## Notes to the financial statements (continued)

	2017	2016
	\$	\$

### Note 15. Key management personnel disclosures

#### Compensation

The aggregate compensation made to Directors and other members of key management personnel of the company is set out below:

<b>Aggregate compensation</b>	<b>5,200</b>	<b>5,200</b>
-------------------------------	--------------	--------------

### Note 16. 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 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:

	2017	2016
	\$	\$
<b>Financial assets</b>		
Cash and cash equivalents	811,754	642,923
Loans and receivables	52,769	45,574
<b>Total financial assets</b>	<b>864,523</b>	<b>688,497</b>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost		
- Trade and other payables	25,371	15,819
<b>Total financial liabilities</b>	<b>25,371</b>	<b>15,819</b>

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

---

In the Directors opinion:


- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors



**Director**



**Director**

Dated: 18 September 2017

# Independent audit report

---



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RUPANYUP MINYIP FINANCE GROUP LTD

### Opinion

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 2017, 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.

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

- (a) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – *Reduced Disclosure Requirements* and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

### Responsibilities of the Directors' 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Crowe Horwath West Vic is a member of Crowe Horwath International, a Swiss Verein. Each member of Crowe Horwath is a separate and independent legal entity. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omission of financial services licensees.

# Independent audit report (continued)

---



## Auditor's responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_files/ar3.pdf](http://www.auasb.gov.au/auditors_files/ar3.pdf). This description forms part of our auditor's report.

## CROWE HORWATH WEST VIC

A handwritten signature in black ink, appearing to read "M. Thompson".

## MARTIN THOMPSON

Partner

Ballarat, Victoria

Dated this 18<sup>th</sup> day of September 2017

The relationship you can count on

# Auditor disclaimer

---



## 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 2017. 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

A handwritten signature in black ink, appearing to read "Martin Thompson".

#### MARTIN THOMPSON

Partner

Ballarat, Victoria

Dated this 18<sup>th</sup> day of September 2017

Crowe Horwath West Vic is a member of Crowe Horwath International, a Swiss Verein. Each member of Crowe Horwath is a separate and independent legal entity. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omission of financial services licensees.

# Income statement

For the year ended 30 June 2017

	2017 \$	2016 \$
<b>Income</b>		
Gross receipts	512,349	459,023
Market development incentive	36,250	50,000
Interest received	13,436	14,382
	<b>562,035</b>	<b>523,405</b>
<b>Expenditure</b>		
Accountancy fees	25,072	24,705
Amortisation - franchise fee	13,742	13,742
Advertising	13,624	11,318
Auditor's remuneration	4,100	4,100
Bad debts	-	34
Bank charges	1,037	853
Cleaning / rubbish removal	235	39
Cash delivery & management fees	4,156	4,399
Depreciation	10,671	12,682
Expense reimbursement	5,200	5,200
Filing fees	46	357
Freight & cartage	13,088	14,650
Insurance	15,228	16,258
Leasing charges	10,193	12,608
Light & power	3,261	3,771
Loss on sale of non-current assets	86	-
IT Running & support costs	22,625	27,295
Meeting expense	1,257	1,321
Motor vehicle expenses	2,605	2,763
Postage	1,013	832
Printing & stationery	7,289	7,024
Rates & taxes	4,446	5,157
Repairs & maintenance	2,571	1,626
Salaries & wages	133,606	142,160
Secondment manager	-	13,865
Security costs	1,317	804
Search fees & credit checks	588	786



## Income statement (continued)

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Expenditure</b>		
Staff amenities	10,148	10,701
Sundry expenses	-127	-113
Superannuation	41,901	37,961
Telephone	8,895	10,036
Travel, accom & conferences	299	434
Workcover	293	13
	<b>358,465</b>	<b>387,381</b>
<b>Operating profit before income tax</b>	<b>203,570</b>	<b>136,024</b>

Rupanyup/Minyip **Community Bank**<sup>®</sup> Branch

**Rupanyup**

32 Cromie Street, Rupanyup VIC 3388

Phone: (03) 5385 5320

[www.bendigobank.com.au/rupanyup](http://www.bendigobank.com.au/rupanyup)

**Minyip**

63 Main Street, Minyip VIC 3392

Phone: (03) 5385 7680

[www.bendigobank.com.au/minyip](http://www.bendigobank.com.au/minyip)

Franchisee: Rupanyup/Minyip Finance Group Limited

9 Stewart Street, Rupanyup VIC 3388

Phone: (03) 5385 5320

ABN: 79 083 123 924

(BNPAR17127) (09/17)



[bendigobank.com.au](http://bendigobank.com.au)

