Annual Report 2015

Wentworth District Capital Limited

ABN 76 085 989 804

Wentworth & District **Community Bank**® Branch

Contents

Chairman's report

For year ending 30 June 2015

It is with great pleasure I present our 2014/15 Annual Report.

Our profit for the year was $232,712. Grants and sponsorships totalled $270,862, which meant we made a loss of $38,150. Quite clearly unless we can increase our business we will not be able to continue to pay such generous amounts to our community groups.

We were pleased to be able to support the community with grants totalling $256,000. Some of these were:

- Sunassist - assisted them to purchase a VW Caddy with wheelchair access - $16,850
- Mildura Special School - Sensory play based area - $16,000
- Inland Botanic Gardens - Power upgrade - $15,000
- Paddle Steamer Ruby - 3 electric Hot Water Systems - $6,630
- Sunraysia Cancer Support Group Private interview area - $7,000.

Sponsorships included:

- New South Western Standard - $5,000
- Naming Rights sponsorship - Country Music Festival this October - $20,000.

Our partners Bendigo and Adelaide Bank have continued their support and assistance to our franchise company Wentworth District Capital Limited. for which I thank them. Over the past two years all branches have participated in a major review of the **Community Bank**® model. Project Horizon identified what needs to change and what has been working well. With the rapid changes taking place in banking it is important to look at how we do things into the future.

This year we are very pleased to welcome three new Board members Kerryn Swarbrick, Donna Scopelliti and Stefanie Heaysman. These Directors bring to their roles some new skills and we hope they enjoy the challenge. Two Directors are currently undertaking an Australian Institute of Company Directors course which will keep them up to date with practical tools and frameworks for use in their roles as Directors.

This year we have two Junior Board Observers from Coomealla High School, Nicholas Cottrell and Rhianna Duncan. They have been actively planning a Youth Conference in September and shown a keen interest in progressing the relationship between the High School and our **Community Bank**® branch.

The Directors have all been part of implementing the company's policy of staying connected with all grant recipients by way of attending Annual General Meetings (AGMs), functions and launching of their projects. This is a big commitment and I give them a big thank you.

Our Branch Manager Daryl Wescombe and his team continue to provide exceptional service to our customers and have been keen to suggest improvements and ideas to the Board. We also thank the team that supports us with secretarial, marketing, accountancy and community development. All these people assist not only the Board but Daryl so he can focus on what he does so well – banking. Thanks everyone.

As members of Wentworth District Capital Limited I know you support your **Community Bank**® branch and I hope you will continue to spread the word that for us to thrive we need to continue to grow our business.

M E Thomson

Margaret E Thomson
Chair

Manager's report

For year ending 30 June 2015

The last financial year has been a challenging year with the finance industry becoming increasingly competitive and the economic climate remaining a little unstable. It has been a busy year here at the branch however our business footings have been under pressure from a prevailing low interest rate environment. We have seen a reduction in our total deposits which could be attributed to customers investing in other areas for better returns i.e. property, shares. The prevailing low borrowing interest rates have seen many of our borrowers taking advantage of this and are repaying their loans well in advance of their scheduled repayments. This has thwarted business growth but has given borrowers the opportunity to build equity for the future.

Total lending:	$58.7 million
Total deposits:	$56.4 million
Other business:	$15.8 million
Total business:	$130.8 million
Customer numbers:	3,050

Whilst our total business footings have not grown it is pleasing to see our customer numbers grow by 359 from previous financial year.

Future

Our challenge for the coming year is to reach out further into our community to engage those who may not have heard about us or find us a little out of the way to do their banking. We need to develop strategies as a staff and Board as to how this can be done to build our business and in turn strengthen our community.

The Agribusiness offering via our subsidiary Rural Bank was further enhanced with the Bendigo and Adelaide Bank acquiring the rural lender Rural Finance Corporation. I am excited to see how this evolves over the next two to three years. This acquisition can only help us to engage the farmers in our community with a specialised farm finance package from a truly Australian Bank.

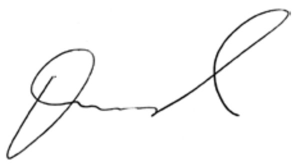
Staff and Board

Our staff continue to be the backbone of our business with their dedication and commitment to a high level of personal service not seen at other institutions. Our Board of Directors have gone through few changes since last year and we welcome some new faces to the team. I would like to thank all staff and Directors for their support and commitment over the past financial year and look forward to building our business and in turn continue to build a better community for us all to live.

Closing

Our challenge is to find ways to grow our business into the future. We need to become more mobile and go to the customer where it suits them. Online banking systems will make it easier for our customers to conduct their banking but I still believe our customers and potential customers would like to have face-to-face conversations with a real person to discuss the more important business decisions in their lives.

Once again I would like to thank our customers who have been with us for many years and also welcome aboard our new customers that have come to us over the past 12 months.



Daryl Wescombe
Branch Manager

Directors' report

For the financial year ended 30 June 2015

Your Directors submit their report of the company for the financial year ended 30 June 2015.

Directors

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

Name and position held	Qualifications	Experience and other Directorships
David John Dawes Director since 25/01/1999 Treasurer	HSC Certificate in Agriculture	Involved at the executive level in various Agricultural & Community groups within the local community. Over 30 years experience as a Manager and Director of Family companies.
David John Cross Director since 25/01/1999 Director	BSc / RMIT Geology	Involved at the executive level in various other Community groups within the local Shire. Over 20 years experience as a Manager and Director of Family companies.
Margaret Elizabeth Thomson Director since 22/11/2000 Chairperson	Secondary	Executive roles & Directorships in: Mallee Family Care; Sunraysia Financial Counselling; Regional Development Aust - Murray Sunraysia Aboriginal Employment. Shire Councillor for 13 years, Mayor for 7 years.
Richard Alan Williamson Director since 24/11/2004 Director Ceased 31/12/2014	B.Bus (Latrobe) Retired Accountant (CPA) & Financial Planning Specialist (FPS)	Directorships in: Dried Fruits Australia; Golden Dried Fruits Pty Ltd; Padthaway Eliza Dawson Vineyards Pty Ltd. Principal in an Accounting & Financial practice for 20 years. Retired 2010. Currently Managing Director Australian Premium Dried Fruits.
Andrew Mark Cottrell Director since 13/10/2010 Vice Chairperson	B Bus Admin / Ec	Directorships in: Andpak Pty Ltd; Gol Gol Buronga Development Group; Alcheringa Tennis Club; Delegate SDTA. 25 Years experience as a company Director and Manager of Family farming enterprises.
Edward Brian O'Shannessy Director since 28/09/2011 Director	Dip Ed	Head of Department at Coomealla High School. Member of Coomealla High School Executive. Small Business owner.
Emily Rebecca Bysouth Director since 25/06/2014 Director	HSC Office / Finance Traineeship	Small Business Owner. Executive roles & membership in numerous community organisations.

Directors (continued)

Name and position held	Qualifications	Experience and other Directorships
Donna Kristine Scopelliti Director since 25/02/2015 Director	HSC	Directorships and Manager of Family companies; Gol Gol Buronga Development Group. Board Secretary Sunraysia Growers Co-Op Executive roles & memberships in numerous local community organisations.
Kerryn Dawn Swarbrick Director since 25/02/2015 Director	B.Com (Latrobe) BAS Agent; MAICD	Small Business Owner. BAS Services; Accounting Consultant; Treasurer WDHS Inc; Mentor to local community organistaions.
Stefanie Christiane Heaysman Director since 25/03/2015 Director	B.Com (Latrobe) CPA; Reg Tax Agent; FTA; MAICD	Business and Tax advisory Accountant at Crowe Horwath. Mentoring & Executive roles in numerous community organisations. CFO at Comla Farms.

Directors were in office for this entire year unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the company.

Principal activities

The principal activities of the company during the course of the financial year were to act as facilitators in the provision of **Community Bank**® services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

There has been no significant changes in the nature of these activities during the year.

Review of operations

The Loss of the company for the financial year after the distribution of annual community grants was $38,150 (2014: Loss of $301,443).

The net assets of the company have decreased to $1,653,418 (2014: $1,691,568).

Significant changes in the state of affairs

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

Events subsequent to reporting date

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

Remuneration report

Remuneration policy

There has been no remuneration policy developed as Director positions are held on a voluntary basis and Directors are not remunerated for their services.

Remuneration benefits and payments

Other than detailed below, 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 the 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.

The company engages the services of Bysouth's Garage to service the company motor vehicle, a business in which appointed Director, E. Rebecca Bysouth has a direct partnership interest. Total payments of $321 (2014: $610).

This is an existing commercial arrangement in place prior to Rebecca's appointment as a Director, with services performed under standard commercial terms and conditions, no more favourable than those available to other persons.

	2015 $
David John Dawes	-
David John Cross	-
Margaret Elizabeth Thomson	-
Richard Alan Williamson	-
Andrew Mark Cottrell	-
Edward Brian O'Shannessy	-
Emily Rebecca Bysouth	321
Donna Kristine Scopelliti	-
Kerryn Dawn Swarbrick	-
Stefanie Christiane Heaysman	-
	321

Indemnifying Officers or Auditor

The company has agreed to indemnify each Officer (Director, Secretary or employee) out of assets of the company to the relevant extent against any liability incurred by that person arising out of the discharge of their duties, except where the liability arises out of conduct involving dishonesty, negligence, breach of duty or the lack of good faith. The company also has Officers Insurance for the benefit of Officers of the company against any liability occurred by the Officer, which includes the Officer's liability for legal costs, in or arising out of the conduct of the business of the company or in or arising out of the discharge of the Officer's duties.

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.

Directors' meetings

The number of Directors' meetings held during the year were 11. Attendances by each Director during the year were as follows:

Director	Board Meetings #
David John Dawes	10 (11)
David John Cross	9 (11)
Margaret Elizabeth Thomson	11 (11)
Richard Alan Williamson	3 (5)
Andrew Mark Cottrell	11 (11)

Director	Board Meetings #
Edward Brian O'Shannessy	10 (11)
Emily Rebecca Bysouth	10 (11)
Donna Kristine Scopelliti	5 (5)
Kerryn Dawn Swarbrick	4 (5)
Stefanie Christiane Heaysman	4 (4)

The first number is the meetings attended while in brackets is the number of meetings eligible to attend.

Likely developments

The company will continue its policy of being a facilitator of banking services to the community.

Environmental regulations

The company is not subject to any significant environmental regulation.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene

in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Company Secretary

Robert Verstappen has been the Company Secretary of Wentworth District Capital Limited since 26 April 2006. Robert's qualifications and experience include being an Accountant in Public Practice and a Registered Tax Agent with over 30 years experience.

Auditor independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set at page 8 of this financial report. No Officer of the company is or has been a partner of the Auditor of the company.

Signed in accordance with a resolution of the Board of Directors at Wentworth on 17 September 2015.

M E Thomson

Margaret Elizabeth Thomson
Director

Auditor's independence declaration

Richmond
Sinnott &
Delahunty
Chartered Accountants

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Auditor's Independence Declaration under section 307C of the Corporations Act 2001 to the Directors of Wentworth District Capital Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there has 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.

RICHMOND SINNOTT & DELAHUNTY
Chartered Accountants

P.P. Delahunty
Partner
Bendigo
Dated at Bendigo, 17 September 2015

Financial statements

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2015

	Notes	2015 $	2014 $
Revenue	2	1,080,739	1,117,562
Employee benefits expense	3	(533,992)	(551,449)
Depreciation and amortisation expense	3	(22,747)	(19,031)
Bad and doubtful debts expense	3	(340)	2,119
Rental expense		(21,899)	(16,853)
Other expenses		(269,049)	(285,870)
Operating profit before charitable donations, sponsorships and grants		232,712	246,478
Charitable donations, sponsorships and grants		(270,862)	(547,921)
Loss before income tax expense		**(38,150)**	**(301,443)**
Tax expense / (benefit)	4	-	-
Loss for the year		**(38,150)**	**(301,443)**
Other comprehensive income		-	-
Total comprehensive income		**(38,150)**	**(301,443)**

The accompanying notes form part of these financial statements.

Statement of Financial Position
as at 30 June 2015

	Notes	2015 $	2014 $
Assets			
Current assets			
Cash and cash equivalents	6	96,717	91,104
Investments and other financial assets	7	1,328,438	1,489,540
Trade and other receivables	8	73,569	90,610
Total current assets		**1,498,724**	**1,671,254**
Non-current assets			
Property, plant and equipment	9	219,072	214,094
Intangible assets	10	61,065	67,173
Total non-current assets		**280,137**	**281,267**
Total assets		**1,778,861**	**1,952,521**
Liabilities			
Current liabilities			
Trade and other payables	11	63,260	205,530
Provisions	12	36,162	27,549
Total current liabilities		**99,422**	**233,079**
Non current liabilities			
Provisions	12	26,021	27,874
Total non current liabilities		**26,021**	**27,874**
Total liabilities		**125,443**	**260,953**
Net assets		**1,653,418**	**1,691,568**
Equity			
Retained earnings	13	1,653,418	1,691,568
Total equity		**1,653,418**	**1,691,568**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
for the year ended 30 June 2015

	Retained earnings $	Total equity $
Balance at 1 July 2013	**1,993,011**	**1,993,011**
Loss for the year	(301,443)	(301,443)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(301,443)**	**(301,443)**
Balance at 30 June 2014	**1,691,568**	**1,691,568**
Balance at 1 July 2014	**1,691,568**	**1,691,568**
Loss for the year	(38,150)	(38,150)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(38,150)**	**(38,150)**
Balance at 30 June 2015	**1,653,418**	**1,653,418**

The accompanying notes form part of these financial statements.

Statement of Cash Flows
for the year ended 30 June 2015

	Notes	2015 $	2014 $
Cash flows from operating activities			
Receipts from clients		1,138,935	1,161,313
Payments to suppliers and employees		(1,328,649)	(1,394,398)
Interest received		58,928	70,824
Other income		45	-
Net cash flows used in operating activities	**14b**	**(130,741)**	**(162,261)**
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		20,000	-
Purchase of property, plant and equipment		(44,748)	(38,650)
Payment for intangibles		-	(68,713)
Proceeds from sale of investments		161,102	316,058
Net cash flows from investing activities		**136,354**	**208,695**
Net increase in cash held		**5,613**	**46,434**
Cash and cash equivalents at start of year		91,104	44,670
Cash and cash equivalents at end of year	**14a**	**96,717**	**91,104**

The accompanying notes form part of these financial statements.

Notes to the financial statements

For year ended 30 June 2015

The financial statements and notes represent those of Wentworth District Capital Limited.

Wentworth District Capital Limited ('the company') is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the Directors on 17 September 2015.

Note 1. Summary of significant accounting policies

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The company is a not for profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, were applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Economic dependency

The company has entered into a franchise agreement with Bendigo and Adelaide Bank Limited that governs the management of the **Community Bank**® branches.

The branches operate as a franchise of Bendigo and Adelaide Bank Limited, using the name "Bendigo Bank" and the logo and system of operations of Bendigo and Adelaide Bank Limited. The company manages the **Community Bank**® branches on behalf of Bendigo and Adelaide Bank Limited, however all transactions with customers conducted through the **Community Bank**® branches are effectively conducted between the customers and Bendigo and Adelaide Bank Limited.

All deposits are made with Bendigo and Adelaide Bank Limited, and all personal and investment products are products of Bendigo and Adelaide Bank Limited, with the company facilitating in the provision of those products. All loans, leases or hire purchase transactions, issues of new credit or debit cards, temporary or bridging finance and any other transaction that involves creating a new debt, or increasing or changing the terms of an existing debt owed to Bendigo and Adelaide Bank Limited, must be approved by Bendigo and Adelaide Bank Limited. All credit transactions are made with Bendigo and Adelaide Bank Limited, and all credit products are products of Bendigo and Adelaide Bank Limited.

Bendigo and Adelaide Bank Limited provides significant assistance in establishing and maintaining the **Community Bank**® branch franchise operations. It also continues to provide ongoing management and operational support, and other assistance and guidance in relation to all aspects of the franchise operation, including advice in relation to:

- Advice and assistance in relation to the design, layout and fit out of the **Community Bank**® branch;
- Training for the Branch Managers and employees in banking, systems and interface protocol;
- Methods and procedures for the sale of products and provision of services;

Note 1. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

Economic dependency (continued)

- Security and cash logistic controls;
- Calculation of company revenue and payment of many operating and administrative expenses;
- The formulation and implementation of advertising and promotional programs; and
- Sale techniques and proper customer relations.

(b) Income tax expense

These accounts have been prepared on a tax exempt basis as it has been confirmed that Wentworth District Capital Limited was established as a community services organisation.

The full bench of the Federal Court handed down a ruling under appeal from the ATO on 28 March 2011([2011] FCAFC 42) confirming the Directors' belief that the company was income tax exempt as it is a community services organisation.

(c) Fair value of assets and liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liabilitiy in an orderly (ie unforced) transaction between independent, knowledgable and willing market participants at the measurement date.

As fair value is a market-based measure, the closes equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair value of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of the liabilities and the entity's own equity instruments may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted, and where significant, are detailed in the respective note to the financial statements.

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

Note 1. Summary of significant accounting policies (continued)

(d) Property, plant and equipment (continued)

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses related to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvemens are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of asset	Depreciation rate
Furniture and fittings	2.5 - 40%
Leasehold improvements	2.5%
Motor Vehicles	25%

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

An assets' 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 the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(e) Impairment of assets

At each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by compairing the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

(f) Goods and services tax

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 Taxation Office (ATO).

Note 1. Summary of significant accounting policies (continued)

(f) Goods and services tax (continued)

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(g) Employee benefits

<u>Short-term employee benefits</u>

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

<u>Other long-term employee benefits</u>

Provision is made for employees' long service leave and annual leave entitlemenst not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

The company's obligation for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(h) Intangibles

Establishment costs have been initially recorded at cost and amortised on a straight line basis at a rate of 20% per annum. The current amortisation charges for intangible assets are included under depreciation and amortisation expense per the Statement of Profit or Loss and Other Comprehensive Income.

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

(j) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Revenue comprises service commissions and other income received by the company.

Note 1. Summary of significant accounting policies (continued)

(j) Revenue and other income (continued)

Interest and fee revenue is recognised when earned.

All revenue is stated net of the amount of goods and services tax (GST).

(k) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subseqently measured at amortised cost using the effective interest method, less any provision for impairment.

(l) Trade and other payables

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

(m) New and amended accounting policies adopted by the company

There are no new and amended accounting policies that have been adopted by the company this financial year.

(n) New accounting standards for application in future periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company.

The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in the future reporting periods is set below:

(i) AASB 9 Financial Instruments and associated Amending Standards (applicable for annual reporting periods beginning on or after 1 January 2018).

This Standard will be applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the company on initial application include certain simplifications to the classification of financial assets.

Although the Directors anticipate that the adoption of AASB 9 may have an impact on the company's financial instruments, it is impractical at this stage to provide a reasonable estimate of such impact.

(ii) AASB 15: Revenue from Contracts with Customers (applicable for annual reporting periods commencing on or after 1 January 2017).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

Notes to the financial statements (continued)

Note 1. Summary of significant accounting policies (continued)

(n) New accounting standards for application in future periods (continued)

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with customers;

- identify the performance obligations in the contract(s);

- determine the transaction price;

- allocate the transaction price to the performance obligations in the contract(s); and

- recognise revenue when (or as) the performance obligations are satisfied."

This Standard will require retrospective restatement, as well as enhanced disclosure regarding revenue.

Although the Directors anticipate that the adoption of AASB 15 may have an impact on the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

(o) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which is probable that the outflow of economic benefits will result and the outflow can be reliably measured.

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

(p) Comparative figures

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

(q) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. Estimates and judgements are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The estimates and judgements that have a significant risk of causing material adjustments to the carrying values of assets and liabilities are as follows: None

<u>Estimation of useful lives of assets</u>

The company determines the estimated useful lives and related depreciation and amortisation changes for its property, plant and equipment and intangible assets. The depreciation and amortisation charge will increase where useful lives are less than previously estimated lives.

<u>Employee benefits provision</u>

Assumptions required for wage growth and CPI movements. The likelihood of employees reaching unconditional service is estimated. Treatment of leave under updated AASB 119 standard.

Note 1. Summary of significant accounting policies (continued)

(q) Critical accounting estimates and judgements (continued)

Impairment

The company assesses impairment at the end of each reporting period by calculating conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate various key assumptions.

(r) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified ‘at fair value through profit or loss’, in which case transaction costs are expensed to the profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method or cost.

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

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discount estimated future cash payments or receipts over the expected life (or where this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability.

(i) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Financial liabilities

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

Impairment

A financial asset (or group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a “loss event”) having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency on interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

Note 1. Summary of significant accounting policies (continued)

(r) Financial instruments (continued)

Impairment (continued)

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial asset is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

	2015 $	2014 $

Note 2. Revenue and other income

Revenue		
- services commissions	1,018,118	1,043,826
	1,018,118	**1,043,826**
Other revenue		
- interest received	58,928	70,824
- other revenue	3,693	2,912
	62,621	**73,736**
Total revenue	**1,080,739**	**1,117,562**

Note 3. Expenses

Employee benefits expense		
- wages and salaries	443,600	470,191
- superannuation costs	43,052	44,540
- workers' compensation costs	1,286	1,044
- other costs	46,054	35,674
	533,992	**551,449**

	2015 $	2014 $
Note 3. Expenses (continued)		
Depreciation of non-current assets:		
- plant and equipment	16,639	17,491
Amortisation of non-current assets:		
- intangible assets	6,108	1,540
	22,747	**19,031**
Bad debts	340	(2,119)
Other expenses		
- ATM expenses	20,971	20,696
- Agency commissions	9,247	9,390
- Board functions / meetings / training	26,389	9,228
- Cash delivery	24,759	24,242
- Consultancy and Legal	-	10,691
- Cleaning and hygene	9,470	9,310
- Electricity and gas	11,659	12,490
- Freight /cartage / delivery	14,637	13,867
- Insurance	17,184	18,237
- IT equipment Lease	6,616	6,742
- IT running costs	10,535	10,506
- IT support costs	6,973	6,930
- Marketing	30,671	55,041
- Printing and stationery	12,450	14,951
- Repairs and maintenance	16,458	12,792
- Secretarial and administration	9,745	2,136
- Telecommunications	7,256	7,363
- Other	34,029	41,258
	269,049	**285,870**

Note 4. Tax expense

These accounts have been prepared on a tax exempt basis as it has been established that Wentworth District Capital Limited operates as a community services organisation.

	2015 $	2014 $

Note 5. Auditors' remuneration

Remuneration of the Auditor for:

- Audit or review of the financial report	**3,300**	**3,200**

Note 6. Cash and cash equivalents

Cash at bank and on hand	96,717	91,104
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	96,717	91,104
	96,717	**91,104**

Note 7. Investments and other financial assets

Term deposits	**1,328,438**	**1,489,540**

Note 8. Trade and other receivables

Current		
Trade debtors	66,659	84,003
Prepayments	6,910	6,607
	73,569	**90,610**

Credit risk

The main source of credit risk relates to a concentration of trade receivables owing by Bendigo and Adelaide Bank Limited, which is the source of the majority of the company's income.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company. The balances of receivables that remain within initial trade terms (as detailed in the table below) are considered to be high credit quality.

Note 8. Trade and other receivables (continued)

	Gross amount	Past due and impaired	Past due but not impaired			Not past due
			< 30 days	31-60 days	> 60 days	
2015						
Trade receivables	66,659	-	-	-	-	66,659
Total	**66,659**	**-**	**-**	**-**	**-**	**66,659**
2014						
Trade receivables	84,003	-	-	-	-	84,003
Total	**84,003**	**-**	**-**	**-**	**-**	**84,003**

Note 9. Property, plant and equipment

	2015 $	2014 $
Furniture and fittings		
At cost	82,149	84,217
Less accumulated depreciation	(44,769)	(41,113)
Total written down amount	**37,380**	**43,104**
Leasehold Improvements		
At cost	172,094	175,294
Less accumulated depreciation	(30,581)	(26,323)
Total written down amount	**141,513**	**148,971**
Motor vehicle		
At cost	41,521	37,024
Less accumulated depreciation	(2,929)	(17,649)
Total written down amount	**38,592**	**19,375**
Computer equipment		
At cost	5,299	5,299
Less accumulated depreciation	(3,712)	(2,655)
Total written down amount	**1,587**	**2,644**
Total write down amount	**219,072**	**214,094**

	2015 $	2014 $

Note 9. Property, plant and equipment (continued)

Movements in carrying amounts

	2015 $	2014 $
Furniture and fittings		
Balance at the beginning of the reporting period	43,104	41,781
Additions	3,227	5,945
Disposals	(4,558)	
Depreciation expense	(4,393)	(4,622)
Balance at the end of the reporting period	**37,380**	**43,104**
Leasehold improvements		
Balance at the beginning of the reporting period	148,971	125,150
Additions		28,949
Disposals	(2,676)	-
Depreciation expense	(4,782)	(5,128)
Balance at the end of the reporting period	**141,513**	**148,971**
Motor vehicle		
Balance at the beginning of the reporting period	19,375	25,833
Additions	41,521	-
Disposals	(15,898)	-
Depreciation expense	(6,406)	(6,458)
Balance at the end of the reporting period	**38,592**	**19,375**
Computer equipment		
Balance at the beginning of the reporting period	2,644	171
Additions	-	3,755
Depreciation expense	(1,057)	(1,282)
Balance at the end of the reporting period	**1,587**	**2,644**

Note 10. Intangible assets

Establishment costs

At cost	60,000	60,000
Less accumulated amortisation	(60,000)	(60,000)
	-	**-**

	2015 $	2014 $

Note 10. Intangible assets (continued)

	2015 $	2014 $
Franchise and renewal fees		
At cost	68,713	68,713
Less accumulated amortisation	(7,648)	(1,540)
	61,065	**67,173**
Total Intangible assets	**61,065**	**67,173**
Movements in carrying amounts		
Franchise fee		
Balance at the beginning of the reporting period	67,173	-
Additions	-	68,713
Amortisation expense	(6,108)	(1,540)
Balance at the end of the reporting period	**61,065**	**67,173**

Note 11. Trade and other payables

	2015 $	2014 $
Current		
Unsecured liabilities:		
Trade creditors	38,483	35,052
Other creditors and accruals	24,777	170,478
	63,260	**205,530**

Note 12. Provisions

	2015 $	2014 $
Employee benefits	**62,183**	**55,423**
Movement in employee benefits		
Opening balance	55,423	63,694
Additional provisions recognised	40,172	26,603
Amounts utilised during the year	(33,412)	(34,874)
Closing balance	**62,183**	**55,423**
Current		
Annual leave	16,281	18,158
Long-service leave	19,881	9,391
	36,162	**27,549**

	2015 $	2014 $

Note 12. Provisions (continued)

Non-current

	2015 $	2014 $
Long-service leave	26,021	27,874
	26,021	**27,874**
Total provisions	**62,183**	**55,423**

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 13. Retained earnings

	2015 $	2014 $
Balance at the beginning of the reporting period	1,691,568	1,993,011
Loss after income tax	(38,150)	(301,443)
Balance at the end of the reporting period	**1,653,418**	**1,691,568**

Wentworth District Capital Limited is a company 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 outstandings and obligations of the company. As at 30 June 2015 the number of members was 167 (2014:161).

Note 14. Statement of cash flows

(a) Cash and cash equivalents balances as shown in the statement of financial position can be reconciled to that shown in the statement of cash flows as follows

	2015 $	2014 $
As per the statement of financial position	96,717	91,104
As per the statement of cash flow	**96,717**	**91,104**

Note 14. Statement of cash flows (continued)

(b) Reconciliation of profit / (loss) after tax to net cash provided from/(used in) operating activities

	2015 $	2014 $
Profit / (loss) after income tax	(38,150)	(301,443)
Items Classified as investing/financing activities		
(Profit) / loss on disposal of property, plant and equipment	3,131	-
Non cash items		
- Depreciation	16,639	17,490
- Amortisation	6,108	1,540
Changes in assets and liabilities		
- (Increase) decrease in receivables	17,041	6,392
- (Increase) decrease in deferred tax asset	-	-
- Increase (decrease) in payables	(142,270)	122,031
- Increase (decrease) in provisions	6,760	(8,271)
Net cash flows from/(used in) operating activities	**(130,741)**	**(162,261)**

(c) Credit standby arrangement and loan facilities

None in place at the date of this report.

Note 15. Related party transactions

The company's main related parties are as follows:

(a) Key management personnel

Any person(s) having authority or responsibility for planning, directing or controlling the activities of the entity, directly or indirectly including any Director (whether executive or otherwise) of that company is considered key management personnel.

(b) Other related parties

Other related parties include close family members of Key Management Personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

(c) Transactions with Key Management Personnel and related parties

Other than detailed below, no key management personnel or related party has entered into any contracts with the company. No Director fees have been paid as the positions are held on a voluntary basis.

The company engages the services of Bysouth's Garage to service the company motor vehicle, a business in which our appointed Director, E. Rebecca Bysouth has a direct partnership interest. Total payment $321 (2014: $610).

Note 15. Related party transactions (continued)

(c) Transactions with Key Management Personnel and related parties (continued)

This was an existing commercial arrangement in place prior to Rebecca's appointment as a Director, with services performed under standard commercial terms and conditions, no more favourable than those available to other persons.

(d) Other Key Management transactions

There has been no other transactions involving equity instruments other than those described above.

Note 16. Events after the reporting period

There have been no events after the end of the financial year that would materially affect the financial statements.

Note 17. Contingent liabilities and assets

There were no contingent liabilities or assets at the date of this report to affect the financial statements.

Note 18. Operating segments

The company operates in the financial services sector where it facilitates the provision of banking services to its clients. The company operates in one geographic area being Wentworth, NSW. The company has a franchise agreement in place with Bendigo and Adelaide Bank Limited who account for 100% of the revenue (2014: 100%).

	2015 $	**2014 $**
Note 19. Committed expenditures		
Operating lease commitments		
Non-cancellable operating leases contracted for, and committed sponsorship agreements entered into, not capitalised in the Statement of Financial Position.		
Payable - minimum committed payments		
- no later than 12 months	81,233	62,334
- between 12 months and 5 years	173,342	134,885
	254,575	**197,219**

The two property leases are non-cancellable leases, one for a two year term, the other a five year term, with rent payable monthly in advance, and with lease payments increased by CPI each year. At end of each lease period, options exist to renew the lease for a futher period of the same term.

The company has entered into sponsorship agreements with various local sporting clubs and associations for periods of committed funding covering three to five years, in lieu of regular applications by these organisations for funding on an annual basis, through the annual community grants process.

Note 20. Company details

The registered office and principle place of business is:	Wentworth District Capital Limited 36 - 38 Darling Street Wentworth NSW 2648

Note 21. Financial risk management

The company's financial instruments consist mainly of deposits with banks, short term investments, account receivables and payables, bank overdraft and loans. The totals for each category of financial instruments measured in accordance with AASB 139 Financial Instruments: Recognition and Measurement as detailed in the accounting policies are as follows:

	Note	2015 $	2014 $
Financial assets			
Cash and cash equivalents	6	96,717	91,104
Investments and other financial assets	7	1,328,438	1,489,540
Trade and other receivables	8	73,569	90,610
Total financial assets		**1,498,724**	**1,671,254**
Financial liabilities			
Trade and other payables	11	63,260	205,530
Total financial liabilities		**63,260**	**205,530**

Financial risk management policies

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has established an Audit / Remuneration Committee which reports regularly to the Board. This Committee is assisted in the area of risk management by internal Bendigo and Adelaide Bank Limited audit functions.

Specific financial risk exposure and management

The company has exposure to credit risk, liquidity risk and market risk from their use of financial instruments. There have been no substantive changes in the types of risks the company is exposed to, how the risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. For the company it arises from receivables and cash assets.

Credit risk is managed through maintaining procedures that ensure, to the extent possible, that clients and counterparties to transactions are of sound credit worthiness and their financial stability is monitored and assessed on a regular basis. Such monitoring is used in assessing receivables for impairment. Credit terms for normal fee income are generally 30 days from the date of invoice. For fees with longer settlements, terms are specified in the individual client contracts. In the case of loans advanced, the terms are specific to each loan.

Note 21. Financial risk management (continued)

(a) Credit risk (continued)

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets as presented in the statement of financial position.

The company has no significant concentrations of credit risk with Bendigo and Adelaide Bank Limited. The company's exposure to credit risk is limited to Australia by geographic area.

None of the assets of the company are past due (2014: nil past due) and based on historic default rates, the company believes that no impairment allowance is necessary in respect of assets not past due.

The company limits its exposure to credit risk by only investing in liquid securities with Bendigo and Adelaide Bank Limited and therefore credit risk is considered minimal.

	2015 $	2014 $
Cash and cash equivalents:		
A rated	96,717	91,104

(b) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company ensures it will have enough liquidity to meet its liabilities when due under both normal and stressed conditions. Liquidity management is carried out within the guidelines set by the Board.

Typically, the company maintains sufficient cash on hand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Financial liability and financial asset maturity analysis:

30 June 2015	Note	Total $	Within 1 year $	1 to 5 years $	Over 5 years $
Financial liabilities due for payment					
Trade and other payables	11	63,260	63,260		
Total expected outflows		**63,260**	**63,260**	**-**	**-**
Financial Assets - realisable					
Cash and cash equivalents	6	96,717	96,717	-	-
Investments and other financial assets	7	1,328,438	1,328,438		
Trade and other receivables	8	73,569	73,569	-	-
Total anticipated inflows		**1,498,724**	**1,498,724**	**-**	**-**
Net inflow on financial instruments		**1,435,464**	**1,435,464**	**-**	**-**

Note 21. Financial risk management (continued)

(b) Liquidity risk (continued)

30 June 2014	Note	Total $	Within 1 year $	1 to 5 years $	Over 5 years $
Financial liabilities due for payment					
Trade and other payables	11	205,530	205,530	-	-
Total expected outflows		**205,530**	**205,530**	**-**	**-**
Financial Assets - realisable					
Cash and cash equivalents	6	91,104	91,104	-	-
Investments and other financial assets	7	1,489,540	1,489,540		
Trade and other receivables	8	90,610	90,610	-	-
Total anticipated inflows		**1,671,254**	**1,671,254**	**-**	**-**
Net inflow on financial instruments		**1,465,724**	**1,465,724**	**-**	**-**

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company reviews the exposure to interest rate risk as part of the regular Board meetings.

The weighted average interest rates of the company's interest-bearing financial assets are as follows:

	2015 $	2014 $
Financial assets		
Cash and cash equivalents (net of bank overdrafts)	3.0%	3.5%

Sensitivity analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

Note 21. Financial risk management (continued)

(c) Market risk (continued)

Sensitivity analysis (continued)

	Profit $	Equity $
Year ended 30 June 2015		
+/- 1% in interest rates (interest income)	967	967
	967	**967**
Year ended 30 June 2014		
+/- 1% in interest rates (interest income)	15,806	15,806
	15,806	**15,806**

The company has no exposure to fluctuations in foreign currency.

(d) Price risk

The company is not exposed to any material price risk.

Fair values

- Fair value estimation

  The fair values of financial assets and liabilities approximate the carrying values as disclosed in the Statement of Financial Position. Fair value is the amount at which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction. The company does not have any unrecognised financial instruments at year end.

Directors' declaration

In accordance with a resolution of the Directors of Wentworth District Capital Limited, the Directors of the company declare that:

1 the financial statements and notes of the company as set out on pages 9 to 32 are in accordance with the Corporations Act 2001 and:

   (i) comply with Australian Accounting Standards, which as stated in accounting policy Note 1(a) to the financial statements constitutes compliance with International Financial Reporting Standards (IFRS); and

   (ii) give a true and fair view of the company's financial position as at 30 June 2015 and of the performance for the year ended on that date;

2 in the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This resolution is made in accordance with a resolution of the Board of Directors.

M E Thomson

Margaret Elizabeth Thomson
Director

Signed at Wentworth on 17 September 2015.

Independent audit report

Richmond Sinnott & Delahunty
Chartered Accountants

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF WENTWORTH DISTRICT CAPITAL LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Wentworth District Capital Limited, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 of the company at the year's end.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Richmond Sinnott Delahunty Pty Ltd
ABN 60 616 244 309
Liability limited by a scheme approved under Professional Standards Legislation

Partners:
Kathie Teasdale
David Richmond
Philip Delahunty
Cara Hall
Brett Andrews

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Wentworth District Capital Limited, would be in the same terms if provided to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion:

(a) the financial report of Wentworth District Capital Limited is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the period ended on that date; and

(ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) the financial report also complies with the International Financial Reporting Standards as disclosed in Note 1.

RICHMOND SINNOTT & DELAHUNTY
Chartered Accountants

P. P. Delahunty
Partner

Dated at Bendigo, 17 September 2015

Wentworth District Capital Limited

Branch Manager

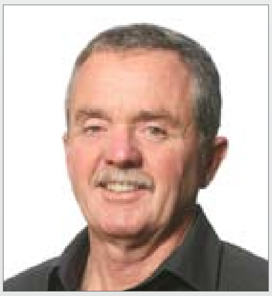
Daryl Wescombe

Directors

Margaret Thomson, Chair

Andrew Cottrell

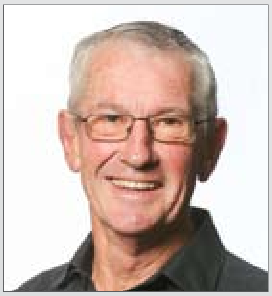
Becky Bysouth



David Dawes

Donna Scopelliti

Kerryn Swarbrick



Sam Cross

Stefanie Heaysman

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Junior Observers

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