

Rupanyup/Minyip
Finance Group Ltd

ABN 79 083 123 924



Annual Report

Contents

Chairman's report	2
Senior Manager's report	3
Minutes of 2018 AGM	4
Sponsorships and projects	6
Bendigo and Adelaide Bank report	8
Directors' report	9
Auditor's independence declaration	13
Financial statements	14
Notes to the financial statements	18
Directors' declaration	30
Independent audit report	31
Income statement	34

Chairman's report

For year ending 30 June 2019

Welcome members to the 21st Chairman's report of the Rupanyup Minyip Finance Group Ltd. Last year we celebrated our 20th, and now we have the key to the door being 21 years old, congratulations!

The existence of our small **Community Bank**[®] branches is a credit to all of those who contribute to its success. However, we need to now prepare for the next 21 years. The demographics of the people who support the bank has changed. New residents appear in both towns. It's now time to re tell the story of old. There is a financial benefit to any bank who works with your funds whether they are deposits or lending. Would it be better to retain a portion of those profits, rather than bank with another entity, that only distribute the profits to their shareholders. This is the showcase of the **Community Bank**[®] model.

The success of our local **Community Bank**[®] branches is driven by the fact that people bank with us. However, there is room for improvement. The fragmentation of support leaves us vulnerable to longevity.

It is important that we continue to encourage people to support and bank with us locally. Some of these people have been in the area for the last 21 years. And some of these people are new to the area. For the continuation of our **Community Bank**[®] branches to prosper we still require new accounts and more commitment from locals to support our towns going forward in the future.

I welcome to our **Community Bank**[®] branches our new Manager in Nathan Smith. Nathan is assisting Dianne in the running of our branches in conjunction with Horsham and Edenhope. His expertise and enthusiasm are very welcome to the people he connects with on a daily basis.

Another addition this year is our Rural Manager Marc Thomas. For those who have not met Marc I suggest you make the effort, he is an extremely professional entertaining and hard-working person whom you will find has the bank's best interest at heart.

Rural Bank is creating an income stream that enables us to remain active.

In closing I wish to thank my very supportive Secretary, Natalie; my hard-working accountants Sam and Megan and all my Directors who have assisted me in keeping the ship afloat over the last three years. I wish the incoming Chairman of Rupanyup Minyip Finance Group Ltd all the best for the upcoming season.

Yours in community spirit,



Peter Niewand
Chairperson

Senior Manager's report

For year ending 30 June 2019

Welcome to the 2018/19 Annual Report for the Rupanyup/Minyip Finance Group Ltd (RMFG). To be able to represent and lead the Rupanyup/Minyip **Community Bank**[®] branches is an absolute honour, particularly this year when we celebrated our 21st anniversary. It has also been a privilege to meet many customers and community members through my short time with RMFG.

This financial year was a challenging year for many involved with the banking industry, with record low interest rates affecting business margins, plus state government policy changing to redirect many of their agencies' accounts to one of the big four banks. As an industry this financial year also saw many additional compliance requirements incorporated into our policies and procedures.

Outside of the industry challenges, we've also seen our farmers have a challenging start to their season this year. Thankfully the rainfall through the growing season has been very pleasing, and fingers crossed, will finish strongly!

Against these challenges, the Rupanyup/Minyip **Community Bank**[®] branches had mixed business results. Deposit growth was negative this year, with \$3.4 million lost from our books. However, we did achieve growth of \$1.6 million with our lending. At the end of the year our branches had over 1,200 customers and a total of \$83 million in loans and deposits.

Aside from myself joining the Rupanyup/Minyip **Community Bank**[®] branches, we've also had an additional branch staff and a business partner. Late last year Mario Del Giudice came on board as a Customer Service Officer. In January this year we had Rural Bank bring in Marc Thomas as a Senior Agribusiness Relationship Manager.

I want to take this opportunity to recognise and thank our branch staff: Dianne Walsh, who leads the branches on a day-to-day basis, Kellie Oxbrow, Rae Faulkner, Mario Del Giudice, and Eileen Walsh. Together, they assist customers who come into the branches, look for new ways to assist our clients, and engage within our communities. Thank you all for your critical role in supporting our communities.

I also wanted to thank the RMFG Board (led by Peter Niewand), our Regional office (led by Leanne Martin, and Mark O'Dowd's vital support), and all our customers. As you've demonstrated in the last 21 years, when we work together we can achieve some great outcomes for our communities. I look forward to seeing what we can achieve in the next 12 months and what we can set up for the long term prosperity of Rupanyup and Minyip.

Thank you,



Nathan Smith
Senior Branch Manager

Minutes of 2018 AGM

Minutes for the Annual General Meeting of Rupanyup/Minyip Finance Group Ltd (RFMG)
Held on Wednesday, 17 October 2018, Rupanyup Recreation Reserve.

Welcome RMFG welcome all and thank you for attending our 20th AGM.

Meeting opened 6.12pm

Attendees Dianne Walsh, Peter Niewand, Lloyd Milgate, Sudath Pathirana, Mark O'Dowd, David Matthews, Gayle Emmett, Robert Eelman, Michael Funcke, Kellie Oxbrow, Rae Faulkner, Mario Del Giudice, Corinne Heintz, Christine Niewand, Vicki South, Scott Arnold, Graham Oxbrow, Magda Lilliana, Marie Milgate, Gary and Jo Bourke, Val Hemphill, Stephanie Funcke, Barry Baker, Adrian Tyler, Marg Lingham, Dale Maggs

Apologies Kaye and Tony Stephenson, Kathy Day, Gary Cameron, Don Orr, Samantha Matthews, Eileen Walsh, Michael Krause, Tanya and David Drum, Michelle Clarke, Gina Lewis, Calinda Hurley.

Moved that the apologies be accepted.

Moved: Lloyd Milgate Sec: Rae Faulkner

Minutes of the last Annual General Meeting

Moved: Robert Eelman Sec: Sudath Pathirana

Chairman's report: As presented by Peter Niewand

Thank you to all our loyal customers. Be proud of this achievement, without your continued support, 20 years would not have happened. Not only is the bank open in both towns, you have created employment and continued roles for a large number of employees, who enjoy working in our local community. All Bendigo and Adelaide Bank banking services are available at our branches.

However, we need to look forward to our next twenty years. With a general decline in rural population, we need to encourage more customers to join us. It's time to retell the bank's story. Everyone can help. If there are people who aren't banking with us, ask them why! The income stream generated from their banking is going into shareholder's pockets. Banking with your **Community Bank**[®] branches means profits stay local and can be injected into your local community. If you are a member of another organisation, are they banking with us? Would you like one of our representatives to talk to your members? Maybe this could encourage new customers.

Our last twelve months performance has been excellent. We have maintained the profit figures of our previous years. Congratulations must go to Diane Walsh and the rest of our staff. Together they have delivered a great result.

Bendigo Bank is also the fifth largest bank in Australia and we are currently ranked as number one. In all companies in Australia, we also sit at number five, which is a great achievement. Bendigo Bank occupy 6.5% of the market, and the new CSO, Marnie Baker wants to take this figure up to 10% in the next three years. Currently there is 321 **Community Bank**[®] branches and 232 company banks.

Also, a quick update on the Minyip fuel situation. Currently the proposed site is owned by GrainCorp and we are currently stumbling with this. It is still an ongoing process and it will happen but will take some time.

Manager's report: As presented by Dianne Walsh

Over the financial year we've seen our business reach \$86.3 million This is an increase of \$4.3 million from the previous financial year.

In summary, at the end of the 2017/18 financial year, the combined branches business is noted as:

- Loan business \$12.2 million
- Deposit business \$33.8 million
- Wealth products \$8.8 million

Minutes of 2018 AGM (continued)

- Other business \$31.5 million (such as Rural Bank, Equipment Finance, Treasury funds etc.)
- Total business = \$86.3 million

I seek to remind our customers that your ongoing support is invaluable to ensuring our future success. Please tell our story to your family and friends and remind them that just by banking with us, you make a difference in the communities in which we live. As you know, it is this support and banking activity that ultimately determines the level of return to our local area.

This year we celebrated our 20th birthday, which is a milestone for Australia's First **Community Bank**[®] branch, with return in grants and sponsorships totalling over a million dollars so far, thanks again to those that support our **Community Bank**[®] branches.

Financial report: As presented by Samantha Matthews

The 2018 financial year resulted in 20.6% increase in Net Profit from \$203,000 in 2017 to \$245,000.

The company opened the year with a Cash balance of \$811,000.

During the year, the Net cashflows in from operating activities were \$295,000.

We also received Net cashflows in from investing activities of \$9,000. This was the net result of Interest Received and payment for the franchise fee to Bendigo. We also had some small Plant and Equipment purchases.

We made Community Project Payments of \$59,000 during the year.

Overall, the net increase in cash held was \$244,000 for the year. The balance of cash held at year end was therefore \$1.05 million.

The financial report has been prepared in accordance with the applicable Australian Accounting Standards and audited by Crowe Horwath, who found that it was in accordance with the Corporations Act, including giving a true and fair view and complying with the standards.

Moved that the Financial Reports be accepted.

Moved: Michael Funcke Sec: Adrian Tyler

Election of Directors

Two Directors retire from office by rotation being David Matthews and Lloyd Milgate. Both of them offer themselves for re-election. Nominations for the Board as received are as follows: Plus, a new nominee of Gayle Emmett.

1. David Matthews
2. Lloyd Milgate
3. Gayle Emmett

Those nominated were duly elected unopposed

Moved: Jo Bourke Sec: Christine Niewand

Appointment of Auditor

Crow Horwarth elected as Auditors

Moved: Dianne Walsh Sec: Marie Milgate

General business

- No matters for general business this year.

Closing / Thank you

Meeting closed 6.25pm

Sponsorships and projects

Sponsorships



Top: Adam Carter from Rупanyup Minyip Cricket Club.
Above: Di Walsh presenting a cheque to Progress President Don Orr and Caf  owner Dale Maggs.

Minyip Show and Shine

The 2019 Minyip Show and Shine was held on the last weekend of February and was a great success. The town was filled with both locals and visitors who all got behind the event and there were plenty of great cars on display.

Dale Maggs and the Freedom Riders Association were heavily involved in the event and did a great job of organising it all.

The staff of Rупanyup/Minyip **Community Bank**® Branch were kept very busy giving away bottled water and raffle tickets as well as information on our bigger better bank.

Overall a fun day was had by all, especially the winners in their respective Show and Shine classes, and we are proud to have been able to support such a fantastic event.



Rупanyup Dirt Music Festival

The ninth annual Rупanyup Dirt Music Festival was the most successful yet, with over 300 people attending. They were lucky with the perfect autumn day.

There were eight venues around the town where a great range of performers sang and played instruments, including many locals, but most travelling from further afield. It is hoped that all performers enjoyed themselves in Rупanyup and that they will return with their family and friends and stay a few days checking out the local sites. Rупanyup/Minyip Finance Group Ltd (RMFG) contributed towards the cost of printing the festival programs. As it is a completely free festival, we rely solely on sponsorships to cover the costs.

Rупanyup Golf Club

The Rупanyup Golf Club holds a 'Mates Day' each year in June (hopefully by then we have had a bit of rain and the golf course has a greenish tinge about it.)

The day which is a four person Ambrose event, is open to golfers and non-golfers without a handicap, starting at 10.30am with a BBQ lunch available after nine holes and attracts about 40 to 50 players each year. It's a great way to get together with a few mates and meet some new ones.

RMFG kindly donates \$300 worth of prizes for the day which is greatly appreciated.



Sponsorships and projects (continued)

Projects

Rupanyup Historical Society – meeting hall refurbishment

RMFG provided funds for the floor covering. This element was part of a larger project to refurbish the building in which the historical society meets and houses artefacts and historical items. Overall the building has been re-blocked and painted (inside and out) and a new toilet installed. This element provided new floor coverings for the main meeting area and has significantly improved the amenity for members and visitors. Display boards and tables will enable interested persons to view family photos and artefacts of the past.

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Rupanyup RSL

The RSL supports ex-servicemen and women and their families, as well as educating people on the importance of the sacrifices made by those men and women. The RSL requested funding for a bookcase/cabinet to keep a variety of books and memorabilia safe and in good condition, as well as allowing people to use them for a variety of purposes. This was achieved through the support of RMFG.

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Rupanyup and District Consultative Committee

The last 12 months project has been about the Rupanyup and District Men's Shed recreation and amenities room. The members have built the steel frame that divides the workshop from the recreation room and have almost completed the timber framework. They have cut out the labour cost by completing the carpentry work themselves. The Windows are on site, ready to be installed, as well as all toilet and washroom fixtures. Progress has been slow, due to the shed members only working on the building, half a day a week.

The first stage of the shed build has achieved a magnificent workshop area providing a great space for members who like to get stuck into projects and keep physically active. The challenge now is to ensure the space is inclusive to be able to offer the less active members a well-equipped, safe and comfortable facility to participate in healthy social interaction and men's education programs.



Bendigo and Adelaide Bank report

For year ending 30 June 2019

As a Bank of 160-plus years, we're proud to hold the mantle of Australia's fifth biggest bank. In today's banking environment it's time to take full advantage of this opportunity and for even more people to experience banking with Bendigo Bank and our way of banking, and with our **Community Bank**[®] partners.

In promoting our point of difference it's sometimes lost that although we're different, we're represented in more than 500 communities across Australia and offer a full suite of banking and financial products and services. In many ways we're also a leader in digital technology and meeting the needs of our growing online customer base, many of whom may never set foot in a traditional bank branch.

At the centre of our point of difference is the business model you chose to support as a shareholder that supports local communities. Whether you're a shareholder of our most recent **Community Bank**[®] branch which opened in Smithton, Tasmania, in June 2019, or you're a long-time shareholder who, from more than 20 years ago, you all play an important role. Your support has enabled your branch, and this banking model, to prosper and grow. You're one of more than 75,000 **Community Bank**[®] company shareholders across Australia who are the reason today, we're Australia's only bank truly committed to the communities it operates in.

And for that, we thank you. For the trust you've not only put in Bendigo and Adelaide Bank, but the faith you've put in your community and your **Community Bank**[®] company local Board of Directors.

Bendigo and Adelaide Bank continues to rank at the top of industry and banking and finance sector awards. We have awards for our customer service, we have award winning products and we have a customer base that of 1.7 million-plus that not only trusts us with their money, but which respects our 'difference'.

As a Bank, we're working hard to ensure that those who are not banking with us, and not banking with your **Community Bank**[®] branch, make the change. It really is a unique model and we see you, the shareholder, as playing a key role in helping us grow your local **Community Bank**[®] business. All it takes is a referral to your local Branch Manager. They'll do the rest.

We find that our customer base is a very loyal group. It's getting people to make the change that's the challenge. In today's environment, we've never had a better chance to convince people to make the change and your support in achieving this is critical.

From Bendigo and Adelaide Bank, once again, thank you for your ongoing support of your **Community Bank**[®] branch and your community.

We would also like to thank and acknowledge the amazing work of your branch staff and Directors in developing your business and supporting the communities that you live and work in.



Mark Cunneen
Head of Community Support
Bendigo and Adelaide Bank

Directors' report

For the financial year ended 30 June 2019

The Directors present their report, together with the financial statements, on the company for the year ended 30 June 2019.

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
Michael Funcke – Director
Samantha Matthews – Director
Michelle Clark – Director
Lloyd Milgate – Director
Gayle Emmett – Director (from 25 October 2018)
Robert Eelman – Director
Sudath Pathirana – 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 since: 30 November 2011.

Samantha Matthews

Principal activities

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

Community Bank[®] branches 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 2019 was \$215,581

For the year ended 30 June 2018 was \$245,537

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 decreased by 3.9% to \$575,604 during the 2019 financial year. Total Expenses increased by 3.0% to \$382,743 for the same period. The resulting overall decrease in Net Profit was 12.2% to \$215,581, of which \$192,861 was from operations (2018 \$227,200).

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

David Matthews

Qualifications

Experience

Director 21 years

Diploma Business (International Trade)

Graduate of the Australian Institute of Company Directors (GAICD)

Pulse Australia – Director

Australian Field Crops Association – Director (past)

Co-Chair **Community Bank**[®] Strategic Advisory Board

Bendigo and Adelaide Bank – Non Executive Director

Lloyd Milgate

Qualifications

Experience

Director 21 years

Dip. Farm Management

Board Member Dunmunkle Health Services

Board Member of Dunmunkle Lodge

Michael Funcke

Qualifications

Experience

Director 3 years

President Minyip Primary School Council

Peter Niewand

Qualifications

Experience

Director 16 years

Director Rupanyup North Co-Operative, Lions President

Samantha Matthews

Qualifications

Experience

Director 18 years

Company Secretary 13 years

Bachelor of Business (Acc), GAICD, FIPA

Director GWM Water

Michelle Clark

Qualifications

Experience

Director 8 years

Banking experience 12 years

Directors' report (continued)

Information on Directors (continued)

Sudath Pathirana	Director 2 years
Qualifications	
Experience	
Robert Eelman	Director 2 years
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
Gayle Emmett	Director 1 year
Qualifications	
Experience	Trustee Dunmunkle Health Services Foundation Chairperson Dunmunkle Health Services Foundation Director Enterprise Rupanyup Ltd Committee Member Rupanyup Community Centre

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	9
David Matthews - Director	11	9
Michael Funcke - Director	11	8
Samantha Matthews - Director	11	6
Michelle Clark - Director	11	9
Lloyd Milgate - Director	11	9
Gayle Emmett - Director (from 25 October 2018)	7	4
Robert Eelman - Director	11	10
Sudath Pathirana - Director	11	4

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.

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 2019 has been received.

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



Peter Niewand
Director

Dated this 9 September 2019

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 2019 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 AUDIT AUSTRALIA

A handwritten signature in blue ink that reads "Richard Ainio".

RICHARD AINIO
Partner

Ballarat, Victoria
Dated this 9th day of September 2019

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Financial statements

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Revenue	2	598,324	617,057
Employee expenses		(191,968)	(193,180)
Depreciation and amortisation expenses	3	(23,643)	(25,191)
Other expenses		(167,132)	(153,149)
Profit (loss) before income tax expense		215,581	245,537
Income tax expense		-	-
Net Profit (loss) attributable to members		215,581	245,537

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Financial Position for the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Current assets			
Cash and cash equivalents	4	1,174,967	1,056,453
Trade and other receivables	5	61,089	56,463
Total current assets		1,236,056	1,112,916
Non-current assets			
Property, plant and equipment	6	243,495	248,947
Intangible assets	7	52,708	66,646
Total non-current assets		296,203	315,593
Total assets		1,532,259	1,428,509
Current liabilities			
Trade payables	8	37,930	72,050
Employee benefits	9	19,309	14,581
Other payables	8	14,544	14,545
Total current liabilities		71,783	101,176
Non-current liabilities			
Employee benefits	9	226	74
Other payables	8	29,089	43,633
Total non-current liabilities		29,315	43,707
Total liabilities		101,098	144,883
Net assets		1,431,161	1,283,626
Equity			
Retained profits		1,431,161	1,283,626
Total equity		1,431,161	1,283,626

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Cash Flows for the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Cash flow from operating activities			
Cash receipts in the course of operations		577,671	597,332
Cash payments in the course of operations		(395,033)	(302,255)
Net cash flows from / (used in) operating activities	13	182,638	295,077
Cash flow from investing activities			
Interest and grants received		22,720	18,337
Payments for purchase of intangibles		(14,545)	(7,932)
Payments for property, plant and equipment		(4,253)	(1,713)
Net cash flows from / (used in) investing activities		3,922	8,692
Cash flow from financing activities			
Community project payments		(68,046)	(59,070)
Net cash flows from / (used in) financing activities		(68,046)	(59,070)
Net increase / (decrease) in cash held		118,514	244,699
Cash and cash equivalents at beginning of year		1,056,453	811,754
Cash and cash equivalents at end of year	4	1,174,967	1,056,453

The accompanying notes form part of these financial statements.

Financial statements (continued)

Statement of Changes in Equity for the year ended 30 June 2019

	Retained earnings \$	Total \$
Balance at 1 July 2017	1,097,159	1,097,159
Profit attributable to members	245,537	245,537
Community funds distribution	(59,070)	(59,070)
Balance at 30 June 2018	1,283,626	1,283,626
Balance at 1 July 2018	1,283,626	1,283,626
Profit attributable to members	215,581	215,581
Community funds distribution	(68,046)	(68,046)
Balance at 30 June 2019	1,431,161	1,431,161

The accompanying notes form part of these financial statements.

Notes to the financial statements

For year ended 30 June 2019

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. Rupyup 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.

AASB 9 Financial Instruments

The entity has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

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.

Notes to the financial statements (continued)

Note 1. Significant accounting policies (continued)

Basis of preparation (continued)

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 1(n).

(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.

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 and 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:

Class of fixed assets	Depreciation rate
Buildings	2%
Plant and equipment	15 - 40%
Fixtures and 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.

Notes to the financial statements (continued)

Note 1. Significant accounting policies (continued)

(c) - Property, plant and equipment (continued)

Depreciation (continued)

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 five 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.

(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) - Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Notes to the financial statements (continued)

Note 1. Significant accounting policies (continued)

(h) - Trade and other receivables (continued)

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(i) - 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.

(j) - Trade payables

Trade 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.

(k) - 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.

(l) - Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Notes to the financial statements (continued)

Note 1. Significant accounting policies (continued)

(l) - Investments and other financial assets (continued)

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(m) - Comparative figures

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

(n) - 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.

Notes to the financial statements (continued)

Note 1. Significant accounting policies (continued)

(n) - Critical accounting judgements, estimates and assumptions (continued)

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.

(o) - Changes to accounting standards

The following accounting standards have been issued but are not yet effective and have not been adopted early by the company:

AASB new income recognition requirements for NFPs (not for profits)

The new requirements are expected to result in better matching of income and related expenses as income recognition will now be deferred when there is a performance obligation or any other liability.

These requirements were released in changes to AASB 1058 Income of Not for Profit entities and AASB 2016-8 Australian Implementation Guidance for Not for Profit Entities and the deferral of AASB 15 for NFPs.

AASB 2016-7 is applicable to annual reporting periods beginning on or after 1 January 2019.

AASB 15 - Revenue for contracts with customers

The core principle is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods and services. The transaction price is to be determined and allocated against performance obligations in the contract. The revenue is then recognised when the performance obligations are satisfied.

The new standard will be effective for annual reporting periods or after 1 January 2019.

AASB 16 - Leases

Lessees are required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation linked payments) and also includes payments to be made in optional periods if the lessee is reasonable certain to exercise an option to renew.

The new standard will be effective for annual periods beginning on or after 1 January 2019.

The adoption of the above accounting standards is not expected to have a significant impact on the company's balance sheet or income statement when adopted.

Notes to the financial statements (continued)

	2019 \$	2018 \$
Note 2. Revenue		
Operating revenue		
- Gross receipts	540,604	563,720
- Market development	35,000	35,000
	575,604	598,720
Non-operating revenue		
- Interest received	22,720	18,337
	22,720	18,337
Total revenue	598,324	617,057

Note 3. Operating profit

Operating profit before income tax has been determined after:

Crediting as Income:		
Interest received	22,720	18,337
Charging as expenses:		
Bad and doubtful debts	40	-
Depreciation of non-current assets:		
- Plant and equipment	9,705	11,268
Amortisation		
- Franchise fee and IT license	13,938	13,923
Remuneration of the Auditors:		
- audit	4,300	4,220

Note 4. Cash and cash equivalents

Current

Cash at bank	70,115	22,928
Sandhurst Trustees	1,104,091	1,032,853
Eftpos account	761	672
	1,174,967	1,056,453

Notes to the financial statements (continued)

	2019 \$	2018 \$
Note 5. Trade and other receivables		
Current		
Trade debtors	52,091	54,158
Rural migration initiative	6,718	-
Purchased leave on deposit	2,280	2,305
	61,089	56,463

Note 6. Property, plant and equipment

Fixtures and fittings

At Cost	114,045	114,045
Less: Accumulated depreciation	(99,962)	(96,355)
	14,083	17,690

Plant and equipment

At Cost	67,871	66,246
Less: Accumulated depreciation	(61,379)	(59,349)
	6,492	6,897

Land

Freehold Land - at cost	5,200	5,200
	5,200	5,200

Buildings

At Cost	260,750	258,122
Less: Accumulated depreciation	(43,030)	(38,962)
	217,720	219,160
	243,495	248,947

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 and fittings \$	Plant and equipment \$	Total \$
2018					
Balance at beginning of year	5,200	221,126	22,485	9,691	258,502
Additions	-	1,713	-	-	1,713
Depreciation expense	-	(3,679)	(4,796)	(2,793)	(11,268)
Carrying amount at end of year	5,200	219,160	17,689	6,898	248,947

Notes to the financial statements (continued)

Note 6. Property, Plant and Equipment (continued)

Movement in carrying amounts (continued)

	Land \$	Buildings \$	Fixtures and fittings \$	Plant and equipment \$	Total \$
2019					
Balance at beginning of year	5,200	219,160	17,689	6,898	248,947
Additions	-	2,628	-	1,625	4,253
Depreciation expense	-	(4,068)	(3,607)	(2,030)	(9,705)
Carrying amount at end of year	5,200	217,720	14,082	6,493	243,495

	2019 \$	2018 \$
Franchise Fee and IT Licence - at cost	175,824	175,824
Less: Accumulated amortisation	(123,116)	(109,178)
	52,708	66,646

Note 7. Intangible assets

Note 8. Trade payables

Current

Unsecured		
Trade creditors	25,308	65,367
Purchased leave payable	2,280	2,305
Net GST payable	10,342	4,378
	37,930	72,050

Other payables

Current

Franchise fee 2018 payable	14,544	14,545
	14,544	14,545

Non Current

Franchise fee 2018 payable	29,089	43,633
	29,089	43,633

Notes to the financial statements (continued)

	2019 \$	2018 \$
Note 9. Provisions		
Current		
Employee benefits	19,309	14,581
	19,309	14,581
Non current		
Employee benefits	226	74
	226	74

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.

	2019 \$	2018 \$
Note 11. Remuneration of Auditor		
Amounts received, or due and receivable by the Auditor of the company for:		
Auditing the accounts	4,300	4,220
	4,300	4,220

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 \$26,404 for accounting and taxation were paid to Samantha Matthews & Associates, of which Samantha Matthews is the principal.

Notes to the financial statements (continued)

	2019 \$	2018 \$
Note 13. Cash flow information		
Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit (Loss) from ordinary activities	215,581	245,537
Revenue and expenditure disclosed as investing and financing activities in statement of cash flows		
Interest revenue	(22,720)	(18,337)
Non-cash flows in profit from ordinary activities		
Amortisation	13,938	13,923
Depreciation	9,705	11,268
Changes in assets and liabilities		
Decrease/(increase) in receivables	2,067	(1,389)
Decrease/(increase) in other assets	(6,693)	(2,305)
Increase/(decrease) in payables	(34,120)	46,679
Increase/(decrease) in provisions	4,880	(299)
Cash flows from operations	182,638	295,077

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 2019, the number of members was 167.

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:

	2019 \$	2018 \$
Aggregate compensation	5,200	5,200

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.

Notes to the financial statements (continued)

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:

	2019 \$	2018 \$
Financial assets		
Financial assets at amortised cost		
- Cash and cash equivalents	1,174,967	1,056,453
- Loans and receivables	61,089	56,463
Total financial assets	1,236,056	1,112,916
Financial liabilities		
Financial liabilities at amortised cost		
- Trade payables	37,930	72,050
- Other payables (current)	14,544	14,545
- Other payables (non current)	29,089	43,633
Total financial liabilities	81,563	130,228

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 2019 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



Peter Niewand
Director



Sudath Pathirana
Director

Dated: 9 September 2019

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 2019, 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 2019 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.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the group financial report. The auditor is responsible for the direction, supervision and performance of the group audit. The auditor remains solely responsible for the audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

CROWE AUDIT AUSTRALIA

A handwritten signature in blue ink that reads "Richard Ainio".

RICHARD AINIO
Partner

Ballarat, Victoria
Dated this 9th day of September 2019

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Independent audit report (continued)



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 2019. 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 AUDIT AUSTRALIA

Richard Ainio

RICHARD AINIO
Partner

Ballarat, Victoria
Dated this 9th day of September 2019

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Income statement

For the year ended 30 June 2019

	2019 \$	2018 \$
Income		
Gross receipts	540,604	563,720
Market development incentive	35,000	35,000
Interest received	22,720	18,337
	598,324	617,057
Expenditure		
Accountancy fees	26,404	25,563
Amortisation - franchise fee	13,938	13,923
Advertising	13,685	15,299
Auditor's remuneration	4,300	4,220
Bad debts	40	200
Bank charges	873	824
Cleaning / rubbish removal	42	70
Cash delivery and management fees	4,287	4,008
Depreciation	9,705	11,268
Expense reimbursement	5,200	5,200
Filing fees	194	47
Freight and cartage	5,691	6,154
Insurance	15,819	14,915
Leasing charges	11,294	9,927
Light and power	4,253	5,299
IT Running and support costs	22,130	21,197
Meeting expense	1,926	1,791
Motor vehicle expenses	2,548	2,362
Postage	714	1,030
Printing and stationery	6,243	7,085
Rates and taxes	4,204	4,296
Repairs and maintenance	2,579	2,192
Salaries and wages	159,002	158,124
Senior Manager	14,474	-
Security costs	3,213	2,782

Income statement (continued)

	2019 \$	2018 \$
Expenditure (continued)		
Search fees and credit checks	399	965
Staff amenities and training	8,515	8,880
Sundry expenses	40	59
Superannuation	32,516	34,670
Telephone	7,867	7,946
Travel, accom and conferences	198	838
Workcover	450	386
	382,743	371,520
Operating profit before income tax	215,581	245,537

Rupanyup/Minyip **Community Bank**[®] Branch

Rupanyup

32 Cromie Street, Rupanyup VIC 3388

Phone: (03) 5385 5320 Fax: (03) 5385 5336

www.bendigobank.com.au/rupanyup

Minyip

63 Main Street, Minyip VIC 3392

Phone: (03) 5385 7680 Fax: (03) 5385 7675

www.bendigobank.com.au/minyip

Franchisee: Rupanyup/Minyip Finance Group Ltd

32 Cromie Street, Rupanyup VIC 3388

Phone: (03) 5385 5320 Fax: (03) 5385 5336

ABN: 79 083 123 924

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