



# Annual Report

## 30 June 2016

## **Our Vision**

A prosperous Bendigo with confident and innovative local businesses.

## **Our Purpose**

The BBC is committed to a prosperous Bendigo; with confident and innovative local businesses. The BBC plays a vital role in supporting this prosperity by mobilising the business community to:

- Advocate
- Collaborate
- Engage

## **Our Values**

- Integrity
- Transparency
- Inclusiveness
- Innovation
- Professionalism
- Sustainability



## Chairman's Report

The 2015-16 Financial Year has been a defining one for Bendigo Business Council. Our board and team delivered important outcomes for members aligned with our purpose, to Advocate, Collaborate and Engage. I have touched on some of the highlights of the year below.

### Advocate

The BBC has strategically grown our profile in the media and with key stakeholders in the public and private sectors. In the 15.16 financial year, we successfully advocated for priority projects in the state and federal budgets and championed the need for change in the lead up to local government elections.

The BBC's priority statements are informed by surveys and face to face consultation with members. In the 15-16 FY the BBC maintained a high media profile calling for greater support for traders in our CBD, faster implementation of the NBN in Bendigo and greater effort from government to reduce red tape.

### Collaborate

The BBC took on the role of host of the Bendigo Business Excellence Awards and delivered a record level of business engagement and profile for finalists and winners. The Bendigo Advertiser's online gallery for the event was viewed 290,000 times delivering valuable exposure for sponsors and participating businesses.

Our partnerships with the Bendigo Advertiser as Platinum Partner of the Excellence Awards and our 15 category sponsors contributed to an impressive black tie Awards Gala which was attended by 650 guests and featured comedian Dave Thornton as master of ceremonies.

In the 15-16FY the BBC hosted several member roundtables to facilitate collaboration between members focussed on trade development, mental health, collaborative marketing for CBD retailers and a collaborative approach to reducing red tape.

### Engage

Bendigo Business Council created a new role, Manager of Member engagement in April 2016 and Jayson Tayeh joined our team in June. Jayson's significant experience in small business, education and communication have already proven an asset to our small, focussed team. Jayson's work will include regular communication with members to facilitate new connections, build knowledge and awareness between BBC members.

Regular communication with members and sponsors remains a top priority for the BBC. In the 15-16 financial year, the BBC delivered e-news to 1,850 subscribers every

week. Our e-newsletter remains the most comprehensive and reliable newsletter for Bendigo Businesses and covers events, issues and opportunities to engage. The BBC will make an investment in modernising our communication in the 16.17 financial year to ensure our communication with members remains engaging and relevant.

### **Our Team**

Bendigo Business Council's team in 2015-16 included Leah Sertori, CEO, Patrick Falconer, Sponsorship Executive and Jacinta Mangan, Events and Communications. From June 2016, the team grew to 3.5 EFT roles including a new position -Manager of Member Engagement.

### **Our financial position**

Bendigo Business Council posted an operating surplus this year, our first in four years. The surplus is a result of the BBC's new projects including the Rob Hunt Transformational Leadership Program, The Bendigo Inventor Awards and Bendigo Business Excellence Awards. The operating surplus is a credit to the team and board and speaks to the strength of value the BBC has created for our sponsors and members.

### **Looking ahead**

The year ahead looks to include strong growth for the BBC. A larger membership base will deliver increased gravitas for our advocacy work, a larger, more vibrant base for members to network within and stability and security for the organisation moving ahead.

### **Acknowledgements**

My sincere thanks to my colleagues on the board of directors of the Business Council. We have worked hard to create new and improved value for members and ultimately toward a more vibrant and prosperous Bendigo.

The Board thanks Leah Sertori, Patrick Falconer and Jacinta Mangan for their hard work and dedication this year.

Very special thanks to Bendigo Business Council's Platinum Sponsor, Bendigo and Adelaide Bank, our Alliance Partners VECI and the City of Greater Bendigo and our 32 Gold, Silver and Corporate Partners. Your generous investment makes the work of the Bendigo Business Council possible.

**Michael Fleming**

**Chairman**



## **CEO Report**

Bendigo Business Council achieved some major wins for members this year by elevating members profile, facilitating new connections and providing access to high quality training and development.

The year included five major highlights for our team.

### **Rob Hunt Transformational Leadership Program.**

The BBC was privileged to work alongside Rob Hunt, Fabian Dattner and a team of eight eminent local leaders to deliver a high-quality leadership program for transformational change. BBC members participating in the program in 2016 delivered a moving and inspiring presentation on their new insight, experience and ideas for driving positive change for Bendigo. Each participant received one unit's credit toward a Master of Business Administration with La Trobe University and forged strong friendships through their time in the program. The BBC is delighted to honour Rob Hunt's contribution to our \$10billion regional economy as the founding Managing Director of Bendigo Bank and architect of Community Bank through the program. Our participants and presenters took great inspiration and insight from Rob's coaching throughout their ten-month journey.

### **Bendigo Business Excellence Awards**

The BBC was delighted to take on the host function of the Bendigo Business Excellence Awards for the first time in 2016. Highlights included a record number of nominees, masterclass program and black tie Gala Awards Night at Ulumbarra Theatre. The Excellence Awards are an important platform for sharing the journey of local businesses. Todd Newman Builders, our 2016 Bendigo Advertiser Business of the Year have now shared their inspiring story, starting and growing the business locally at several key BBC events. It's unveiling these stories and providing a platform to encourage and inspire others that makes the BBC so proud to host the program.

### **Leadership Lunch**

Our 2015 Leadership Lunch with former Australian Prime Minister Julia Gillard offered members an unparalleled networking experience. Our largest ever Leadership Lunch included 650 guests at Ulumbarra to network and learn from Julia Gillard's journey in high office.

### **Developing export links with China**

Building stronger economic ties for our members in new and emerging markets is a new area of focus for the BBC. We formed a working group to develop a trade strategy in 15.16 to begin to roll out from August 2016. The strategy is focussed on

leveraging existing relationships with sister cities in Jiangsu Province in China, through the Bendigo Sister City Committee and Victorian Chamber of Commerce and Industry. Bendigo's role as the key regional city in the Loddon Mallee Region will grow, increasing the provision of professional and other services to the agri-business sector.

Local businesses capacity to supply our export oriented businesses in manufacturing, food and fibre, tourism and education will become more important in the coming decade. The BBC is committed to supporting our members to best leverage opportunities aligned with this growth.

### **Member Engagement and Networking**

The 2015.16 FY included many networking highlights from Baillieu Holst and the Schaller Studio's outstanding Women.i.s.e Bubbles and Nibbles events to sensational Business After Five's hosted by ANZ, CVGT, Matchworks, Bendigo and Adelaide Bank, Exemplar Health, La Trobe University, St John of God Hospital, Adroit and Signarama.

Our networking events engaged between 70-150 guests at each hosts premises and included an interesting presentation on the host organisation's strategy and experience operating in Bendigo.

The BBC made a concerted effort to increase readership of our weekly e-newsletter this financial year which resulted in another 400 individuals joining the mailing list.

E-news is typically opened by 40% of the 1,800 people that receive it within an hour of it landing in their inbox. The BBC's e-news is the only weekly business focussed communication to Bendigo Businesses that includes a comprehensive summary of what's on and issues that may impact on your business.

### **Looking ahead**

The BBC is platformed to grow again in 2016.17 and will pursue opportunities of strategic relevance for our members and partners. In the coming financial year we will focus on ensuring Bendigo is positioned as the best regional Victorian City in which to do business and advocate for local, state and federal government investment in initiatives that will benefit business in our region.

### **Acknowledgements**

Thank you to our sponsors. Your investment in Bendigo Business Council ensures our independence and ability to advocate for the investment, reform and support our entire business community needs to prosper. Thank you for enabling others success through your investment.

Thank you to our board and team members for your extraordinary service to our members.

**Leah Sertori**

**Chief Executive Officer**

## Report on Operations

### Strategy 1: Advocate

The aim of this strategy is to ensure the advocacy model is developed to help the BBC to:

- Identify local business issues in a timely way.
- Provide better advocacy on business issues.
- Formulate a BBC opinion on key issues impacting members.

### Outcomes

- Increased Bendigo Business Council's profile in local media significantly, with a peak of 28 unique pieces of media in one month in May 2016.
- Delivered 8 positive front page stories for the Bendigo Business Council in the past 12 months.
- Provided greater depth, accuracy and context for Bendigo Business Council's responses to short and medium term advocacy issues in the media.
- Vibrant Central Bendigo have delivered a strategy paper and two Bendigo Street Festivals. The work of Vibrant Central Bendigo informed the BBC's strategy for precinct membership.
- Education City Bendigo launched on October 13, 2016 the culmination of two years' work by the committee.
- Bendigo Business Excellence Awards Online Gallery (Bendigo Advertiser) achieved 295,000 page views. Implemented processes to ensure communication to members (e-news) is sent weekly, on the same day to build trust and engagement with the brand.
- Annual 'wish list' each election year, which collates the wishes of members of the BBC. Federal Election Priorities survey completed April 2016.
- Survey conducted on Grand final eve public holiday and federal election priorities in 2015/16.

### Strategy 2: Bring Bendigo businesses together – Collaborate and Engage

The BBC has a vision for Bendigo businesses to come together regularly, work together collaboratively for the growth of business in Bendigo and for the prosperity of the Bendigo community. A prosperous city requires businesses to come together to learn and build connections with themselves and others. Our local businesses need to connect in beneficial ways with people from outside the business sector and outside Bendigo, including people from government and national and international markets.

The aim of this strategy is to help the BBC to:

- Increase involvement and membership
- Educate and connect Bendigo Business

- Establish new connections for Bendigo Business
- Improve collaboration between Bendigo businesses
- Strengthen the profile & reputation of the BBC

### **Outcomes**

Opportunities for BBC members to provide 'collective impact' in 2016 include

- Participation in Education City campaign.
- Participation in Vibrant Central Bendigo activities.
- Support for Believe in Bendigo picnic.
- Dialogue with Red Tape Commissioner.
- Precinct based membership activity in Lyttle Square, Hargreaves Mall and High Street.
- Participation in Bendigo Business Excellence Awards.

2016 Calendar of Events included:

- Excellence Awards.
- Rob Hunt Transformational Leadership Program Graduation Lunch.
- Leadership Lunch featuring Julia Gillard.
- Women in Leadership Forum.
- Three VIP sponsor only boardroom lunches.
- 9 business after five networking events.

### **Strategy 3: Develop an improved business model**

The aim is to for the BBC to become financially sustainable and sustainable in its use of other resources including human capital.

This strategy is crucial to the success of the other two strategies.

### **Outcomes**

- Delivered an operating surplus for the 15/16 FY
- Increased the size of the team to better serve our members
- Improved member communication.



***BENDIGO BUSINESS COUNCIL LTD.***

***FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2016***

**BENDIGO BUSINESS COUNCIL LTD.**  
**A.C.N. 004 068 553**

**DIRECTORS' REPORT**

Your directors submit the financial report of the Bendigo Business Council for the financial year ended 30 June 2016.

**DIRECTORS**

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

Scott Elkington	Josh Pell
Michael Fleming	David Richmond
Brendon Goddard	Richard Speed
Herbert Hermens (Resigned July 2015)	Damien Tangey (Appointed December 2015)
Stan Liacos (Resigned September 2015)	
Marika McMahon	
Robyn Lindsay	

**MEETINGS OF DIRECTORS**

During the financial year, 7 meetings of directors (including committees) were held.  
Attendance's were as follows:

	DIRECTORS'/FINANCE COMMITTEE MEETINGS	
	Meetings Eligible to Attend	Meetings Attended
Scott Elkington	7	5
Michael Fleming	7	6
Brendon Goddard	7	5
Herbert Hermens	3	2
Stan Liacos	3	1
Marika McMahon	7	7
Robyn Lindsay	7	5
Josh Pell	7	3
David Richmond	7	7
Richard Speed	7	3
Damien Tangey	5	5

**PRINCIPAL ACTIVITIES**

The principal activities of the company during the financial year were the Provision of Assistance to Bendigo Businesses.

There were no significant changes in the nature of these principal activities during the year.

**BENDIGO BUSINESS COUNCIL LTD.**  
**A.C.N. 004 068 553**

**DIRECTORS' REPORT**

**OPERATING RESULTS**

The net result of the company for the financial year was a profit of \$46,775 (2015: loss of \$35,879).

**REVIEW OF OPERATIONS**

Total income for the 2015-2016 year was \$474,867 compared to \$227,917 in the previous year.

**SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

There were no significant changes in the state of affairs of the Company.

**AFTER BALANCE DAY EVENTS**

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

**DIRECTORS AND AUDITORS INDEMNIFICATION**

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

**DIRECTORS BENEFITS**

Since the end of the previous financial year no director of the entity has received or become entitled to receive a benefit other than:

- (i) A benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the accounts; or
- (ii) a fixed salary as a full-time employee of the entity or of a related corporation, by reason of a contract made by the entity or a related entity corporation with the director or with a firm of which they are a member or with an entity in which they have a substantial financial interest.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to this report.

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

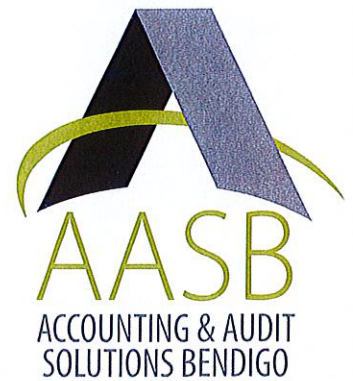
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DIRECTOR

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DIRECTOR

Dated this    day of                      2016.



**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

**TO THE DIRECTORS OF  
BENDIGO BUSINESS COUNCIL LTD.**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, there have been:

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

**ACCOUNTING & AUDIT SOLUTIONS BENDIGO**

*C. Gaskell*

**Catherine Gaskell**

Dated this 21<sup>st</sup> Day of October, 2016

Liability limited by a scheme approved under Professional Standards Legislation

**OFFICE** 61 Powells Avenue. Bendigo VIC 3550 // **POSTAL** PO Box 5092 Sandhurst East VIC 3550  
**PH** 03 54 444 417 **FAX** 03 54 444 427 // **E** info@asbendigo.com.au // **W** www.asbendigo.com.au

**BENDIGO BUSINESS COUNCIL LTD.  
A.C.N. 004 068 553**

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the company's financial position as at 30 June 2016, and 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 declaration is made in accordance with a resolution of the Board of Directors.

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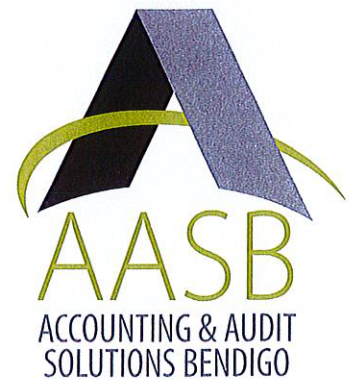
DIRECTOR

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DIRECTOR

Dated this    day of    2016.





***Independent Audit Report to the Members of***  
***BENDIGO BUSINESS COUNCIL LTD.***

**Scope**

We have audited the financial report of the Bendigo Business Council Ltd, which comprises the Statement of Financial Position as at 30 June 2016 and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

**Directors' Responsibility for the Financial Report**

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors 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. These Auditing Standards require that we comply with relevant ethical requirements relating to auditing 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 entity's preparation and fair presentation 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

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# ACCOUNTING & AUDIT SOLUTIONS BENDIGO

## 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*, provided to the directors of the Bendigo Business Council Ltd, would be in the same terms if provided to the directors as at the date of the auditor's report.

## Emphasis of Matter

Without qualification to the opinion expressed, attention is drawn to the following matter. As indicated in Note 2 to the financial statements, Bendigo Business Council Ltd's ability to continue as a going concern and meet its debts and commitments as they fall due, are dependent on Bendigo Business Council Ltd. achieving its income objectives.

The Directors believe that Bendigo Business Council Ltd. will be successful in achieving these objectives and have accordingly prepared the financial report on a going concern basis.

## Audit Opinion

In our opinion, the financial report of the Bendigo Business Council Ltd is in accordance with:

- (a) the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of their performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- (b) other mandatory professional reporting requirements

## ACCOUNTING & AUDIT SOLUTIONS BENDIGO

*C. Gaskell*

Catherine Gaskell  
Registered Auditor # 287836

Dated this 21<sup>st</sup> Day of October, 2016.

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**BENDIGO BUSINESS COUNCIL LTD.**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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	<i>Note</i>	<b>2016</b> \$	<b>2015</b> \$
Revenue	(3)	474,867	227,917
Operational Expenses	(4)	(226,810)	(123,861)
Employee Expenses	(5)	(201,282)	(139,935)
		<hr/>	<hr/>
<b>Profit attributable to the Company</b>		<b><u>46,775</u></b>	<b><u>(35,879)</u></b>

The accompanying notes form part of these financial statements



**BENDIGO BUSINESS COUNCIL LTD.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2016**

	<i>Note</i>	<b>2016</b> \$	<b>2015</b> \$
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	(6)	47,280	53,978
Trade & Other Receivables	(7)	103,647	5,487
		<hr/>	<hr/>
<b>TOTAL ASSETS</b>		<b>150,927</b>	<b>59,465</b>
<b>CURRENT LIABILITIES</b>			
Trade & Other Payables	(8)	62,150	26,680
Employee Benefits	(9)	13,788	4,560
Monies In Trust		9,618	-
Other Liabilities	(10)	63,636	74,458
		<hr/>	<hr/>
<b>TOTAL CURRENT LIABILITIES</b>		<b>149,192</b>	<b>105,698</b>
<b>NON CURRENT LIABILITIES</b>			
Employee Benefits	(9)	1,193	-
		<hr/>	<hr/>
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>1,193</b>	<b>-</b>
		<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>		<b>150,385</b>	<b>105,698</b>
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b>542</b>	<b>(46,233)</b>
<b>EQUITY</b>			
Retained Earnings		542	(46,233)
		<hr/>	<hr/>
<b>TOTAL EQUITY</b>		<b>542</b>	<b>(46,233)</b>
		<hr/>	<hr/>
Commitments for Expenditure	(13)		
Contingent Assets & Liabilities	(13)		

The accompanying notes form part of these financial statements

**BENDIGO BUSINESS COUNCIL LTD.  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2016**

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	<i>Retained Earnings</i> \$	<i>TOTAL</i> \$
<b>Balance at 1 July 2014</b>	<u><b>(10,354)</b></u>	<u><b>(10,354)</b></u>
Profit attributable to the Company	(35,879)	(35,879)
	<hr/>	<hr/>
<b>Balance at 30 June 2015</b>	<u><b>(46,233)</b></u>	<u><b>(46,233)</b></u>
Profit attributable to the Company	46,775	46,775
	<hr/>	<hr/>
<b>Balance at 30 June 2016</b>	<u><b>542</b></u>	<u><b>542</b></u>

The accompanying notes form part of these financial statements

**BENDIGO BUSINESS COUNCIL LTD.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	<i>Note</i>	<b>2016</b> \$	<b>2015</b> \$
<b><i>CASH FLOW FROM OPERATING ACTIVITIES</i></b>			
Receipts From Grants, Members & Events		406,221	313,943
Interest Received		494	381
Payments for Employee Expenses		(190,851)	(139,286)
Payments to Suppliers		(206,715)	(128,511)
Net GST Paid/(Refunded) to ATO		(25,455)	(16,706)
		<hr/>	<hr/>
<b><i>NET CASH PROVIDED BY OPERATING ACTIVITIES</i></b>	(12)	<b><u>(16,306)</u></b>	<b><u>29,821</u></b>
<b><i>NET INCREASE/(DECREASE) IN CASH HELD</i></b>		<b>(16,306)</b>	<b>29,821</b>
<i>CASH AT BEGINNING OF YEAR</i>		53,978	24,157
		<hr/>	<hr/>
<b><i>CASH AT END OF YEAR</i></b>	(11)	<b><u><u>37,672</u></u></b>	<b><u><u>53,978</u></u></b>

The accompanying notes form part of these financial statements

**BENDIGO BUSINESS COUNCIL LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

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

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial report is for The Bendigo Business Council Ltd as an individual entity, incorporated and domiciled in Australia. The Bendigo Business Council Ltd is a Company Limited by Guarantee.

**Going Concern**

At as 30 June 2016, the Company had Equity, represented by Retained Earnings of \$542 (negative Equity of \$46,233 in 2015) and working capital of \$1,735 (deficit of \$46,233 in 2015).

The Company recorded a Profit for the year of \$46,775 compared to a Net Loss of \$35,879 in 2015, with a negative Net Cash Flow from Operating Activities (positive in 2015) and a negative overall cash movement (positive in 2015).

The Directors of Bendigo Business Council Ltd continue to monitor the financial position of the Company to ensure that it can pay its debts as and when they fall due.

The Directors believe that the Company will be successful in achieving its income objectives and accordingly have prepared the financial report on a going concern basis.

At this time, the Directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report as at 30 June 2016. Accordingly, no adjustments have been made to the financial report relating to the recoverability and the classification of the asset carrying amounts or the amounts and classifications of liabilities that might be necessary should the Company not continue as a going concern.

**(a) Reporting Entity Report**

The report includes all the controlled activities of Bendigo Business Council Ltd.

**(b) Rounding Of Amounts**

All amounts shown in the financial statements are expressed to the nearest \$1.

**(c) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 3 months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For the Statement of Cash Flows presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as current borrowings in the Statement of Financial Position.

**(d) Receivables**

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where doubt as to collection exists. Bad debts are written off when identified.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any accumulated impairment.

**BENDIGO BUSINESS COUNCIL LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(e) 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 (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

**Classification and Subsequent Measurement**

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measured at initial recognition (ii) less principal repayments (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability.

Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

**Financial assets at fair value through profit or loss**

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss. The Company has not held any financial assets at fair value through profit or loss in the current or comparative financial year.

**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.

**Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

The Company has not held any held-to-maturity investments in the current or comparative financial year.

**Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by the committee. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed determinable payments.

**Financial Liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

**Impairment**

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Statement of Comprehensive Income.

**BENDIGO BUSINESS COUNCIL LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(e) Financial Instruments (Continued)**

**Derecognition**

Financial assets are derecognised where the contractual right to receipt of cash flows expires 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 where the related obligations are either discharged, cancelled or expire. The difference between the carrying value 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.

**(f) Comparative Figures**

Where necessary comparative figures have been reclassified to facilitate comparisons.

**(g) Payables**

These amounts consist predominantly of liabilities for goods and services.

Payables are initially recognised at fair value, then subsequently carried at amortised cost and represent liabilities for goods and services provided to the organisation prior to the end of the financial year that are unpaid, and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

The normal credit terms are usually Nett 30 days.

**(h) Provisions**

Provisions are recognised when Bendigo Business Council Ltd has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

**(i) Goods & 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST. GST receivable and payables to the Australian Taxation Office (ATO) is included in the Statement of Financial Position. The GST component of a receipt or payment is recognised on a gross basis in the Statement of Cash Flows in accordance with AASB 107 *Cash Flow Statements*.

Commitments and contingent assets and liabilities are presented on a gross basis.

**(j) 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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year 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 not satisfy any vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms of maturity that match the expected timing of cash flows.

The Company's obligations for long-term employee benefits are presented as non-current provision in the Statement of Financial Position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are present as current provisions.

**On-Costs**

Employee benefit on-costs, such as superannuation and workers compensation are recognised together with the provisions for employee benefits.

**Superannuation**

Contributions to contribution superannuation plans are expensed when incurred.

**BENDIGO BUSINESS COUNCIL LTD.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Income Recognition**

Revenue is recognised in accordance with AASB 118 *Revenue*. Income is recognised as revenue to the extent it is earned. Unearned income at reporting date is reported as income in advance. Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

**Interest**

Membership Income is recognised when the amount is earned.

**Interest**

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

**Other Income**

Other income is recognised as revenue when the cash is received.

**(l) Income Tax**

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

**(m) 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 future reporting periods is set out below:

Standard / Interpretation	Summary	Applicable for reporting periods beginning on	Impact on the Company's Annual Statements
AASB 9 <i>Financial Instruments</i>	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 <i>Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement)</i> .	1 January 2017	The preliminary assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 January 2017 (Exposure Draft 263 - potential deferral to 1 Jan 2018)	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.  A potential impact will be the upfront recognition of revenue from licenses that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening returned earnings if there are no former performance obligations outstanding.

**BENDIGO BUSINESS COUNCIL LTD.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(m) New Accounting Standards for Application in Future Periods (Continued)**

<b>Standard / Interpretation</b>	<b>Summary</b>	<b>Applicable for reporting periods beginning on</b>	<b>Impact on the Company's Annual Statements</b>
AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1 Jan 2018	The standard was issued in June 2014. While preliminary assessment has not identified any material impact arising from AASB 1056, further work to assess the impact of this standard will be undertaken.



**BENDIGO BUSINESS COUNCIL LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	<i>Note</i>	<b>2016</b>	<b>2015</b>
		\$	\$
<b>2. INHERENT UNCERTAINTY REGARDING INCOME</b>			
<p>The company has significant dependence on income from sponsorship and as a consequence there is inherent uncertainty with regard to the level of future income. The uncertainty may give rise to an adverse effect on the Company's financial viability.</p>			
<b>3. REVENUE</b>			
Membership Fees		51,681	52,471
Functions & Events		104,941	48,940
Sponsorships & Fundraising		197,360	123,246
Bendigo Inventors Award		50,000	-
Leadership Development Program		68,125	-
Interest		494	434
Other Income		2,266	2,826
		<b>474,867</b>	<b>227,917</b>
<b>TOTAL REVENUE</b>		<b>474,867</b>	<b>227,917</b>
<b>4. OPERATIONAL EXPENSES</b>			
Accounting Fees		6,600	6,468
Audit Fees		1,750	1,750
Administration & Occupancy		24,363	7,772
Advertising and Promotions		5,023	39
Advocacy		7,916	-
Bank Charges		1,562	1,272
Computer Expenses		5,402	6,709
Contractors		41,710	10,220
Functions & Events		86,086	69,079
Insurances		1,409	1,268
Leadership Development Program Expenses		26,398	-
Meeting Expenses		4,095	2,242
Membership Expenses		1,098	2,277
Project Delivery		13,258	12,892
Sundry		140	1,873
		<b>226,810</b>	<b>123,861</b>
<b>TOTAL OPERATIONAL EXPENSES</b>		<b>226,810</b>	<b>123,861</b>
<b>5. EMPLOYEE EXPENSES</b>			
Salaries & Wages		179,052	125,324
Superannuation		15,553	11,879
Workcover		913	543
Other Staff Expenses		5,764	2,189
		<b>201,282</b>	<b>139,935</b>
<b>TOTAL EMPLOYEE EXPENSES</b>		<b>201,282</b>	<b>139,935</b>

**BENDIGO BUSINESS COUNCIL LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>6. CASH &amp; CASH EQUIVALENTS</b>		
Cash on Hand	200	200
Cash at Bank	47,080	53,778
	<u>          </u>	<u>          </u>
<b>TOTAL CASH &amp; CASH EQUIVALENTS</b>	<b><u>47,280</u></b>	<b><u>53,978</u></b>
<b>Represented by:</b>		
Operational Funds	37,662	53,978
Monies Held In Trust	9,618	-
	<u>          </u>	<u>          </u>
<b>TOTAL CASH &amp; CASH EQUIVALENTS</b>	<b><u>47,280</u></b>	<b><u>53,978</u></b>
<b>7. TRADE &amp; OTHER RECEIVABLES</b>		
Trade Receivables	103,647	5,487
	<u>          </u>	<u>          </u>
<b>TOTAL RECEIVABLES</b>	<b><u>103,647</u></b>	<b><u>5,487</u></b>
<b>8. TRADE &amp; OTHER PAYABLES</b>		
Trade Creditors & Accruals	31,631	11,550
Amounts Payable to ATO	28,952	13,990
Superannuation Payable	1,567	1,140
	<u>          </u>	<u>          </u>
<b>TOTAL PAYABLES</b>	<b><u>62,150</u></b>	<b><u>26,680</u></b>
<b>9. EMPLOYEE BENEFITS</b>		
<b>Current</b>		
Annual Leave - <i>nominal value</i>	13,788	4,560
	<u>          </u>	<u>          </u>
<b>Non Current</b>		
Long Service Leave - <i>Present Value</i>	1,193	-
	<u>          </u>	<u>          </u>
<b>TOTAL EMPLOYEE BENEFITS</b>	<b><u>14,981</u></b>	<b><u>4,560</u></b>
<b>10. OTHER LIABILITIES</b>		
Income in Advance	63,636	74,458
	<u>          </u>	<u>          </u>
<b>TOTAL OTHER LIABILITIES</b>	<b><u>63,636</u></b>	<b><u>74,458</u></b>

**BENDIGO BUSINESS COUNCIL LTD.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**11. CASH FLOW INFORMATION**

For the purpose of the Cash Flow Statement, Cash and Cash Equivalents comprise the following at 30 June:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Cash & Cash Equivalents - Operational Funds	37,662	53,978
<b>TOTAL CASH</b>	<b>37,662</b>	<b>53,978</b>

**12. RECONCILIATION OF CASH FLOW FROM OPERATIONS TO NET RESULT**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Net Result	46,775	(35,879)
(Increase)/Decrease in Trade & Other Receivables	(98,160)	53,798
Increase/(Decrease) in Trade & Other Payables	35,470	3,457
Increase/(Decrease) in Employee Benefits	10,431	649
Increase/(Decrease) in Other Liabilities	(10,822)	7,796
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(16,306)</b>	<b>29,821</b>

**13. COMMITMENTS AND CONTINGENCIES**

**Capital Commitments**

As at the date of this report, the Company has not entered into any agreement for further capital expenditure.

**Contingent Assets & Liabilities**

There are no known contingent assets or liabilities to the Bendigo Business Council Ltd as at the date of this report.

**14. DIRECTOR AND EXECUTIVE DISCLOSURES**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
(a) Directors' Remuneration	Nil	Nil

Income received or due and receivable by all directors of the company from the company and any related corporations

The names of the directors who held office during the financial year were:

Scott Elkington	Josh Pell
Michael Fleming	David Richmond
Brendon Goddard	Richard Speed
Herbert Hermens (Resigned July 2015)	David Plant
Stan Liacos (Resigned September 2015)	Damien Tangey
Marika McMahon	
Robyn Lindsay	

(b) Executive Officers Remuneration

Executive Officers remuneration is paid under normal commercial terms and conditions.

**BENDIGO BUSINESS COUNCIL LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**15. SEGMENT INFORMATION**

The company's activities are the provision of assistance to the businesses of Bendigo, Victoria.

**16. RELATED PARTY DISCLOSURE**

(a) Director-Related Entities

There were no transactions with director-related entities.

**17. EVENTS AFTER THE BALANCE SHEET DATE**

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

**18. MEMBERS GUARANTEE**

The Company is limited by guarantee.

Each member of the Company undertakes to contribute to the assets of the Company in the event of it being wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the Company contracted before he or she ceases to be a member and of the costs, charges or expenses of winding up and for an adjustment of the rights or contributions among themselves such amount as may be required, not exceeding Ten Dollars (\$10.00).

At 30 June 2016 the number of members was 440 (2015: 311).

**BENDIGO BUSINESS COUNCIL LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**19. FINANCIAL INSTRUMENTS**

**Financial Risk Management Objectives and Policies**

Bendigo Business Council Ltd's principal financial instruments comprise of deposits with banks, accounts receivable and accounts payable.

The totals for each category of financial instruments, measured in accordance with *AASB 139* as detailed in the accounting policies to these financial statements, are as follows:

	<b>Note</b>	<b>Carrying Amount 2016 \$</b>	<b>Carrying Amount 2015 \$</b>
<b>Financial Assets</b>			
Cash at Bank	(6)	47,080	53,778
Trade & Other Receivables	(7)	103,647	5,487
<b>Total Financial Assets</b>		<b>150,727</b>	<b>59,265</b>
<b>Financial Liabilities</b>			
At amortised cost			
Trade & Other Payables	(8)	33,198	11,550
<b>Total Financial Liabilities</b>		<b>33,198</b>	<b>11,550</b>

**Specific Financial Risk Exposures and Management**

**(a) Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Bendigo Business Council Ltd.

The Company does not have any material credit risk exposures.

*Credit risk exposures*

The maximum exposure to credit risk, by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the Statement of Financial Position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.

The entity has no significant concentration of credit risk exposure to any single counterparty or group of counterparties.

**BENDIGO BUSINESS COUNCIL LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**19. FINANCIAL INSTRUMENTS (Continued)**

**(b) Liquidity Risk**

Liquidity risk arises from the possibility that Bendigo Business Council Ltd might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. Bendigo Business Council Ltd manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities; and
- only investing surplus cash with major financial institutions.

The table below discloses the contractual maturity analysis for Bendigo Business Council Ltd's financial liabilities.

**Financial liability and financial assets maturity analysis**

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Liabilities due for payment</b>								
Trade & Other Payables	33,198	11,550	-	-	-	-	33,198	11,550
Total contractual outflows	33,198	11,550	-	-	-	-	33,198	11,550
Total expected outflows	<b>33,198</b>	<b>11,550</b>	-	-	-	-	<b>33,198</b>	<b>11,550</b>
<b>Financial Assets - Cash flow realisable</b>								
Cash at Bank	47,080	53,778	-	-	-	-	47,080	53,778
Trade & Other Receivables	103,647	5,487	-	-	-	-	103,647	5,487
Total anticipated inflows	150,727	59,265	-	-	-	-	150,727	59,265
Net (outflow)/inflow on financial instruments	<b>117,529</b>	<b>47,715</b>	-	-	-	-	<b>117,529</b>	<b>47,715</b>

**BENDIGO BUSINESS COUNCIL LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**19. FINANCIAL INSTRUMENTS (Continued)**

**(c) Market Risk**

*(i) Interest rate risk*

The financial assets of Bendigo Business Council Ltd. are not exposed to any significant interest rate risk since cash balances are maintained at various fixed interest rates.

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that are used.

The interest rate exposure on the debt portfolio is managed by appropriate budgeting strategies and by managing in accordance with target maturity profiles.

*(ii) Price risk*

Price risk relates to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Bendigo Business Council Ltd. is exposed to insignificant foreign currency risk and other price risks.

**Sensitivity analysis**

The following table illustrates sensitivities to the Company's exposure to changes in interest rates. The table indicates the impact on how profit at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

- A parallel shift of + 1% and -2% in market interest rates (AUD).

	<b>Profit</b>	<b>Equity</b>
	<b>\$</b>	<b>\$</b>
<b>Year ended 30 June 2016</b>		
+1% in interest rates	471	471
-2% in interest rates	(942)	(942)
<b>Year ended 30 June 2015</b>		
+1% in interest rates	(538)	(538)
-2% in interest rates	1,076	1,076

No sensitivity analysis has been performed on foreign exchange risk as the Company is not exposed to foreign currency fluctuations.

**BENDIGO BUSINESS COUNCIL LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**19. FINANCIAL INSTRUMENTS (Continued)**

**Net Fair Values**

*Fair value estimation*

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Company. Most of these instruments which are carried at amortised cost (i.e. trade receivables, loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the Company.

**Net Fair Value**

	<b>Net Carrying Amount 2016 \$</b>	<b>Net Fair Value 2016 \$</b>	<b>Net Carrying Amount 2015 \$</b>	<b>Net Fair Value 2015 \$</b>
<b>Financial Assets</b>				
Cash at Bank	47,080	47,080	53,778	53,778
Trade & Other Receivables	103,647	103,647	5,487	5,487
<b>Total Financial Assets</b>	<b>150,727</b>	<b>150,727</b>	<b>59,265</b>	<b>59,265</b>
<b>Financial Liabilities</b>				
Trade & Other Payables	33,198	33,198	11,550	11,550
<b>Total Financial Liabilities</b>	<b>33,198</b>	<b>33,198</b>	<b>11,550</b>	<b>11,550</b>