



Bendigo Bank

Helping our locals build better lives.

Milton & Districts and Sussex Inlet **Community Bank**® Branches



3.5%

**INCREASE OVERALL
BUSINESS GROWTH**



LENDING INCREASE

\$7.046M



**Over
50,000**

LOCAL CUSTOMER CONTACTS

\$305K



NET PROFIT BEFORE TAX

WFSL PLAN FOR

**2017-
2020**



**2017
annual
report**

Woodstock Financial Services Limited
ABN 61 105 527 697

Recent Achievements

- Completion of Traineeship Cert IV Financial Services Renae Anderson 20 January 2017
- Completion of Traineeship Cert IV Financial Services Caitlin Ferguson 13 April 2017
- Being Bigger and Better - Winner March 2017 Michele Green
- Milton & Sussex Inlet Branches 1st and 3rd - Regional insurance competition.
- Milton & Sussex Inlet Branches in the top 3 for insurance results - NSW State - 2017
- Milton & Sussex Inlet Branches consistently topping Regional Wealth referral solutions



Notice of Annual General Meeting

Woodstock Financial Services Limited

A.B.N. 61 105 527 697

To be held at 6.00 PM on Monday, 16th October 2017

Mollymook Surf Life Saving Club

Ordinary Business

1. Receipt of Annual Report

To receive the Company's Financial Report, the Director's Report and the Auditor's Report for the year ended 30 June 2017.

2. Election of Directors

To consider, and if thought fit, to pass each of the following resolutions as an ordinary resolution.

Re-election of Director appointed since last Annual General Meeting

- (a) That **MATTHEW THOMAS** be elected as a Director of the Company.
- (b) That **GAVEN DORRELL** be elected as a Director of the Company.
- (c) That **JUSTINE COX** be elected as a Director of the Company.

Re-election of Director retiring by rotation

- (b) Under the terms of the Companies Constitution 2 Directors are required to retire by rotation.
- (c) That **SAMANTHA BETTS** be elected as a Director of the Company
- (d) That **JEREMY PENROSE** be elected as a Director of the Company

Election of new Director

- (e) No person had offered themselves for re election

3. Appointment of Auditor

To consider, and if thought fit, pass the following resolution as an ordinary resolution.

That the appointment of **BSP Advisory Group Pty Ltd** as Auditor of the company be approved.

Attending the meeting

All shareholders may attend the Annual General Meeting.

Joint holders: In the case of joint shareholders, all holders may attend the Meeting. If only one holder attends (including by proxy), that shareholder may vote at the Meeting as if that holder were solely entitled to the shares.

If more than one joint holder is present (including by proxy), the joint holder whose name appears first in the register may vote.

Proxy: If you are unable to attend the Meeting, you are entitled to appoint a proxy to attend and vote.

See the attached Proxy Form for information on appointing a proxy.

Corporate shareholder: A corporate shareholder may appoint one or more persons to act as its representative under section 250D of the Corporations Act, but only one representative may exercise the corporate shareholder's powers at any one time. The company requires written evidence of a representative's appointment to be given to the company before the meeting.

Notice of Annual General Meeting

Voting rights

Each shareholder is entitled to one vote.

For the purposes of voting at the Meeting, shares will be taken to be held by the persons who are registered as shareholders as at 5.00 PM on 13th October 2017.

By order of the Board

Matthew Thomas
Company Secretary
18th September 2017

Explanatory Notes

This information has been included to assist you in making an informed decision about the resolutions proposed at the meeting.

Agenda item 2. Election of Directors

The following information is provided about candidates for election to the Board.

Re-election of Director appointed since last Annual General Meeting

- (a) **MATTHEW THOMAS** having been appointed by the Board since the last Annual General Meeting, retires in accordance with the constitution of the company, and being eligible, offers themselves for election.
- (b) **GAVEN DORRELL** having been appointed by the Board since the last Annual General Meeting, retires in accordance with the constitution of the company, and being eligible, offers themselves for election.
- (c) **JUSTINE COX** having been appointed by the Board since the last Annual General Meeting, retires in accordance with the constitution of the company, and being eligible, offers themselves for election.

Re-election of Director retiring by rotation

- (b) Under the terms of the Companies Constitution 2 Directors are required to retire by rotation
- (c) **SAMANTHA BETTS** offers themselves for re-election as a Director of the Company
- (d) **JEREMY PENROSE** offers themselves for re-election as a Director of the Company

Election of New Director

No person had offered themselves for election.

Agenda item 3. Appointment of Auditor

Item 3 is an ordinary resolution to seek your approval for the appointment of **BSP Advisory Group Pty Ltd** as the company's Auditor.

The Board has previously received **BSP Advisory Group Pty Ltd** consent to act and written notice of Hales Douglass Pty Ltd nomination as Auditor from a shareholder.

The appointment of **BSP Advisory Group Pty Ltd** requires approval of shareholders under the Corporations Act.

Questions from shareholders

Shareholders are invited to ask questions of the Board. We will endeavour to address questions of general interest to shareholders at the AGM. A summary of the responses to commonly asked questions will be posted on the Company's website.

Shareholders are also invited to ask written questions of the auditor about the content of the Auditor's Report or the conduct of the audit of the financial report to be considered at the AGM. These questions will be passed on to the auditor and a reasonable opportunity will be allowed at the AGM for the auditor or their representative to respond.

To ask a question either:

complete the form below and return it to 83 Princes Highway Milton; or
email your question/s to the Company Secretary at secretary@woodstockfinancialservices.com.au
by 5pm on Friday 13th October 2017

Question 1 is for Chairman or Auditor

Question 2 is for Chairman or Auditor

Name: _____

Address: _____

Proxy form

Woodstock Financial Services Limited
 ABN: 61 105 527 697

All correspondence to:
Woodstock Financial Services Limited
 83 Princes Highway
 Milton NSW 2538
 Enquiries 02 4454 2659
 Fax 02 4454 2651
 Email secretary@woodstockfinancialservices.com.au
 Registered office 41 Deering Street Ulladulla NSW 25299

Name of Shareholder :.....
 Address.....
 Address.....
NSW

Please mark this box with an 'X' if you have made any changes to your address details (see reverse)

Appointment of proxy

I/We being a shareholder/s of **Woodstock Financial Service Limited** ('the company) and entitled to attend and vote at the 2017 Annual General Meeting (AGM) to be held at **Mollymook Surf Life Saving Club** on **Monday, 16th October 2017 at 6.00pm**

appoint:

The Chair of the meeting (please mark this box with an 'X')

OR

(Please write the name or position/office of the person or the name of the body corporate that you are appointing as proxy)

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions or, if the proxy is left open and to the extent permitted by law, to vote as the proxy chooses at the AGM and, if the meeting is adjourned, when the meeting has been reconvened for business.

Chair to vote open proxies in favour: I/We acknowledge that the Chair of the meeting intends to vote all available open proxies in favour of all items of business.

If you wish to direct your proxy how to vote, please mark your direction in the next section of this form.

VOTING DIRECTIONS TO YOUR PROXY (Please mark with 'X' to indicate your directions)

Ordinary Business	Accept	Decline	Abstain*
Item 1. Receipt of Financial Report, Director's Report and Auditor's Report			
Item 2. Receipt of Remuneration Report	Nil	Nil	Nil
Item 3. Re-election of Samantha Betts as a director			
Item 4. Re-election of Jeremy Penrose as a director			

When completing this proxy form, please note that:

- you should indicate an 'X' in only one box for each for each item of business;
- if the Chair of the meeting is your proxy and you do not mark any of the boxes opposite Item 2, you are directing the Chair to vote in favour of the resolution on item 2 (Remuneration Report). Otherwise, if your proxy is left open for an item of business, your proxy is able to vote as they choose or to abstain from voting on that item, subject to any voting restrictions that may apply to your proxy (further details are provided on the next page). As noted above, the Chair intends to vote all available proxies in favour of each resolution;
- if you mark the "abstain" box for an item of business, you are directing your proxy not to vote on that item, and
- abstentions will not be counted in calculating the required majority on a poll.

SIGNING OF PROXY FORM

This section MUST be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Shareholder 1	Shareholder 2	Shareholder 3
-----------------------------	---------------	---------------

Sole Director and
 Sole Company Secretary

Director

Director / Company Secretary

Proxy form

HOW TO COMPLETE YOUR PROXY FORM

1. Appointment of Proxy – General Information

A shareholder entitled to attend and vote at the meeting may appoint a proxy to attend and vote on their behalf.

Shareholders should note that:

- all shareholders have the right to appoint a proxy
- a proxy does not have to be a shareholder of Woodstock Financial Service Limited
- a proxy may be an individual or a body corporate, and
- if you hold two or more shares, you may appoint up to two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise.

If you wish to appoint the Chair of the meeting as your proxy, please mark the box with an 'X' to show this appointment. If you wish to appoint another individual as your proxy, please write the name of that person or the person's position or office.

If you wish to appoint a body corporate as your proxy, please write the body corporate's name.

If the appointed proxy (other than the Chair of the meeting) is not in attendance at the meeting, the Chair of the meeting will act as your proxy.

If you have not nominated a proxy, the Chair of the meeting will act as your proxy.

2. Your name and address

This is your name and address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Please note, you cannot change ownership of your shares using this form.

3. Appointment of a proxy

A shareholder entitled to attend and vote at the meeting may appoint one proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

4. Identity of proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person.

If you leave this section blank, the Chairman of the Meeting will act as your proxy.

5. Voting instructions

You are encouraged to direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses.

If you mark more than one box on an item your vote on that item will be invalid.

6. Signing of proxy form

A proxy appointment is only valid if the proxy form has been signed by the shareholder(s) making the appointment(s). The following rules apply in relation to the signing of proxy forms for joint holdings, proxy forms signed under power of attorney, and proxy forms signed by corporate shareholders:

Individual

If the holding is in one name, the individual shareholder must sign.

Joint holding

If you hold your shares jointly, all shareholders should sign the proxy form. A proxy form signed by the shareholder whose name appears first in the register, but not by the other joint holder(s), will also be accepted as valid.

Power of Attorney

If a proxy form is signed under a power of attorney, you must lodge the original or certified copy of the power of attorney with your proxy form, unless you have previously lodged one of these documents with the company.

Corporate shareholders

Proxy forms for corporate shareholders should be signed in accordance with your company's constitution or the Corporations Act. If a representative of the company is to attend the meeting, the appropriate 'Certificate of Appointment of Corporate Representative' must be produced before admission to the meeting.

Lodgement of your proxy form (related documents)

A proxy appointment for the 2017 Annual General Meeting to be held at 6.00 PM at Mollymook Surf Life Saving Club, on 16th October 2017. This proxy form (and any Power of Attorney under which it is signed) must be received by the company not later than 5.00 PM on 13th October 2017 before the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged in any of the following ways:

Post or hand delivery

To the company's branch office at 83 Princes Highway Milton NSW 2538

or the registered office c/o Hales Douglass Accountants, 41 Deering Street Ulladulla 2539

Facsimile - To fax number 02 4454 2651

Electronic lodgement - Email to secretary@woodstockfinancialservices.com.au

Manager's Report - Milton & Districts and Sussex Inlet Branches

It is my pleasure to report the annual performance for the Milton & Districts Community Bank and Sussex Inlet Community Bank branches for the financial year ending 30 June 2017. I joined the Board and team at the Milton & Districts and Sussex Inlet Community Banks, as Branch Manager 17 October 2016. I thank the community, Board and team for receiving me so warmly.

It is with heartfelt gratitude that I thank my team. Zoie Collett - Customer Relationship Manager, Caroline Boland - Customer Service Supervisor, Lauren Town - Customer Relationship Officer, Maureen Howe, Dimity McDonnell, Caitlin Ferguson, Renae Anderson, Gabrielle Collins and Chalee Benjamin - Customer Service Officers, have continually worked at a high level, exceeding expectations of the bank and the community consistently. It is rare to find such a hard working team of staff, dedicated, as they are, to our community, our clients, and each other. We are now consistently topping State records in our results. The result meaning we have more profit from our Community Banks to go back out into your community to help our locals build better lives, through our partnerships with your community groups. Simply put, the more banking we have, the more profits can be enjoyed by all of us as community members.

Over the past 12 months, the branches have enjoyed continued growth whilst in a competitive period of lower interest rates.

- The Business overall increased by 3.5%, to \$164.5m up from \$159.0m.
- Lending increased overall \$7.046m – well above last year's growth. Additionally our Lending Applications approved were \$29.853m; again a substantial increase on same time last year.
- Lending settlements \$23.588m, an increase of 54.1% from last year's figure of \$15.309m.
- Our 'lending pipeline' – or loans in progress - is now sitting at \$12.476m, a substantial increase on last year's pipeline of \$4.213m.
- Our Products Per Customer is also impressive, rising from 1.865 to above the State average and landing on 1.921
- We served 50,447 customers.
- We sold 190 insurance policies over the counter, above our target by 119.8%.
- Wealth products; financial planning, superannuation, Sandhurst Term deposits and Sandhurst funds increased by 61.9%

These positive results are attributable to consistently maintaining the importance of staying connected with our clients and maintaining our high standard of customer service. Our clients in turn advocate the benefits of banking with us to family, friends and the community, and for this we are grateful. Word of mouth is, after all, our highest compliment.

Within my role as Branch Manager, I am enjoying being a part of the local community through both business and community event interactions, including speaking at Ulladulla Rotary, Keys to Keys seminar, Ulladulla High School, attendances at Rugby League, Netball to name a few. For the year ahead, I am looking forward to meeting even more of our shareholders, clients and community groups and I am excited to announce initiatives to be enjoyed by all of our community groups. For example with all new home loan lending of \$100,000 or more, we are giving the borrower an opportunity to donate \$250 to the community group of their choice (our policy permitting). For our Shareholders who have a banking review completed, a \$50 donation will be made to the Community Group of your choice. The benefits you enjoy do not stop there. We are driven to being first on your mind when banking is in your thoughts and will ensure your banking is old fashioned, friendly service where you will feel appreciated and valued.

I also thank the efforts of the Woodstock Financial Services Ltd Board of Directors for their support during the year. All of the Directors give their time and commitment voluntarily with a view to creating a successful community through the bank and thereby assisting in building a successful community - a fantastic and appreciated team effort. We look forward to an exciting 2018 financial year. Our banking reviews and conversations continue with our clients experiencing the financial success and wealth creation that all members of such a wonderful community deserve.

Please do not hesitate to recommend our Branch to your family, friends and the community. If you are a shareholder who does not have a relationship with our branch, please call in and discuss how you can benefit by banking with the Milton & Districts and Sussex Inlet Community Branches.

JEN SHERIDAN
Branch Manager



Helping our locals build better lives.

Chairman's Report

Welcome once again to hear an annual update on the success experienced by your Company over the past 12 Months and as always your Board looks forward to your attendance at our AGM to be conducted at the Mollmook SLSC Club. As one of our current shareholders of Woodstock Financial Services I would like first up to genuinely thank you for the support and confidence you have shown the Board throughout 2016-17, as this has been a very positive year for your Company. If you take one thing away from this years report that would be tell and share our tremendous local ' Bendigo Community Bank® Story' with others in our Community – because it is worth telling.

In our last Annual Report to you we spoke about our work that the Board needed to do to 'future-proof' our Community Bank® business for a much smoother and resilient ride on its road ahead; and we are pleased to announce that the work carried out did make for a better overall result. Over the past year our Company's profit before tax was \$305,000-00 - up from \$91k in 2016 - derived primarily by looking after the needs of over 50,000 local customer contacts. We also experienced a substantial increase in our lending activity this period, and our products per customer delivered though our branches are broader and now healthily inclusive of insurance and wealth offerings. The current Funds Under Management overall increased by some 3.5% and now sits at over \$164.5m. This overall figure was held back slightly by a 3% reduction in our Deposits, which were flatter throughout the period. We attribute a substantial part of our lending improvement to the great work of our staff; additionally your Board made improvements to base operating costs while growing the capacity of the business overall. Obviously we do not act in isolation for any business improvement over this period and in so doing we acknowledge the role played by our partner BENDIGO BANK over the past 12 months; whose results were also very positive with their after tax statutory profit of \$429.6 million - 30 June 2017.

The work carried out by our two Community Bank® Branches at Milton and Sussex Inlet continues to grow and by using our strong 'pipeline of activity' as a guide, the Board is confident that we will continue to achieve further increased profitability during 2017-18. Local & existing relationships and marketing activity carried out by our Managers and staff will continue to drive this result in the year ahead. Justifying the support your Board and shareholders initially undertook some years ago saw the Sussex Inlet operation move to a full branch in the new Franchise model this year; additionally we are very happy to report that for the first time since coming on-line this Branch has delivered a small profit, which we believe will continue to grow. Strong capital investment will underpin what we do from now on - so it is pleasing to know our business has all of our current and ongoing undertakings for employee entitlements now covered; this will be reinforced by an ongoing Managed Investment Policy to address future capital needs.

The Board continues to work diligently on its main purpose of 'helping our locals build better lives' – and even though the banking environment is changing pretty quickly for us - we intend to be a relevant part of that change in our local Community for a long time. As part of our recent strategic planning carried out for the Company we consulted openly with many shareholders, customers and other sponsors and we have listened to your messages. Based on your advice it is clear to us that the overwhelming majority of respondents want to see both profit and longer-term asset growth in this business; and to do that the Company is expecting to shortly look to invest on your behalf with an expansion upgrade of the Sussex operation. Funds to cover any growth are presently covered to date with over \$500K invested in short term rollovers for our Company. We believe that any investment and delivery of service through our Branches in the future will still primarily be about us in the banking business - but we plan to make our 'local engagement' that real point of difference for us and core to any new model of Community relevance. So while technology may primarily shape the approach of our competitors, we will use our local presence to good advantage by perhaps developing Community Hubs that do many exciting things with our existing and new customers from here on.

We also heard that you wish to see and hear more of what your Board is doing, so we are now developing ways now for that to happen. Please assist us by telling us if you have email addresses where we can communicate regularly with you, or stay tuned to our social media and 'like' our Facebook, which are all very easy ways to see the great initiatives underway.

To this date WFSL has returned over \$330,000-00 to shareholders in the form of both fully franked and un-franked dividends. Last year we reported to you that we would assess our position through the year regarding a 2017 Shareholder Dividend. We are pleased to announce that we have met our undertaking of an un-franked shareholder dividend of \$0.06c; now representing a cash return to the original WFSL backers of around \$44% on their original investments. Given reasonable trading conditions going forward we anticipate delivering a further Dividend in this current financial year. Moreover for our Shareholders we are now also offering benefits at least quarterly throughout each year. For those who register an email with us you should have now received the initial "Shareholder Privileges Pack" notification from your Company; we hope that you take that up as more will follow in 2017-18. Share blocks are always available to purchase when required by others who you know that may be interested and this year the Company is transitioning Share Management to the Low Volume Market, representing a yearly cost saving for us; however Shareholders will see minimal change in any procedures. For information around that please go to the Company website <http://www.bendigobank.com.au/public/community/our-branches/milton/investor-relations>.



Helping our locals build better lives.

Chairman's Report continued

I am sure you are all well aware of how your company shareholding coupled with banking products at the local Community Bank® branches makes a difference in our towns. Every day, every new account means we are a step closer to supporting more projects and our vision of returning \$1 million dollars to local regional capacity. Community investment and local partnerships continue to be our priority to 'help our locals build better lives'. In returning over \$51,000-00 in grants, sponsorships and donations this past financial year - Sporting clubs, Youth scholarships, schools financial literacy programs, and many local groups all benefitted this year. Some businesses have begun to partner with us in what we provide back in the area of education and we would like to thank both Hales Douglass and IGA Milton for this support. We are now also keen to tackle some bigger support opportunities if the project is exceptional and can demonstrate significant community value – so keep us informed of your thoughts around that through our Community Connect initiatives.

All our staff has had a great year in assisting us again grow our business to a greater level. A thanks goes out to Jen Sheridan and her fantastic Team for that. We have only recently welcomed our newest member Amber Morgan as our Sussex Inlet Branch Manager. During the period we welcomed Chalee Benjamin and Gaby Collins as new Customer Service Officers and we congratulate both Renae Anderson and Caitlin Ferguson who completed their Certificate 1V in Banking Services. Michele Green left the Team to join SCC.

I am also pleased to inform you that we welcomed Matt Thomas a local accountant, Justine Cox Management Consultant and Gaven Dorrell a well-respected local business identity to the Board this year. In the coming year we will see more healthy Board succession take place and we will have at least one or two new faces coming on board. I genuinely believe your Board really does have some great people doing fantastic work for the staff and Community and I would like to thank all our current Directors on the job that they do on a voluntary basis. Thank you all once again for supporting us through another year at WFSL and wish you all the best from the Board

WAYNE DEDDEN

Chairman



Woodstock Financial Services Limited

ABN 61 105 527 697

Financial Statements

For the Year Ended 30 June 2017

Woodstock Financial Services Limited

ABN 61 105 527 697

Contents

For the Year Ended 30 June 2017

	Page
Financial Statements	
Directors' Report	1
Auditors Independence Declaration under Section 307C of the Corporations Act 2001	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	25

Woodstock Financial Services Limited

ABN 61 105 527 697

Directors' Report

30 June 2017

The directors present their report for the financial year ended 30 June 2017.

1. General information

Information on directors

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

Wayne Dedden

Experience	Business Proprietor
Special responsibilities	Chairperson

Matt Dell

Experience	Business Proprietor
------------	---------------------

Samantha Betts

Experience	Business Proprietor, CPA & Company Director
------------	---

Jeremy Penrose

Experience	Business Proprietor & Company Director
------------	--

Stuart Emslie

Experience	Appointed 14 September 2016 Nursing Unit Manager - Milton Ulladulla Hospital
------------	---

Gillian Drury

Experience	Business Proprietor
------------	---------------------

Simon Law

Experience	Resigned 14 September 2016 Business Proprietor
------------	---

Matthew Thomas

Experience	Appointed 26 October 2016 Accountant
Special responsibilities	Secretary

Directors have been in office since the start of the financial year to the date of this report 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 financial year were in providing community banking services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

No significant change in the nature of these activities occurred during the year.

Directors' Report

30 June 2017

2. Operating Results

The profit/(loss) of the Company amounted to \$ 214,433 (2016: \$ 66,821).

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Matters or circumstances arising after the end of the year

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

Corporate Governance

The company has implemented various corporate governance practices, which include:

- Director approval of operating budgets and monitoring of progress against these budgets;
- Ongoing Director training; and
- Monthly Director meetings to discuss performance and strategic plans.

Meetings of directors

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

	Directors' Meetings	
	Number eligible to attend	Number attended
Wayne Dedden	11	10
Matt Dell	11	8
Samantha Betts	11	7
Jeremy Penrose	11	8
Stuart Emslie	11	11
Gillian Drury	11	8
Simon Law	2	-
Matthew Thomas	8	7

Indemnification and insurance of officers and auditors

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

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

Woodstock Financial Services Limited

ABN 61 105 527 697

Directors' Report

30 June 2017

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been auditor of Woodstock Financial Services Limited.

Directors' 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 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.

Auditor's independence declaration


The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2017 has been received and can be found on page of the financial report.

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



Director:

Wayne Dedden



Director:

Gillian Drury

Dated this^{12th} day of September 2017

Woodstock Financial Services Limited

ABN 61 105 527 697

Auditors Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Woodstock Financial Services Limited and Controlled Entities

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Ulladulla NSW 2539

Woodstock Financial Services Limited

ABN 61 105 527 697

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2017

		2017	2016
	Note	\$	\$
Revenue	4	1,261,891	1,040,668
Employee benefits expense	5	(555,473)	(574,362)
Depreciation and amortisation expense	5	(51,299)	(46,485)
Charitable donations and sponsorship		(43,967)	(19,181)
Administration & other expenses		(305,233)	(307,834)
Finance costs	5	(752)	(1,325)
Profit before income tax		305,167	91,481
Income tax expense	6	(90,734)	(24,660)
Profit for the year		214,433	66,821
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		214,433	66,821
Earnings per share			
From continuing operations:			
Basic earnings per share (cents)		28.59	8.91
Diluted earnings per share (cents)		28.59	8.91

The accompanying notes form part of these financial statements.

Woodstock Financial Services Limited

ABN 61 105 527 697

Statement of Financial Position**30 June 2017**

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	446,047	168,035
Trade and other receivables	8	118,879	96,932
Other assets		5,548	249
TOTAL CURRENT ASSETS		570,474	265,216
NON-CURRENT ASSETS			
Property, plant and equipment	9	69,385	101,877
Deferred tax assets		47,671	81,752
Intangible assets	10	46,841	38,705
TOTAL NON-CURRENT ASSETS		163,897	222,334
TOTAL ASSETS		734,371	487,550
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	118,367	66,476
Interest bearing liabilities	12	39,322	42,012
Other provisions		555	555
Employee benefits	13	20,277	22,106
TOTAL CURRENT LIABILITIES		178,521	131,149
NON-CURRENT LIABILITIES			
Interest bearing liabilities	12	2,944	6,765
Employee benefits	13	30,622	41,785
TOTAL NON-CURRENT LIABILITIES		33,566	48,550
TOTAL LIABILITIES		212,087	179,699
NET ASSETS		522,284	307,851
EQUITY			
Issued capital	14	745,003	745,003
Retained earnings		(222,719)	(437,152)
TOTAL EQUITY		522,284	307,851

The accompanying notes form part of these financial statements.

Woodstock Financial Services Limited

ABN 61 105 527 697

Statement of Changes in Equity

For the Year Ended 30 June 2017

2017

	Share Capital	Accumulated Losses
Note	\$	\$
Balance at 1 July 2016	745,003	(437,152)
Profit after income tax expense	-	214,433
Dividends paid	-	-
Balance at 30 June 2017	<u>745,003</u>	<u>(222,719)</u>

2016

	Share Capital	Accumulated Losses
Note	\$	\$
Balance at 1 July 2015	745,003	(503,973)
Profit after income tax expense	-	66,821
Dividends paid	-	-
Balance at 30 June 2016	<u>745,003</u>	<u>(437,152)</u>

The accompanying notes form part of these financial statements.

Woodstock Financial Services Limited

ABN 61 105 527 697

Statement of Cash Flows For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash receipts in the course of operations	1,357,708	1,132,364
Cash payments in the course of operations	(956,841)	(963,941)
Interest received	539	642
Interest paid	(752)	(1,325)
GST remitted to ATO	(86,493)	(61,814)
Net cash provided by operating activities	20 <u>314,161</u>	<u>105,926</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(8,709)	(8,256)
Franchise fee instalment	(27,440)	(15,440)
Net cash used by financing activities	<u>(36,149)</u>	<u>(23,696)</u>
Net increase/(decrease) in cash and cash equivalents held	278,012	82,230
Cash and cash equivalents at beginning of year	168,035	85,805
Cash and cash equivalents at end of financial year	7 <u><u>446,047</u></u>	<u><u>168,035</u></u>

The accompanying notes form part of these financial statements.

Woodstock Financial Services Limited

ABN 61 105 527 697

Notes to the Financial Statements

For the Year Ended 30 June 2017

The financial report covers Woodstock Financial Services Limited ('the Company'). Woodstock Financial Services Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.

The consolidated financial statements are presented in Australian dollars which is the functional and presentation currency.

The financial report was authorised for issue by the Directors on 13 September 2017.

Comparatives are consistent with prior years, unless otherwise stated.

The financial report covers Woodstock Financial Services Limited and its controlled entities ('the Company'). Woodstock Financial Services Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.

Each of the entities within the Company prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The Company is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and, accordingly amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

These financial statements and associated notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Australian Accounting Standards that have been recently issued or amended, but are not yet effective, have not been adopted in the preparation of this financial report. There are no accounting standards recently issued or amended which are expected to have a significant effect on the entity in future periods.

2 Summary of Significant Accounting Policies

(a) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies

(a) Income Tax

taxation authority.

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the financial statements.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset where there is a legal right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates. All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

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

(c) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies

(d) Property, Plant and Equipment

Property, plant and equipment are brought to account at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated over the estimated useful life of the asset as follows:

<i>Class of Asset</i>	<i>Depreciation Rate</i>
Buildings & Improvements	10% Prime Cost
Plant & Equipment	30% Diminishing Value

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Recoverable amount of assets.

Recoverable amount of assets

At each reporting date, the company assesses whether there is any indication that an asset is impaired. Where an indicator of impairment exists, the company makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

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

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Loans and receivables

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

(f) Intangible Assets

Research and development

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(h) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies

(i) Share Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

4 Revenue and Other Income

Revenue from continuing operations

Finance income includes all interest-related income, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance income line in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	2017	2016
	\$	\$
Revenue		
- Sales Revenue	1,261,352	1,040,027
	<u>1,261,352</u>	<u>1,040,027</u>
Finance income		
- Interest received	539	642
	<u>539</u>	<u>642</u>
Total Revenue	<u><u>1,261,891</u></u>	<u><u>1,040,669</u></u>

5 Result for the Year

The result for the year was derived after charging the following items:

	2017	2016
	\$	\$
Finance Costs		
- interest expense	752	1,325
	<u>752</u>	<u>1,325</u>
Employee Benefits Expense		
- wages and salaries	496,453	513,122
- superannuation costs	42,594	46,473
- workers' compensation costs	1,168	1,839
- other costs	15,258	12,928
	<u>496,453</u>	<u>513,122</u>

Notes to the Financial Statements

For the Year Ended 30 June 2017

5 Result for the Year

	<u>555,473</u>	<u>574,362</u>
Depreciation of non-current assets:		
- buildings	19,905	20,080
- plant and equipment	12,586	12,587
Amortisation of non-current assets:		
- intangibles	<u>18,808</u>	<u>13,818</u>
	51,299	46,485
Bad Debts		
- Bad debts expense	<u>(551)</u>	<u>2,974</u>
	<u>(551)</u>	<u>2,974</u>

6 Income Tax Expense

(a) The major components of tax expense (income) comprise:

	2017	2016
	\$	\$
Current tax expense		
Income tax - current period	56,652	-
Deferred tax expense		
Origination and reversal of temporary differences	111	-
Recognition of Deferred Tax Assets arising from tax losses	27,167	24,660
Change in tax rates	<u>6,813</u>	<u>-</u>
Income tax expense for continuing operations	<u>90,743</u>	<u>24,660</u>
	<u>90,743</u>	<u>24,660</u>

(b) Reconciliation of income tax to accounting profit:

	2017	2016
	\$	\$
Profit before tax	<u>305,167</u>	<u>91,481</u>
Tax Payable @ 27.5% (2016: 30%)	83,921	27,444
Add:		
Tax effect of:		
- Change in tax rates within deferred tax assets	<u>6,813</u>	<u>-</u>
	90,734	27,444
Less:		
Tax effect of:		

Woodstock Financial Services Limited

ABN 61 105 527 697

Notes to the Financial Statements

For the Year Ended 30 June 2017

6 Income Tax Expense

	2017	2016
	\$	\$
- deductible movements in assets and liabilities	-	2,784
Income tax expense	<u>90,734</u>	<u>24,660</u>

7 Cash and cash equivalents

	2017	2016
	\$	\$
Cash at bank and in hand	<u>446,047</u>	<u>168,035</u>
	<u>446,047</u>	<u>168,035</u>

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2017	2016
	\$	\$
Cash and cash equivalents	<u>446,047</u>	<u>168,035</u>
Balance as per statement of cash flows	<u>446,047</u>	<u>168,035</u>

8 Trade and other receivables

	2017	2016
	\$	\$
CURRENT		
Trade receivables	<u>118,879</u>	<u>96,932</u>
Total current trade and other receivables	<u>118,879</u>	<u>96,932</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2017

9 Property, plant and equipment

	2017	2016
	\$	\$
Plant and equipment		
At cost	251,857	251,857
Accumulated depreciation	(247,660)	(235,073)
Total plant and equipment	<u>4,197</u>	<u>16,784</u>
Leasehold Improvements		
At cost	199,669	199,669
Accumulated amortisation	(134,481)	(114,576)
Total leasehold improvements	<u>65,188</u>	<u>85,093</u>
Total plant and equipment	<u>69,385</u>	<u>101,877</u>
Total property, plant and equipment	<u>69,385</u>	<u>101,877</u>

(a) Movements in carrying amounts of property, plant and equipment

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

	Plant and Equipment \$	Leasehold improvement s \$	Total \$
Year ended 30 June 2017			
Balance at the beginning of year	16,784	85,093	101,877
Depreciation & amortisation expense	(12,587)	(19,905)	(32,492)
Balance at the end of the year	<u>4,197</u>	<u>65,188</u>	<u>69,385</u>
	Plant and Equipment \$	Leasehold improvement s \$	Total \$
Year ended 30 June 2016			
Additions	29,371	105,173	134,544
Disposals	(12,587)	(20,080)	(32,667)
Balance at the end of the year	<u>16,784</u>	<u>85,093</u>	<u>101,877</u>

Woodstock Financial Services Limited

ABN 61 105 527 697

Notes to the Financial Statements

For the Year Ended 30 June 2017

10 Intangible Assets

	2017	2016
	\$	\$
Franchise Fee		
At cost	95,657	68,713
Less accumulated amortisation	(48,816)	(30,008)
Total Intangibles	<u>46,841</u>	<u>38,705</u>

11 Trade and other payables

CURRENT		
Unsecured liabilities		
Trade payables	16,638	19,462
Accrued expenses	3,600	3,607
Provision for tax	56,653	-
FBT Payable	-	2,868
Other creditors and accruals	41,476	40,539
	<u>118,367</u>	<u>66,476</u>
	<u>118,367</u>	<u>66,476</u>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

12 Borrowings

CURRENT		
Unsecured liabilities:		
Franchise Fee Payable	30,134	30,879
	<u>30,134</u>	<u>30,879</u>
Secured liabilities:		
Chattel Mortgage	9,188	11,133
	<u>9,188</u>	<u>11,133</u>
Total current borrowings	<u>39,322</u>	<u>42,012</u>
NON-CURRENT		
Unsecured liabilities:		
Franchise Fee Payable	2,944	-
	<u>2,944</u>	<u>-</u>
Secured liabilities:		
Chattel Mortgage	-	6,765
	<u>-</u>	<u>6,765</u>
Total non-current borrowings	<u>2,944</u>	<u>6,765</u>
Total borrowings	<u>42,267</u>	<u>48,777</u>

Notes to the Financial Statements

For the Year Ended 30 June 2017

12 Borrowings

(a) The carrying amounts of non-current assets pledged as collateral for liabilities are:

	2017	2016
	\$	\$
First Mortgage:		
- plant & equipment (motor vehicles)	4,197	12,150

The chattel mortgage is secured by a first registered mortgage over the motor vehicles owned by the Company.

13 Employee Benefits

	2017	2016
	\$	\$
Current liabilities		
Annual leave	20,277	22,106
	<u>20,277</u>	<u>22,106</u>

	2017	2016
	\$	\$
Non-current liabilities		
Long service leave	30,622	41,785
	<u>30,622</u>	<u>41,785</u>

14 Issued Capital

	2017	2016
	\$	\$
750 000 Ordinary shares fully paid of \$1 each	750,000	750,000
Less preliminary expenses	(4,997)	(4,997)
Total	<u>745,003</u>	<u>745,003</u>

15 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Company does not speculate in financial assets.

The most significant financial risks to which the Company is exposed to are described below:

Notes to the Financial Statements

For the Year Ended 30 June 2017

15 Financial Risk Management

Specific risks

- Market risk - interest rate risk
- Credit risk
- Liquidity risk

Financial instruments used

The principal categories of financial instrument used by the Company are:

- Trade receivables
- Cash at bank
- Trade and other payables
- Interest bearing liabilities

Objectives, policies and processes

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Specific information regarding the mitigation of each financial risk to which the Company is exposed is provided below.

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.

The Company's liabilities have contractual maturities which are summarised below:

	Not later than 1 year		1 to 5 years	
	2017	2016	2017	2016
	\$	\$	\$	\$
Trade payables	114,352	63,608	-	-
Other short term financial liabilities	42,266	42,012	2,944	6,765
Total	156,618	105,620	2,944	6,765

Notes to the Financial Statements

For the Year Ended 30 June 2017

15 Financial Risk Management

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.

(i) Interest rate risk

Interest rate risk is 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 Company is exposed to interest rate risk as funds are borrowed at floating rates.

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +2.00% and -2.00% (2016: +2.00%/-2.00%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions and economist reports.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

	2017		2016	
	+2.00%	-2.00%	+2.00%	-2.00%
	\$	\$	\$	\$
Net Profit	184	(184)	358	(358)
Equity	184	(184)	358	(358)

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.

The Company's exposure to credit risk is limited to Australia by geographic area. None of the assets of the Company are past due (2016: 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 Ltd.

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the Balance Sheet and notes to the financial statements. The Company's maximum exposure to credit risk at reporting date was:

	Gross amount	Past due and impaired	Within initial trade terms
	\$	\$	\$
2017			
Trade and term receivables	118,879	-	118,879
Cash Assets	446,047	-	446,047

Woodstock Financial Services Limited

ABN 61 105 527 697

Notes to the Financial Statements

For the Year Ended 30 June 2017

15 Financial Risk Management

	Gross amount	Past due and impaired	Within initial trade terms
	\$	\$	\$
Total	564,926	-	564,926
2016			
Trade and other receivables	96,932	-	96,932
Cash assets	168,035	-	168,035
Total	264,967	-	264,967

16 Dividends

No dividends were proposed prior to financial statements being authorised for issue (2016: No dividends were proposed prior to financial statements being authorised for issue)

17 Remuneration of Auditors

	2017	2016
	\$	\$
Remuneration of the auditor for:		
- auditing or reviewing the financial statements	4,000	4,450

18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies or commitments at 30 June 2017 not otherwise disclosed in the financial statements (30 June 2016:None).

19 Related Parties

The names of directors who have held office during the financial year and their shareholdings are:

(a)

	2016	2015
	No.	No.
Name		
Wayne Dedden	-	-
	1,900	1,900
Matt Dell	2,000	2,000
Jeremy Penrose	-	-
Matthew Thomas	-	-
Samantha Betts	-	-
Gillian Drury	-	-
Simon Law	-	-
Stuart Emslie	-	-

Notes to the Financial Statements

For the Year Ended 30 June 2017

(a)

2016	2015
No.	No.
3,900	3,900

There were no movements in shares held during the year. Each share held has a paid up value of \$1 and is fully paid.

20 Cash Flow Information

(a) Reconciliation of result for the year to cash flows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2017	2016
	\$	\$
Profit after income tax	214,433	66,821
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation	18,808	13,818
- depreciation	32,491	32,667
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(27,246)	(9,130)
- increase/(decrease) in trade and other payables	51,476	-
- (increase)/decrease in deferred tax assets	37,191	24,660
- increase/(decrease) in provisions & employee benefits	(12,992)	(15,931)
Cash flow from operations	314,161	112,905

21 Events Occurring After the Reporting Date

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

22 Company Details

The registered office of the company is:

Woodstock Financial Services Limited
41 Deering Street
Ulladulla NSW 2539

The principal places of business are:

Milton Branch

Woodstock Financial Services Limited

ABN 61 105 527 697

Notes to the Financial Statements

For the Year Ended 30 June 2017

22 Company Details

83 Princes Highway
Milton NSW 2538

Sussex Inlet Branch
4/168 Jacobs Drive
Sussex Inlet NSW 2540

Woodstock Financial Services Limited

ABN 61 105 527 697

Directors' Declaration

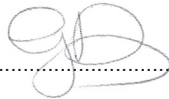
The directors of the Company declare that:

1. the financial statements and notes for the year ended 30 June 2017 are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards, which, as stated in accounting policy note 2 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position and performance of the Company;
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 declaration is made in accordance with a resolution of the Board of Directors.



Director
Wayne Dedden



Director
Gillian Drury

Dated this 12th day of September 2017



BSP
Advisory

Chartered Accountants • Business Advisory

BSP Advisory Group Pty Ltd
Established 1967

ABN 93 001 950 625



Mark D Burcher

F.C.A. B.Com. JP
Director

John C Nevin

CA, B.Bus (Acc/Mkt),
Grad Dip(ICAA),
Dip FP, JP
Director

Carl Roklitzer

B.Com(Acc)
Dip FP
Director

INDEPENDENT AUDITOR'S REPORT

Woodstock Financial Services Limited

ABN 61 105 527 697

Opinion

We have audited the financial report of the Woodstock Financial Services Limited (the Entity), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material respects, (or *gives a true and fair view of*) the financial position of the Entity as at 30 June 2017, and (of) its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

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

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Entity's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

PO Box 48
Office 1
134 Princes Hwy
Ulladulla NSW 2539

p. 02 4455 1377
f. 02 4455 5641
e. reception@
bspadvisory.com.au

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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 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 the financial report.

BSP ADVISORY GROUP



MARK D BURCHER

Partner

Dated this 13th day of September 2017
Ulladulla NSW 2539

 **Bendigo Bank** *Helping our locals build better lives.*

Milton & Districts and Sussex Inlet **Community Bank**® Branches

