Annual Report 2020-2021

Dnister Ukrainian Credit Co-operative Limited
ABN 59 087 651 394 | AFSL 240673

Contents

Our Origins and Commitment

Dnister's Origins

In 1949, Ukrainian 'displaced persons' who had completed their two years of service to the Australian Community after coming to Australia from a devastated post-war Europe, formed a Ukrainian Catholic parish at St Augustine's in Bourke St, Melbourne. Their lack of assets and credit history meant that Banks would not lend them money to buy houses or establish businesses. In 1951, these pioneers, having overcome far more severe obstacles to survive the terrors and horrors of World War II and migrate half-way around the globe to Australia, formed a group called Self-Reliance, and its Members pooled their money and loaned it to one another. By 1959, government rules and regulations required groups such as this to register with the government and on September 21, 1959 Dnister Ukrainian Credit Co-operative Ltd was born from Self-Reliance.

Since then, Dnister has united with other credit unions:

- Kalyna Ukrainian Credit Union Society Ltd (Perth, registered 1978) on June 30, 2000
- Hoverla Ukrainian Credit Co-operative Ltd (Adelaide, registered 1961) on May 1, 2008
- Latvian Australian Credit Co-operative Society Ltd (registered 1960) on September 1, 2016

Each of these credit unions grew from the determination of different migrant communities to build a secure future for themselves and for their future generations in Australia.

Dnister's Commitment to our Members

Dnister is committed to serving our Members fairly, honestly and compassionately. The following is our commitment to you:

- The Board of Directors, management and staff are committed to ensuring Dnister continues into the long-term future as a viable credit union by being financially strong and sustainable, whilst complying with all Australian legislative and regulatory requirements.
- Dnister will continue to take all necessary steps to ensure our Members' financial assets and personal information, for which we are the 'trusted caretakers', are protected, safe and secure against fraud and unauthorized use.
- Dnister will always act in the best interests of our Members, acting legally, morally, ethically and compassionately during our dealings with them.
- Dnister will always be respectful to our Members, staff and patrons by listening to them and supporting them where we can.

Dnister will work in partnership with community groups of the Ukrainian and Latvian communities (that are Members of Dnister) for the benefit of us all.

Chairman's Report

On behalf of the Board of Directors, Executive and Staff of Dnister Ukrainian Credit Co-operative Ltd, I am pleased to present our Annual Report for the year ended 30 June 2021.

As of June 30 2021:

- Dnister has over 8,200 Members spread across all Australian states and territories:
  - Members of Ukrainian and Latvian heritage and their families
  - Members outside of the Ukrainian and Latvian communities introduced to Dnister by existing Members
- Dnister has branches or agencies in Perth, Adelaide, Melbourne, Geelong and Sydney
- Dnister manages:
  - Assets: $228.4 M +$23.2 M
  - Members deposits: $195.9 M +$18.3 M
  - Loans to Members: $166.5 M +$15.8 M
  - Members Equity: $25.5 M +$0.9 M
- Dnister generated a profit before tax for FY2020-21 of $472,000. This was achieved in a challenging market with ongoing record low interest rates and very competitive market pressures, compounded by the ongoing impacts of COVID-19.

Dnister continues to respect and honour its heritage through an ongoing commitment to providing competitive products and services to our Members and providing valuable support to their communities.

The lockdowns and economic impacts of the pandemic had a profound impact on our community during the last twelve months. Dnister provided strong support to Members who took advantage of the schemes put in place by the Australian Government and the financial regulators to allow borrowers to suspend loan repayments at the height of the crisis. I thank our staff for their efforts in working with eligible Members to ensure that we were able to support them to the maximum extent possible. Dnister is fortunate that our liquidity and capital strengths have enabled us to provide these supports and still maintain the necessary levels of liquidity and capital to meet both our regulatory requirements and to strengthen our ability to withstand the economic impacts.

The pandemic forced Dnister to re-evaluate how Community Support was delivered during the pandemic and some schemes were suspended for twelve months. This allowed Dnister to provide additional direct support to Members through increased fee rebates and a fee waiver program.

Community Support provided in the 2020-21 financial year totaled $380k (2020: $340k), delivered as:

- $352k of fees and charges absorbed by Dnister through our member loyalty fee rebate program.
- $20k supporting schools and playgroups that bank with Dnister
- $5k provided as Beneficiary Payments to Community Organizations participating in Dnister's Community Benefit Program and nominated by Members operating myCommunity Saver accounts
- $3k in sponsorship of events held by community groups

The support provided in the last year brings the total Community Support provided by Dnister in the last ten years to $2.56 million!

Government policies were targeted at a 'return to normal' starting in September 2020 but clearly the challenges and stresses caused by the ongoing lockdowns are continuing to have an impact, and will for some time yet. Dnister will continue to strive to provide the best possible support to our Members whilst ensuring Dnister remains sufficiently strong and viable in these challenging times.

I want to thank all our staff who continue to provide the products and services needed by our Members, despite the difficulties of working in the various prolonged lockdowns that have existed at different times in each state. I want to particularly thank those staff who have provided face-to-face services in our branches to enable Dnister to meet its obligations to its Members.

The pandemic has restricted our ability to progress implementing the recommendations of the 2019 Organisational Review, but work does continue. The Board's intent is to ensure that Dnister maintains itself as a strong and viable provider of services to its Members. This requires constantly monitoring a rapidly changing financial services industry but Dnister is committed to adapting to a changing world and strengthening itself to ensure Dnister is an organisation that addresses the needs of both current and future generations.

Corporate governance continues to be a priority for your Board of Directors with our strategic plan being continually reviewed and updated. Dnister continues to satisfy its regulatory and compliance obligations. The scope of these obligations increased markedly over the last couple of years and COVID-19 has further increased the degree of monitoring performed by our regulators with a corresponding increase in the volume and frequency of regulatory reporting required during the pandemic.

On behalf of the Board, I thank all our staff, the Executive team and our CEO, Liam Tiernan for their hard work and dedication to serving the needs of our Members and for the achievement of these results.

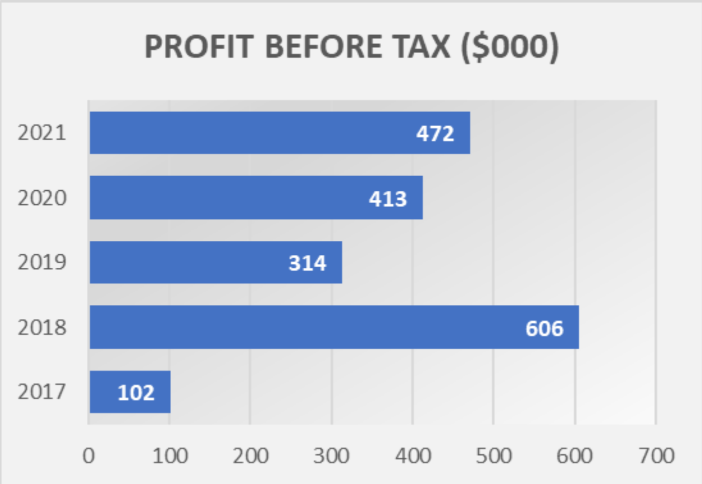
I thank my fellow Directors for their valuable contributions during the year.

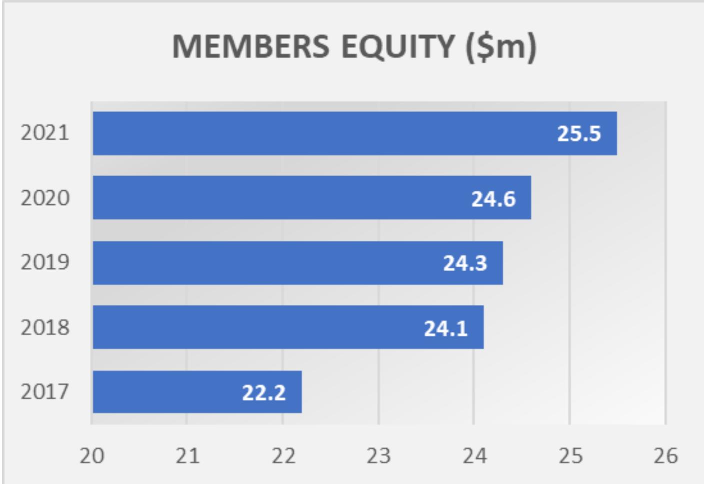
Most importantly, I thank you, our Members, for your continued loyalty and support. I encourage you to fully utilise the products and services that Dnister offers to continue building the strength of your Co-operative. You can help Dnister grow and prosper by using Dnister as your main financial services provider and encouraging friends and family to do the same.

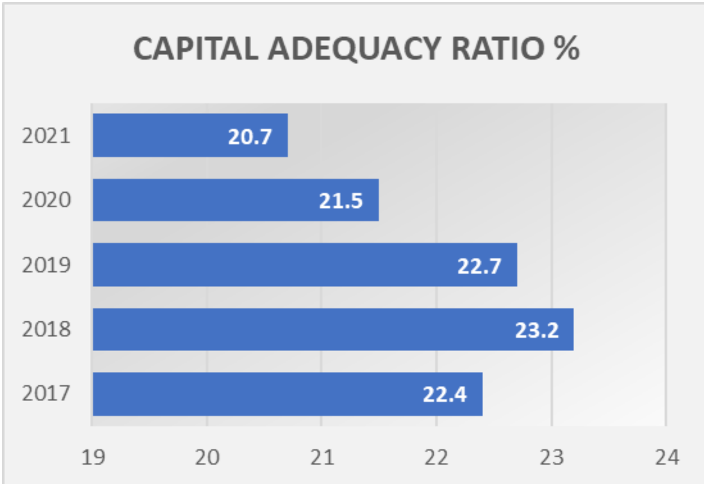
Strength in Unity!

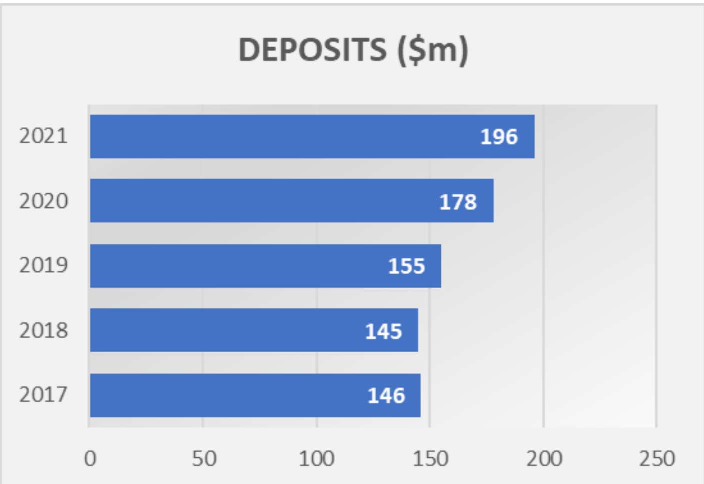
David Hassett
Chair

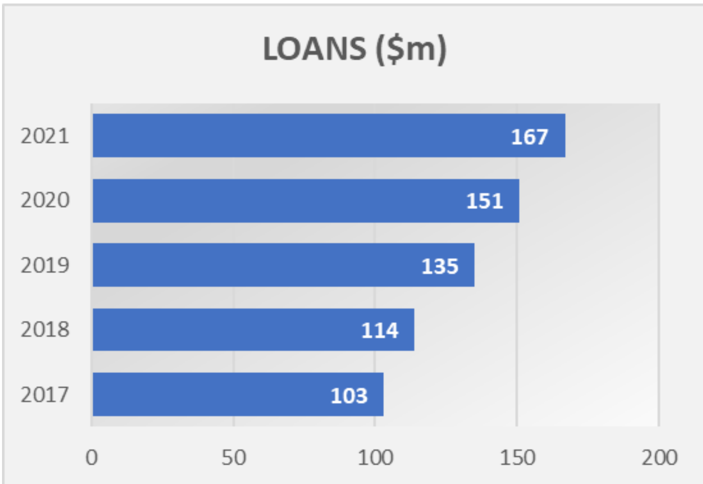
Financial Highlights











Your Directors submit their report for the year ended 30 June 2021.

Directors’ Report

DIRECTORS

The names and details of the Co-operative's Directors in office during the financial year or until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

DAVID HASSETT (Chair)

B.Sc (Hons), Ph D, Grad Dip App Sci (Comp Sci) MAICD.
Non-Executive Chair, Corporate Governance Committee Chair
David trained as a scientist and worked for Universities in Australia and the United States before co-founding an IT and Business Services Consultancy in 1997. A key focus of David’s work is the smooth integration of IT systems with business processes and aiding clients to streamline and improve existing business processes. David has served as Parish Treasurer for the Cathedral of St Peter and Paul, was on the state Committee of Plast Ukrainian Scouts in Victoria (2005 – 2017) and has been member of the Plast Federal Council since 2016. David served as Chair of the Dnister Community Advisory Committee (Melbourne) from 2003-2008.
David has been a Non-Executive Director of the Co -operative for six years.

BOHDAN WOJEWIDKA (Deputy Chair)

B.App. Sc (Comp. Sci), MBA, GAICD.
Non-Executive Deputy Chair, Corporate Governance Committee and Audit Committee Member
Bohdan is an experienced executive leader having led transformational and change initiatives through technology within the resources, agribusiness, utility services and, more recently, the banking sectors. This broad industry experience has provided him with a high degree of knowledge and practical experience in addressing the day to day operational challenges, strategic issues and regulatory framework requirements facing these sectors. Bohdan’s specific focus has been on strategy planning and implementation, day-to-day operations, budgeting and financial management, vendor management, risk management, and organisational and change management. His experience has also included leading technology due diligence and integration during mergers and acquisitions. Bohdan has served as President of Plast Ukrainian Scouts in South Australia and is presently Vice-President of the Association of Ukrainians in South Australia. He served as Chair of the Dnister Community Advisory Committee in South Australia in 2008.
Bohdan was a Non-Executive Director of the Co-operative between 2011 and 2015. Bohdan rejoined the Board in November 2017.

ANDREW PAVUK (Director)

B.Arts, Dip of Ed, B Law, Solicitor and Member of the Law Society of NSW MAICD.
Non-Executive Director, Audit Committee Chair and Corporate Governance Committee Member
Andrew established Pavuk Legal in 2007 and with over 25 years’ experience is a specialist in the areas of Financial Services, Corporate Law, Taxation, Life Insurance, Superannuation, Managed Funds, Estate Planning and Succession. Andrew has acted for Plast K P S Executive, the Ukrainian Catholic Church in Australia, various parishes, priests and Charitable Funds.
Andrew has been a Non-Executive Director of the Co-operative for six years.

JOHN LIPKIEWICZ (Director)

BA (Eco.), MBA, MAICD.

Non-Executive Director, Risk Committee Chair and Corporate Governance Committee Member.

John is an experienced executive having worked with large national and international companies in the Banking and Financial Services Industry. His most recent role was Executive General Manager Professional Services, with Beyond Bank Australia (formerly a Credit Union) and was responsible for Business Banking, Insurance, Wealth and Advice Services. John's areas of strength and expertise include strategy, leadership, corporate governance, risk and compliance, change management, and financial outcomes. He was also responsible for the Bank's wholly owned Wealth Management subsidiary reporting directly to a separate Board. In addition, he was a Responsible Manager on two Australian Financial Services Licences. John was also the founding CEO of a start-up master trust business Personal Choice Pty Ltd. He was previously a Non-Executive Director of the Co-operative from 2009 till 2012 and was Director/Acting Deputy Chair of Hoverla Credit Union from 1998 to 2004.

John has been a Non-Executive director of the Co-operative for two years.

WALENTYN MYKYTENKO (Director)

B.E., Post Grad Dip. Eng.Mgt., Dip. Elec.Eng., Dip. Financial Services, AMP (MUBS), FAMI and MAICD.

Non-Executive Director, Risk Committee and Corporate Governance Committee Member.

Wal is a retired General Manager of a multi-national aviation company. Wal has been a Non-Executive Director of the Co-operative for seventeen years, including nine years as Chair of the Board.

MICHAEL KWAS (Director)

B.Bus (Acc), MAICD.

Non-Executive Director, Audit Committee and Risk Committee Member.

Michael is a retired Accountant and has well over forty years' experience in the industry. Michael has been involved in numerous community organisations such as: a Scout Leader for over twenty-seven years for the Plast Ukrainian Scouts Association (State and Federal Executive), a member of the Ukrainian Golf Club, a member of the Association of Ukrainians in Victoria and Sunshine and the Ukrainian Church in Ardeer.

Michael has been a Non-Executive Director of the Co-operative for ten years.

DAVID MAKOHON (Director)

B.Com (Acc & Fin), ICAA, Grad. Cert Applied Finance.

Non-Executive Director, Audit Committee and Risk Committee Member.

David has several years' experience in business banking and financial information management having worked nine years with the NAB and other community focused organisations. His key deliverables have been Project and Strategic management, along with managing systems operations and program analysts. He also has experience in human centred design, sales, change management, accounting and staff development in small, medium and large corporates, education, health, and digital business environments. David is passionate about driving teams to deliver an outcome for our Members. As an active member of the Ukrainian Community, David was a member of Plast Ukrainian Scouts Association, and Ukrainian Dancing and in his youth also participated in various church, charity and community activities.

David has been a Non-Executive Director of the Co-operative for two years.

COMPANY SECRETARY

LIAM TIERNAN (Chief Executive Officer)

B.Bus (Acc), CPA

Liam was appointed Chief Executive Officer of the Co-operative on 17 September 2012 and was appointed the Company Secretary on 16 October 2012.

Directors’ Report

Continued...

PRINCIPAL ACTIVITIES

During the year there were no significant changes to the principal activities of the Co-operative, these being the provision of retail financial services, which includes receiving funds on deposits, advancing loans, providing insurance products, and the leasing of Dnister property.

OPERATING AND FINANCIAL REVIEW

The Co-operative`s net profit before income tax for the year ending 30 June 2021 is $472,000 (2020: $413,000). This includes the following end-of-year adjustments:

- write-off of previously accrued project costs ($173k);
- increase in the provision for staff leave and other one-off salary and wages expenses ($79k);
- increase the credit loss provision by ($83k) ($2020: $168k), bringing the total provision for credit loss at June 30, 2021 to ($262k); and,
- Revaluation of Dnister’s properties with an increase for 2021 of $427k.

Total Assets increased by $23.2m to $228.4m with Members’ Equity increasing by $0.9m to $25.5m. Our loan portfolio increased by $15.8m to $166.5m and our deposit portfolio increased by $18.3m to $195.9m.

There were no significant changes in the operations of the Co-operative, other than the ongoing impact of the Coronavirus (COVID-19) pandemic. The continued impacts of COVID-19 and further global response by Governments, regulators and industry sectors. This has included an increased level of restrictions on corporate Australia’s ability to operate, significant volatility and instability in financial markets and the release of a number of government stimulus packages to support individuals and businesses as the Australian and global economies continues to face significant uncertainties.

The Co-operative received a number of COVID-19 related hardship applications from Members regarding their loan facilities during the 2021 financial year, which has been taken into account in the expected credit loss provision as at 30 June 2021

DIVIDENDS

In accordance with the constitution, no dividend is paid in respect of any shares.

BOARD MONITORING OF PERFORMANCE

Management and the Board monitor the Co-operative’s overall performance from the implementation of the mission statement and strategic plan through to the performance of the company against budget. The Board, together with management, have identified key performance indicators (KPIs) that are used to monitor performance. Management monitors KPIs and reviews performance against them monthly. Directors receive KPIs for review prior to each Board meeting allowing all Directors to actively monitor the Co-operative's performance.

LIQUIDITY AND FUNDING

The Co-operative has a short-term overdraft facility of $350,000 (2020: $350,000). The Co-operative has sufficient funds to finance its operations and maintains these facilities primarily to allow the Co- operative to take advantage of favourable short-term funding when required. The Co-operative has a $2.7m term funding facility with the Reserve Bank of Australia.

RISK MANAGEMENT

The Co-operative takes a pro-active approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Co- operative's objectives are aligned with those risks and opportunities.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks and opportunities identified by the Board. These include the following:

- Board approval of the Strategic Plan, which encompasses the Co- operative's vision, mission and goals, designed to meet Members' needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against budget, including the establishment and monitoring of KPIs of both a financial and non- financial nature.
- The establishment of committees to report on specific business risks.

SIGNIFICANT EVENTS AFTER BALANCE DATE

There were no significant events after balance date to be brought to the attention of Members for the financial year ended 30 June 2021.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The operations of the Co-operative are expected to continue in line with current objectives and strategies.

INDEMNITY AND INSURANCE

During the year, a premium was paid in respect of a contract insuring Directors and officers of the company against liability. The officers of the company covered by the insurance contract include the Directors, executive officers, secretary and employees. In accordance with normal commercial practice, disclosure of the total amount of premium payable under, and the nature of liabilities covered by, the insurance contract is prohibited by a confidentiality clause in the contract. No insurance cover has been provided for the benefit of the auditors of the company.

Directors' Report

Continued...

DIRECTORS' MEETINGS

The number of Directors' meetings attended by each Director and the number of meetings Directors were eligible to attend for the financial year were as shown in the table below:

		Meetings of Board Committees			
	Board Meetings	Audit Committee	Risk Committee	Corporate Governance	Crisis Management Team
Number of meetings held:	11	6	6	6	8
Number of meetings attended:					
D Hassett	11			6	8
B Wojewidka	11	4		6	
M Kwas	11	5	6		
J Lipkiewicz	10	2 (of 2)	5	3 (of 3)	8
D Makohon	10	6	6		
A Pavuk	8	6		6	
W Mykytenko	11		6	6	

COMMITTEE MEMBERSHIP

As at the date of this report, the Co-operative had an Audit Committee, Risk Committee and Corporate Governance Committee.

Members of the Board acting on the committees of the Board at the end of the year were:

AUDIT COMMITTEE

A Pavuk (Chair)
M Kwas
D Makohon
B Wojewidka

RISK COMMITTEE

J Lipkiewicz (Chair)
M Kwas
W Mykytenko
D Makohon

CORPORATE GOVERNANCE COMMITTEE

D Hassett (Chair)
B Wojewidka
W Mykytenko
A Pavuk
J Lipkiewicz

CRISIS MANAGEMENT TEAM

In response to the COVID-19 pandemic, the Crisis Management Team (CMT) was first convened on 17 March 2020 under the Co-operative's Business Continuity Plan. Its Members comprised the Board Chair, Risk Chair, Executive Team and Chief Risk Officer.

Its objective was to manage the Co-operative through the crisis under the oversight and direction of the Board. In March 2021, the Board determined that the CMT had dealt effectively with the pandemic crisis and would only reconvene when required.

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*.

PUBLIC PRUDENTIAL DISCLOSURE

In accordance with APS330 Public Disclosure requirements, the Co-operative is to publicly disclose certain information in respect of:

- Details on the composition and features of capital and risk weighted assets; and
- Both qualitative disclosure and quantitative disclosures for Senior Managers and material risk-takers.

These disclosures can be viewed on the Co-operative's website:
https://www.dnister.com.au/wp-content/uploads/2021/08/Prudential-Disclosure-APS330-June-2021-Remuneration.pdf

Auditor Independence Declaration Under S307C of the *Corporations Act 2001* to the Directors of Dnister Ukrainian Credit Co-operative Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2021 there have been no contraventions of:

1) The auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

2) Any applicable code of professional conduct in relation to the audit.

Crowe Melbourne

CROWE MELBOURNE

David Munday

DAVID MUNDAY
Partner

28 September 2021
Melbourne

Non-Audit Services

The following non-audit services were provided by the entity`s auditor Crowe Melbourne. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised. Crowe Melbourne received or are due to receive the following amounts for the provision of non-audit services:

Corporate Services Support Role	$ 12,368
Accounting Advice	$ 5,000
Tax Compliance Service	$ 5,500

The report is signed in accordance with a resolution of the Directors of the Co-operative.

On behalf of the Board

David Hassett
Chairman of the Board
28 September 2021

Andrew Pavuk
Chairman of the Audit Committee
28 September 2021

Corporate Governance Statement

The Board of Directors of Dnister Ukrainian Credit Co-operative Limited are responsible for the corporate governance of the Co-operative. The Board guides and monitors the business and affairs of the Co-operative on behalf of the Members by whom they are elected and to whom they are accountable. An important feature of the Board is to ensure compliance with the prudential and solvency requirements of the Australian Prudential Regulatory Authority (APRA) and the Australian Securities & Investments Commission (ASIC).

The key responsibilities of the Board include:

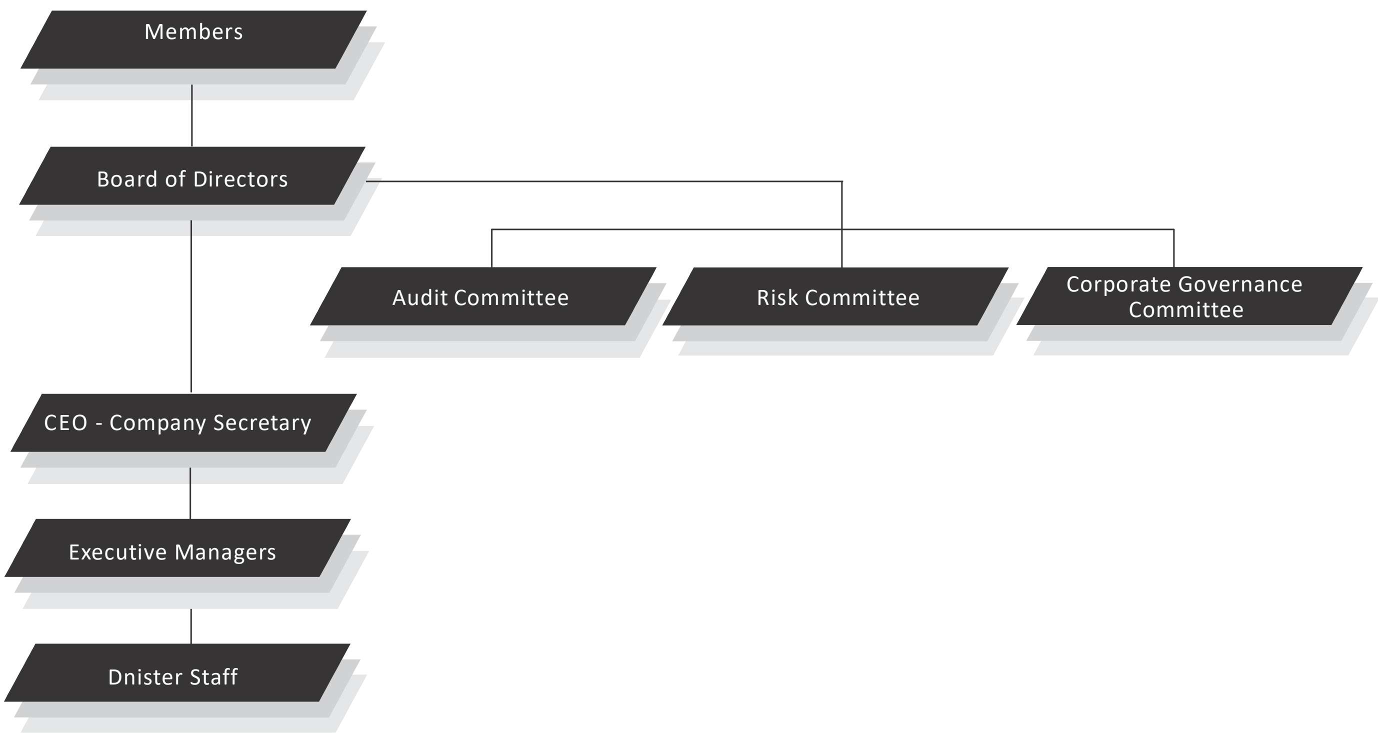
- Approving the strategic direction and related objectives and monitoring management performance in the achievement of these objectives.
- Adopting an annual budget and monitoring the financial performance of the Co-operative.
- Overseeing the establishment and maintenance of internal controls and effective monitoring systems.
- Ensuring all major business risks are identified and effectively managed.
- Ensuring the Co-operative meets its legal and statutory obligations.

The Board of Directors undertook the annual Board performance assessment for the year ended 30 June 2021. The key outcomes of this review are:

- Identification of skill enhancements
- Further training requirements for the Board Members

STRUCTURE OF THE BOARD

Directors of the Co-operative are considered to be independent and free from any business or other relationship that could interfere with, or could be perceived to materially interfere with, the exercise of their unfettered and independent judgement.



Corporate Governance Statement

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AUDIT COMMITTEE

The Board has an Audit Committee which operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists in the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information.

The Members of the Audit Committee at the end of the year were:

A Pavuk (Chair)
D Makohon
M Kwas
B Wojewidka

RISK COMMITTEE

The Board has a Risk Committee which operates under a charter approved by the Board. The Board has delegated the responsibility for the establishment and maintenance of a risk framework to the Risk Committee.

The Members of the Risk Committee at the end of the year were:

J Lipkiewicz (Chair)
W Mykytenko
M Kwas
D Makohon

CORPORATE GOVERNANCE COMMITTEE

The Board has a Corporate Governance Committee, which operates under a charter approved by the Board. It is the Board's responsibility to ensure that there is sound and prudent management of the Co- operative. The Board has delegated the responsibility for the establishment and maintenance of principles of Good Corporate Governance and Best Practice to the Corporate Governance Committee.

It is the Co-operative's objective to provide maximum stakeholder benefit through the retention of an Executive team by remunerating key executives fairly and appropriately with reference to employment market conditions. The Co-operative does not pay any performance-based bonuses.

The Members of the Corporate Governance Committee at the end of the year were:

D Hassett (Chair)
B Wojewidka
W Mykytenko
A Pavuk
J Lipkiewicz

The term in office held by each Director at the date of this report is as follows:

W Mykytenko	17 years
M Kwas	10 years
D Hassett	6 years
A Pavuk	6 years
B Wojewidka	4 years
D Makohon	2 years
J Lipkiewicz	2 years

Financial Statements

Notes

NOTES TO THE FINANCIAL STATEMENTS

Directors' Declaration

for the year ended 30 June 2021

In accordance with a resolution of the Directors of Dnister Ukrainian Credit Co-operative Limited, we state that:

1. In the opinion of the Directors:

   (a) the financial statements and notes of the Co-operative are in accordance with the *Corporations Act 2001* including:

   - giving a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
   - complying with Accounting Standards in Australia and the *Corporations Regulations 2001*;

   (b) there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they become due and payable; and

   (c) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2.

2. This declaration has been made after receiving the declarations required to be made by the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial period ending 30 June 2021.

On behalf of the Board

David Hassett
Chair of the Board
28 September 2021

Andrew Pavuk
Chair of the Audit Committee
28 September 2021

Dnister Ukrainian Credit Co-operative limited

Independent Auditor's Report to the members of Dnister Ukrainian Credit Co-operative limited

Opinion

We have audited the financial report of Dnister Ukrainian Credit Co-operative limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Dnister Ukrainian Credit Co-operative limited is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

The directors are responsible for the other information. The other information comprises the information contained in the Company's Annual Report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

Crowe

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Crowe Melbourne

CROWE MELBOURNE

David Munday

DAVID MUNDAY
Partner

28 September 2021
Melbourne

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2021

	Notes	2021 $'000	2020 $'000
INCOME			
Interest income	3	5,843	6,134
Interest expense	4	(1,437)	(2,367)
Net interest income		4,406	3,767
Fees and commission income	5	104	116
Other operating income	6	1,436	1,181
Total operating income		5,946	5,064
Credit loss expense	7	(83)	(168)
Net operating income		5,863	4,896
Salaries and associated costs		(2,367)	(1,994)
Depreciation and amortisation	14.1 & 14.2	(542)	(327)
Community sponsorships, support and beneficiary contributions	23	(28)	(35)
Other operating expenses	8	(2,454)	(2,127)
Total operating expenses		(5,391)	(4,483)
Profit before tax		472	413
Income tax benefit/(expense)	9(a)	(212)	(76)
NET PROFIT ATTRIBUTABLE TO MEMBERS		260	337
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
Fair value revaluation of land and buildings		520	-
Fair value revaluation of FVOCI investments		54	(138)
Adjustment to deferred tax due to temporary differences on revalued assets		61	36
Other comprehensive income for the period, net of tax		635	(102)
Total comprehensive income for the period		895	235

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2021

ASSETS	Note	2021 $'000	2020 $'000
Cash and cash equivalents	10	13,337	8,255
Financial investments – Term & Negotiable Certificates of Deposits	11.1	6,248	4,742
Financial investments – Bonds and Shares	11.2	25,724	25,351
Loans and advances to Members	12	166,512	150,689
Investment properties	13	3,967	3,454
Property & equipment	14.1	11,548	11,134
Intangibles	14.2	220	478
Deferred tax asset	9(d)	238	175
Other financial investments	15	397	380
Other assets	16	199	489
Total Assets		228,389	205,147
LIABILITIES			
Member deposits	17	195,879	177,588
Current tax liabilities		22	79
Borrowings	18	2,737	-
Other liabilities	19	2,057	936
Provisions	20	486	397
Deferred tax liabilities	9(d)	1,753	1,587
Total Liabilities		202,934	180,587
NET ASSETS		25,455	24,560
Retained earnings	21	12,275	12,078
Credit loss reserve	21	816	753
Business combination reserve	21	4,436	4,436
Asset revaluation reserve	21	7,649	7,154
FVOCI investments reserve	21	279	139
TOTAL MEMBERS EQUITY		25,455	24,560

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2021

	Retained Earnings $'000	Other Reserves see (note 21) $'000	Total $'000
TOTAL AT 1 JULY 2020	12,078	12,482	24,560
Net profit attributable to Members	260	-	260
Other comprehensive income	-	635	635
Total comprehensive income	12,338	13,117	25,455
Increase in general reserve for credit losses	(63)	63	-
TOTAL AT 30 JUNE 2021	12,275	13,180	25,455

	Retained Earnings $'000	Other Reserves see (note 21) $'000	Total $'000
TOTAL AT 1 JULY 2019	11,784	12,542	24,326
Net profit attributable to Members	337	-	337
Other comprehensive income	-	(102)	(102)
Total comprehensive income	12,121	12,440	24,560
Increase in general reserve for credit losses	(43)	43	-
TOTAL AT 30 JUNE 2020	12,078	12,482	24,560

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

for the year ended 30 June 2021

	Notes	2021 $'000	2020 $'000
OPERATING ACTIVITIES			
Profit before tax		472	413
Adjustments for:			
- Changes in operating assets	22	227	(372)
- Changes in operating liabilities (including tax payable)	22	1,461	(700)
- Non-cash items included in profit before tax	22	198	495
- Income tax paid		(103)	(69)
- Net increase in member deposits		18,290	22,625
- Net increase in loans and advances		(15,906)	(15,618)
Net cash flows from operating activities		4,639	6,774
INVESTING AND FINANCING ACTIVITIES			
Net negotiable certificate deposit investments sold/(purchased)		(1,506)	(1,808)
Net purchase of financial investments – bonds and shares		(390)	(632)
Net increase/(decrease) in wholesale borrowings		2,487	(3,750)
Purchases of property and equipment and intangible assets		(149)	(266)
Net cash flows used in investing and financing activities		442	(6,456)
Net increase/(decrease) in cash and cash equivalents		5,082	318
Cash and cash equivalents at 1 July		8,255	7,937
Cash and cash equivalents at 30 June		13,337	8,255
OPERATIONAL CASH FLOWS FROM INTEREST AND DIVIDENDS			
Interest received		5,843	6,134
Interest and other costs of finance paid		(1,437)	(2,367)
Dividends received		-	10

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

1. CORPORATE INFORMATION

Dnister Ukrainian Credit Co-operative Limited is a company incorporated in Australia.

Dnister is a member owned Co-operative specialising in serving the financial needs of Australians of Ukrainian and Latvian descent, heritage or cultural affinity. The nature of the operations and principal activities of the Co-operative are described in the Directors' Report.

The financial report of the Co-operative for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of Directors on 28 September 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. It has been prepared as a 'for profit entity' as per AASB1054.8. The financial report has also been prepared on a historical cost basis, except for investment properties, land and buildings and FVOCI investments, which have been measured at fair value.

In accordance to *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars ($000) unless otherwise stated.

2.2 STATEMENT OF COMPLIANCE

The financial report complies with Australian Accounting Standards issued by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

2.3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In the process of applying the Co-operative's accounting policies, Management has used its judgements and made estimates in determining amounts recognised in the financial statements. The most significant use of judgements and estimates are as follows:

FAIR VALUE OF FINANCIAL INSTRUMENTS
Where the fair values of financial assets and financial liabilities recorded on the Statement of Financial Position cannot be derived from active markets they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

IMPAIRMENT LOSSES ON LOANS AND ADVANCES
Significant judgements and estimates are applied by management in assessing impairment of loans and advances with regards to the expected credit loss modelling, including:

- Determining criteria for significant increase in credit risk: An asset moves to Stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased the Co-operative takes into account qualitative and quantitative reasonable and supportable forward-looking information;
- Choosing appropriate models and assumptions for the measurement of expected credit loss; and
- Establishing groups of similar financial assets for the purposes of measuring expected credit loss: When expected credit loss is measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics.

PROPERTY
Some of the Co-operative’s property is leased out on a commercial basis. Those buildings that are fully leased are now classified as investment properties. The main 'banking building' is still classified as owner-occupied because a significant section of the property is used by the Co-operative for its banking activities. These judgments are consistent with AASB140 Investment Property classification. Property owned by the Company were independently valued during the 2021 financial year based on an income capitalisation methodology and cross-checked using the Direct Comparison method derived from analysis of comparable sales. A market capitalization rate of between 4.5% to 7.5% has been used to estimate the fair value using current rental yields.

TAXATION
The Co-operative’s accounting policy for taxation requires Management's judgement as to the types of arrangements considered to be a tax on income in contrast to an operating cost. Judgement is also required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the Statement of Financial Position. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on Management’s estimates of future cash flows. These depend on estimates of future sales volume, operating costs, restoration costs, capital expenditure, dividends and other Capital Management transactions. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the Statement of Financial Position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the Other Comprehensive Income

COVID-19
Judgement has also been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Co-operative based on known information. The consideration extends to the nature of the products and service offered, Members, staffing and the geographic regions in which the Co-operative operates. The key estimates and judgements associated with COVID-19 are detailed in Note 12 Loans and Advances and Note 14 Property, Plant and Equipment.

GOING CONCERN
The impact of the Coronavirus (COVID-19) pandemic and its impact on the Co-operative’s operations has been subject to close consideration in preparing these financial statements. In particular, there has been an increased focus on the budget impacts of COVID-19 to provide comfort that there is no material uncertainty in terms of the Co-operative as a “going concern”. The budget scenarios produced indicate that key metrics such as Capital Adequacy and Liquidity are able to be maintained at levels above both statutory requirements and internal benchmarks for the forecasting period.

Based on this, the financial statements have therefore been prepared on a going concern basis.

2.4.1 FINANCIAL INSTRUMENTS - INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT

(i) DATE OF RECOGNITION

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised on the trade date i.e. the date that the Co-operative commits to purchase or sell the asset.

(i) CLASSIFICATION OF FINANCIAL ASSETS

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of loans and receivables, which is presented within other expenses.

Classifications are determined by both:

- the entity’s business model for managing the financial asset and
- the contractual cash flow characteristics of the financial assets.

(ii) SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS

Financial assets at amortised costs

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Co-operative’s cash and cash equivalents, trade receivables fall into this category of financial instruments as well as NCDs.

Financial assets at Fair Value through Profit or Loss (FVPL)

Financial assets that are within a different business model other than ‘hold to collect’ or ‘hold to collect and sell’ are categorised as fair value through profit or loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL.

(iii) FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividends from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. This category includes unlisted equity securities – Indue Ltd and Shared Service Partners Pty Ltd. Investments in FRNs are also measured at FVOCI, with subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss.

2.4.2 DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

(i) FINANCIAL ASSETS

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Co-operative has transferred its rights to receive cash flows from the asset or has assumed the obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and
- either:
  a) the Co-operative has transferred substantially all the risks and rewards of the asset, or
  b) the Co-operative has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(ii) FINANCIAL LIABILITIES

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

2.4.3 IMPAIRMENT OF FINANCIAL ASSETS

(i) LOANS AND ADVANCES TO MEMBERS

AASB 9’s impairment requirements use forward-looking information to recognise expected credit losses – the “expected credit loss model” (ECL).

The Co-operative considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the financial asset. In applying this forward-looking approach, a distinction is made between:

- Financial assets that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (performing loans) ('Stage 1'); and
- Financial assets that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- Stage 3' would cover financial assets that have objective evidence of impairment (loans in default) at the reporting date.

Measurement of ECL

The Co-operative applies a three-stage approach to measuring expected credit losses (ECLs) for financial assets that are not measured at fair value through profit or loss.

- 12-months ECL (Stage 1) - The portion of lifetime ECL associated with the probability of default events occurring within the next 12 months.
- Lifetime ECL – not impaired (Stage 2) - ECL associated with the probability of default events occurring throughout the life of an instrument.
- Lifetime ECL – impaired (Stage 3) - Lifetime ECL, but interest revenue is measured based on the carrying amount of the instrument net of the associated ECL.

Exposures are assessed on a collective basis in Stage 1, and on individual basis in Stage 2 and Stage 3.

At each reporting date, the Co-operative assesses the credit risk of exposures in comparison to the risk at initial recognition, to determine the stage that applies to the associated ECL measurement. If the credit risk of an exposure has increased significantly since initial recognition, the asset will migrate to Stage 2. If no significant increase in credit risk is observed, the asset will remain in Stage 1. Should an asset become credit-impaired it will be transferred to Stage 3.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Co-operative on terms that the Co-operative would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost of effort at the reporting rate about past events, current conditions and forecasts of future economic conditions.

Critical accounting estimates and judgments in the ECL

A number of significant judgments are required in applying the accounting requirements for measuring ECL, which are detailed below:

Assumptions used for estimating impairment

In assessing the impairment of financial assets under the expected credit loss model, the Co-operative defines default as occurring when a loan obligation is past 30 days due. The definition of default largely aligns with that applied by APRA for regulatory reporting purposes, and the criteria used for internal credit risk management purposes.

Assessment of significant increase in credit risk

In determining whether the risk of default has increased significantly since recognition, the Co-operative considers both quantitative and qualitative factors. These include:

- When a loan reaches 30 days past due;
- Loan with approved hardship or modified terms.

Calculation of expected credit losses

Expected credit losses (ECLs) are calculated using three main parameters i.e. a probability of default (PD), a loss given default (LGD) and an exposure at default (EAD). These parameters are derived from industry standards and historical loss models.

For accounting purposes, the 12-months and lifetime PD represent the expected point-in-time probability of a default over the next 12 months and remaining lifetime of the financial instrument, respectively, based on conditions existing at the balance sheet date.

The LGD represents expected loss conditional on default, taking into account the mitigating effect of collateral and its expected value when realised. The EAD represents the expected exposure at default.

The 12-months ECL is equal to the sum over the next 12-month PD multiplied by LGD and EAD. Lifetime ECL is calculated using the sum of PD over the full remaining life multiplied by LGD and EAD.

Grouping of loans for losses measured on a collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogenous. The Co-operative has elected to use the following segments when assessing credit risk for Stage 1 of the ECL model:

- Mortgage loans – under 80% LVR or LMI insured
- Mortgage loans – above 80% LVR without LMI
- Loans secured by funds
- Personal loans – secured and unsecured

2.4.4 RECOGNITION OF INCOME AND EXPENSES (AASB 15 disclosures)

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Co-operative and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) INTEREST AND SIMILAR INCOME

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.

(ii) FEE AND COMMISSION INCOME

Fee Income
Loan, account and transaction fee income relate to fees that are not deemed to be an integral part of the effective interest rate.
Fee income relating to deposit or loan accounts is either:
Transaction based and therefore recognised when the performance obligation related to the transaction is fulfilled, or
Related to performance obligations carried out over a period of time, therefore recognised on a systemic basis over the life of the agreement as the services are provided

Transaction fees and provision of services are defined within product terms and conditions.

Loan Fee - Loan fees and charges are recognised at the point in time when the transaction takes place.

Electronic transaction, card & fees - Revenue from account service and servicing fees is recognised over time as the services are provided. Revenue related to transactions is recognised at the point in time when the transaction takes place.

Commissions
Commission income is recognised when the performance obligation is satisfied.

Other commission - Revenue is recognised at the point in time when it is received as that is when the service has occurred.

(iii) DIVIDEND INCOME

Revenue is recognised when the Co-operative's right to receive the payment is established.

(iv) RENTAL INCOME

Rental income arising from investment and other properties is accounted for on a straight-line basis over the lease terms on ongoing leases and is recorded in the Profit or Loss in 'other operating income'.

2.4.5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The amounts included in cash are held for the purpose of meeting short term cash deposits.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above and net of outstanding bank overdrafts.

2.4.6 INVESTMENT PROPERTIES

The Co-operative holds certain properties as investments to earn rental income, for capital appreciation or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the Statement of Financial Position date. Gains or losses arising from changes in the fair values of investment properties are included in 'other operating income' in the year in which they arise. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Co-operative, and to market-based yields for comparable properties.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in Profit or Loss in the year of retirement.

2.4.7 PROPERTY, EQUIPMENT & INTANGIBLE ASSETS

(i) COST

Equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Land and buildings are measured at fair value less any impairment losses recognised after the date of revaluation.

Under Australian Accounting Standards, items of computer software which are not integral to the computer hardware owned by the Co-operative are classified as intangible assets.

(ii) IMPAIRMENT

The carrying values of equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying amount may be impaired.

(iii) REVALUATIONS

Following initial recognition at cost, land and buildings are carried at a revalued amount which is the fair value. Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Any revaluation increment is credited to the asset revaluation reserve included in the equity section of the Statement of Financial Position, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in Other Comprehensive Income.

Any revaluation decrease is recognised in Profit or Loss, except that a decrease offsetting a previous revaluation increase for the same asset is debited directly to the asset revaluation reserve to the extent of the credit balance existing in the revaluation reserve for that asset.

Additionally, any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the assets.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings. Independent valuations are performed with sufficient regularity to ensure that the carrying amounts do not differ materially from the assets' fair values at the Statement of Financial Position date.

(iv) DERECOGNITION AND DISPOSAL

An item of property and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Profit or Loss in the year the asset is derecognised.

(v) DEPRECIATION

Depreciation is calculated on a straight-line basis over the estimated useful life of the specific assets as follows:

- Furniture and equipment – 6-7 years
- Computer hardware - 4 years

(vi) AMORTISATION

Computer software held as intangible assets is amortised over the expected useful life of the software on a straight-line basis over 3 years.

In line with the recognition criteria of AASB 138, the Co-operative has expensed items that do not meet the definition of an intangible asset.

2.4.8 RECEIVABLES

Receivables are carried at amortised cost using the effective interest method. Gains and losses are recognised in Profit or Loss when the receivables are derecognised or impaired.

Expected future payments are discounted.

2.4.9 PAYABLES

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Co- operative prior to the end of the financial year that are unpaid and arise when the Co-operative becomes obliged to make future payments in respect of these goods and services. The payables are not secured and are generally paid within 30 days of recognition.

(i) PROVISIONS

Provisions are recognised when the Co-operative has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions include:

WAGES, SALARIES AND ANNUAL LEAVE

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

LONG SERVICE LEAVE

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service.

Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

2.4.10 MEMBER DEPOSITS AND SHORT-TERM BORROWINGS

(i) MEMBER DEPOSITS

Member deposits are classified under the categories of at call and fixed term. The rate of interest offered on member deposits is dependent on the amount, the period invested/availability of funds and the nature of the deposit facility used. Member deposits are available for withdrawal subject to the advertised constraints of the facility.

For example, at call accounts can be accessed at any time, whereas no withdrawals can be made from a standard fixed term deposit without penalties.

(ii) BORROWING COSTS

Borrowing costs are recognised as an expense when incurred.

(iii) MEMBERSHIPS

Members must purchase shares to the value of $10 in the Co- operative to open their account. Once a member has purchased shares, they may open multiple accounts. When a member cancels or resigns their Membership, they are entitled to be refunded their initial $10 investment. No interest or dividends are payable on the shares issued because they are withdrawn on the closure of Membership. They are therefore recorded as a liability in the financial accounts as part of deposits at call, rather than as equity.

2.4.11 TAXES

(i) CURRENT TAX

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the Statement of Financial Position date.

(ii) DEFERRED TAX

Deferred income tax is provided on all temporary differences at the Statement of Financial Position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except when the deferred income tax liability arises from an asset or liability transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the Statement of Financial Position date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in Profit or Loss.

(iii) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred from the purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or part of the expense item as applicable.

- Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows 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 are classified as operating cash flows.

2.4.12 NEW OR AMENDED ACCOUNTING STANDARDS ADOPTED

The Co-operative has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2020:

- AASB 2020-4 COVID-19-related Rent Concessions
- AASB 2019-3 Interest Rate Benchmark Reform

AASB 2020-4 Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions
AASB 2020-4 provides a practical expedient to simplify the accounting for rent concessions (including rent deferrals) received directly related to the outbreak of COVID-19. The Co-operative has not received any rent related concessions during the financial year and as such the amendments have had no impact on the financial report at the date of adoption.

AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform
AASB 2019-3 provides relief from the impact on hedge accounting which may occur as a result of inter-bank offered rate (IBOR) reform. There was no significant effect from the adoption of AASB 2019-3 in relation to accounting for hedges.

2.4.13 NEW OR AMENDED ACCOUNTING STANDARDS NOT YET MANDATORY

There are no new accounting standards or interpretations expected to have any significant impact on the Co-operative's financial report that are issued and not yet applicable

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

	2021 $'000	2020 $'000
3. INTEREST INCOME		
Loans and advances to Members	5,544	5,604
Deposits with other financial institutions	298	510
Regulatory deposits	1	19
	5,843	6, 134
4. INTEREST EXPENSE		
Member deposits	1,436	2,317
Other	1	50
	1,437	2,367
5. FEES AND COMMISSION INCOME		
Other fees received	104	116
	104	116
6. OTHER OPERATING INCOME		
Dividend income	-	10
Rental income	888	999
Change in fair value of investment property	427	-
Other	121	172
	1,436	1,181
7. CREDIT LOSS EXPENSE		
Bad Debts and Impairment Allowance	83	168
	83	168
8. OTHER OPERATING EXPENSES		
Marketing, printing & postage	142	60
Other tenancy expenses	395	349
Corporate governance, audit & compliance	431	401
Subsidised member transaction expenses	352	305
Data & communications	682	601
Other	452	411
	2,454	2,127

9. INCOME TAX

	2021 $'000	2020 $'000
(a) Income tax expense/(benefit)		
The major components of income tax expense are:		
Statement of Profit or Loss and Other Comprehensive Income		
Current Income Tax		
Current Income tax charge	201	144
Adjustments in respect of current income tax of previous years	114	(66)
Deferred Income Tax		
Relating to origination and reversal of temporary differences	(103)	(38)
Adjustment to deferred tax liability on FVOCI investments	-	36
Income tax expense reported in the Statement of Profit or Loss and Other Comprehensive Income	212	76
(b) Amounts charged or credited directly to equity		
Deferred income tax related to items charged or credited directly to equity		
Unrealised movement on land and buildings	(25)	-
Unrealised movement on FVOCI investments	86	36
Income tax expense reported in equity	61	36
(c) Reconciliation between aggregate tax expense recognised in the Statement of Profit or Loss and Other Comprehensive Income and tax expense calculated per the statutory income tax rate.		
A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Company's applicable income tax rate is as follows:		
Profit before tax	472	413
At the Company's statutory income tax rate of 26% (2020:27.5%)	123	114
Income not assessable for income tax purposes	(12)	1
Under/(over) provided in prior years	114	(66)
Increase/(decrease) in deferred tax balances	(12)	27
Income tax expense on pre-tax profit	212	76
(d) Recognised deferred tax assets and liabilities		
Amounts recognised in the Statement of Financial Position:		
Deferred tax asset	238	175
Deferred tax liability	(1,753)	(1,587)
Deferred Net Tax Liabilities	(1,515)	(1,412)

9. INCOME TAX

(Continued)

	2021 $'000	2020 $'000
Deferred income tax		
Deferred income tax at 30 June relates to the following:		
Deferred tax liabilities		
Prepayments	(29)	(36)
Depreciable assets	-	(13)
Investment properties	(446)	(354)
Land and buildings	(1,180)	(1,156)
Financial Investments – FVOCI	(98)	(28)
Deferred tax liabilities	(1,753)	(1,587)
Deferred tax assets		
Allowance for Impairment	68	49
Provisions and accruals	170	126
Deferred tax assets	238	175

10. CASH AND CASH EQUIVALENTS

	2021 $'000	2020 $'000
Cash on hand	335	177
Deposits at call	13,002	8,078
	13,337	8,255

11.1. FINANCIAL INVESTMENTS – Term and NCDs

	2021 $'000	2020 $'000
Term and negotiable certificates of deposits with banks (fully redeemable), not longer than 3 months	6,248	3,185
Term and negotiable certificates of deposits with banks (fully redeemable), longer than 3 months and not longer than 12 months	-	1,557
	6,248	4,742

11.2. FINANCIAL INVESTMENTS – Bonds

	2021 $'000	2020 $'000
Fixed Interest Bonds and Floating Rate Notes (fully redeemable), longer than 12 months	25,724	25,351
	25,724	25,351

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

12. LOANS AND ADVANCES TO MEMBERS

	2021 $'000	2020 $'000
Overdraft and revolving credit	4,553	4,595
Term loans	162,221	146,273
Gross loans and advances*	166,774	150,868
Less: Allowance for impairment losses	(262)	(179)
	166,512	150,689
(a) BY MATURITY		
Overdrafts	4,553	4,595
Not longer than 3 months	493	250
Longer than 3 months and less than 12 months	1,676	3,332
Longer than 12 months and less than 5 years	2,010	2,673
Longer than 5 years	158,042	140,018
	166,774	150,868
(b) BY PRODUCT TYPE		
Residential mortgages	142,047	135,127
Consumer lending	5,758	3,912
Corporate & small business lending	18,969	11,829
	166,774	150,868
(c) BY CONCENTRATION		
Loans in Victoria	126,434	116,495
Loans in South Australia	17,851	16,019
In other states	22,489	18,354
	166,774	150,868
(d) BY SECURITY		
Secured by mortgage	164,739	149,415
Secured by Other	531	931
Unsecured	1,504	522
	166,774	150,868
(e) BY LVR		
Less than 80%	144,069	140,877
Greater than 80% with LMI	14,262	9,697
Greater than 80% no LMI	8,443	294
	166,774	150,868
IMPAIRMENT ALLOWANCE FOR LOANS AND ADVANCES TO MEMBERS A reconciliation of the allowance for impairment losses for loans and advances is as follows:		
(I) Total Provision	262	179
(II) Movement in total provision		
Balance at the beginning of the year	179	11
Charge for the year (Note 7)	83	168
Balance at the end of the year	262	179

* At 30 June 2021 there were 7 loans totaling $20.1 m which each exceeded 10% of the Co-operative's capital base (2020: 8 loans totaling $20.6m).

12. LOANS AND ADVANCES TO MEMBERS

Continued...

	2021	2020
(III) The loans provision consists of:	$'000	$'000
Provision	262	179
	262	179
(Iv) Impaired loans written off:		
Charge / (recovery)	-	-
	262	179

(f) Loans Past Due or Impaired

	2021 Past Due	2021 Impaired	2021 Collateral Held	2020 Past Due	2020 Impaired	2020 Collateral Held
	$'000	$'000	$'000	$'000	$'000	$'000
HOUSING LOANS						
30 days and less than 60 days	-	-	-	-	-	-
60 days and less than 90 days	75	-	295	812	-	1,085
90 days and less than 182 days	-	-	-	1,479	-	4,050
182 days and less than 273 days	244	-	4,050	326	-	550
273 days and less than 365 days	551	-	2,400	-	-	-
365 days and over	1,040	-	8,990	207	-	532
	1,910	-	15,735	2,824	-	6,217
PERSONAL AND COMMERCIAL LOANS						
30 days and less than 60 days	-	-	-	-	-	-
60 days and less than 90 days	-	-	-	-	-	-
90 days and less than 182 days	-	-	-	-	-	-
182 days and less than 273 days	-	-	-	-	-	-
273 days and less than 365 days	-	-	-	-	4	-
365 days and over	-	-	-	-	3	-
	-		-	-	7	-
OVERDRAFTS						
less than 14 days	3	-	-	54	-	-
14 days and less than 90 days	-	-	-	-	1	-
90 days and less than 182 days	-	-	-	-	-	-
182 days and over	-	-	-	-	-	-
	3		-	54	1	-
	1,913		15,735	2,878	8	6,217

12. LOANS AND ADVANCES TO MEMBERS
Continued...

(g) Loans Past Due or Impaired

Reconciliation of allowance for impairment
The reconciliation from the opening to the closing balance of the allowance for impairment by class of financial instrument is shown in the table below:
2021:

	Stage 1 12 month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Movement category	$000	$000	$000	$000
Balance as at 1 July 2020	16	157	6	179
Transfers between stages	1	4	(5)	-
Movement due to increase in loans & advances	-	-	-	-
Bad debts written off from provision	-	-	-	-
Changes in model/risk parameters		83		83
Balance as at 30 June 2021	**17**	**244**	**1**	**262**

2020:

	Stage 1 12 month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Movement category	$000	$000	$000	$000
Balance as at 1 July 2019	-	-	11	11
Transfers between stages	-	-	-	-
Movement due to increase in loans & advances	-	-	-	-
Bad debts written off from provision	-	-	-	-
Changes in model/risk parameters	16	157	(5)	168
Balance as at 30 June 2020	**16**	**157**	**6**	**179**

(h) Sensitivity Analysis

Large Exposures:
As part of the assessment of the ongoing COVID-19 pandemic impact, the Co-operative has considered the impact of business disruption and the challenging business environment on its large borrowing exposures. The Co-operative has observed that while a number of its borrowers, including those classified as large exposures, have experienced business disruption due to COVID-19, none of these facilities are currently past due or impaired or are considered to have experienced a material deterioration in collateral values. As a result, the Co-operative does not consider that any of these exposures have experienced a significant deterioration in credit quality. The Co-operative will continue to monitor these exposures prudently.

The Co-operative also holds a general reserve for credit losses as an additional allowance for bad debts to comply with prudential requirements. Refer to Note 21 for details on this reserve.

13. INVESTMENT PROPERTIES

	2021 $'000	2020 $'000
At 1 July	3,454	3,454
Net change from fair value adjustment	513	-
	3,967	3,454

14.1 PROPERTY AND EQUIPMENT	Land & Buildings	Computer Hardware	Other Furniture & Equipment	Total
	$'000	$'000	$'000	$'000
Cost or Fair value:				
At 1 July 2020	10,546	364	1,929	12,839
Additions	-	30	80	110
Disposals	-	(2)	(114)	(116)
Net change from revaluation	902	-	(552)	349
At 30 June 2021	11,448	392	1,343	13,182
Accumulated depreciation:				
At 1 July 2020	-	297	1,408	1,705
Disposals	-	(2)	(30)	(33)
Net Change from Revaluation	-	-	(169)	(169)
Depreciation charge for the year	-	50	81	132
At 30 June 2021	-	345	1,290	1,635
At 30 June 2021				
Cost or fair value	11,448	392	1,343	13,182
Less: Accumulated depreciation	-	345	1,290	1,635
Net carrying amount	11,448	47	53	11,548

	2021 $'000	2020 $'000
If land and buildings were measured using the cost model, the carrying amounts would be:	3,894	3,894

Valuations:
The 2021 revaluations of property were made by JACX Property and McLean Gladstone Valuers. These valuations have been carried out in accordance with the Australian Property Institute (API) "Professional Practice" guidance notes. The valuation basis of land and buildings and investment properties is at fair value, in compliance with AASB 13. The fair value of non-financial assets takes into account a market participant's ability to generate economic benefits by using the assets in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The valuation was performed at a time of economic and social uncertainty due to COVID-19 pandemic. The valuation reports acknowledged that there is limited comparable market evidence available to determine what, if any, impact current COVID-19 (coronavirus disease) may have on the value or marketability of the subject property, particularly in the short and medium term. While the valuation report does not indicate impairment of land and buildings and investment properties, it does present estimation uncertainty regarding the increased valuation of the land and buildings and investment properties. The valuation is performed as at the current date of valuation only. The fair value assessed may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not be reasonably have been aware of as at the date of valuation). The Co-operative has determined that the carrying amount of land and buildings and Investment properties, and the fair value are not materially different. The current valuation is based on specific assumptions that appear reasonable based on current local market sentiment and forecasts, notwithstanding the market uncertainty resulting from the current COVID-19 environment.

14.1 PROPERTY AND EQUIPMENT (continued)

	Land & Buildings	Computer Hardware	Other Furniture & Equipment	Total
	$'000	$'000	$'000	$'000
Cost or Fair value:				
At 1 July 2019	10,546	345	1,805	12,696
Additions	-	19	123	142
Disposals	-	-	1	1
Net change from revaluation	-	-	-	-
At 30 June 2020	10,546	364	1,929	12,839
Accumulated depreciation:				
At 1 July 2019	-	241	1,342	1,583
Disposals	-	-	-	-
Depreciation charge for the year	-	56	66	122
At 30 June 2020	-	297	1,408	1,705
At 30 June 2020				
Cost or fair value	10,546	364	1,929	12,839
Less: Accumulated depreciation	-	297	1,408	1,705
Net carrying amount	10,546	67	521	11,134

14.2 INTANGIBLES

	2021	2020
	$'000	$'000
a. Intangible Assets Comprise:		
Asset at cost	980	1,252
Amortisation	(760)	(774)
	220	478
b. Movement in the intangible asset balances during the year was:		
Opening balance	478	560
Additions	157	124
Less: Write-downs	(4)	-
Less: Amortisation charge	(411)	(206)
	220	478

	2021 $'000	2020 $'000
15. OTHER FINANCIAL INVESTMENTS		
Shares – Shared Service Partners Pty Ltd	20	20
Shares – Indue Ltd	377	360
	397	380

16. OTHER ASSETS

	2021 $'000	2020 $'000
Accrued interest receivable	59	52
Prepayments	140	132
Other receivables	-	305
	199	489

The maximum exposure to credit risk is the fair value of the receivables. Collateral is not held as security, nor is it policy to transfer (on-sell) receivables to special purpose entities.

17. MEMBER DEPOSITS

	2021 $'000	2020 $'000
Call deposits	85,629	67,796
Term deposits	110,250	109,793
	195,879	177,588
BY CONCENTRATION		
Deposits in Victoria	138,610	127,334
Deposits in South Australia	25,107	22,173
In other states	32,162	28,082
	195,879	177,588

18. BORROWINGS

	2021 $'000	2020 $'000
Repurchase agreements	2,737	-
The Co-operative utilised the RBA Term Funding Facility (TFF). Under the TFF the Reserve Bank of Australia offered three year funding to Authorised Deposit Taking Institutions (ADI's) through repurchase transactions at a fixed pricing rate of 10 basis points per annum.		
	2,737	-

	2021 $'000	2020 $'000
(a) BY MATURITY		
Not longer than 3 months	-	-
Longer than 3 months and less than 12 months	-	-
Longer than 12 months and less than 5 years	2,737	-
Longer than 5 years	-	-
	2,737	-

	2021	2020
	$'000	$'000
19. OTHER LIABILITIES		
Interest payable on deposits	277	581
Trade creditors and accruals	1,780	105
Wholesale Borrowings	-	250
	2,057	936

20. PROVISIONS		
Current provisions for employee entitlements		
Long service leave	213	176
Annual leave	249	198
	462	375
NON-CURRENT PROVISION FOR EMPLOYEE ENTITLEMENTS		
Long service leave	24	22
	24	22

A reconciliation of the provisions is as follows	Annual Leave	Long Service Leave	Total
As at 1 July 20	198	199	397
Payments Made	(91)	(5)	(96)
Additional Provisions	142	43	185
As at 30 June 21	249	237	486
As at 1 July 19	155	202	357
Payments Made	(116)	(22)	(138)
Additional Provisions	159	19	178
As at 30 June 20	198	199	397

21. RETAINED EARNINGS AND RESERVES

	Retained Earnings	Credit Loss Reserve	Financial Instruments classified as Fair Value through Other Comprehensive Income (FVOCI)	Business Combination Reserve	Asset Revaluation Reserve	Total Reserve
	$'000	$'000	$'000	$'000	$'000	$'000
As at 1 July 2020	12,078	753	139	4,436	7,154	12,482
Increase in statutory amount set aside for potential losses on loans & advances	(63)	63	-	-	-	63
Net profit attribute to Members	260	-	-	-	-	-
Net change from revaluation of FVOCI investments	-	-	140	-	-	140
Net change from revaluation of asset					495	495
As at 30 June 2021	12,275	816	279	4,436	7,649	13,180
As at 1 July 2019	11,784	710	241	4,436	7,154	12,541
Increase in statutory amount set aside for potential losses on loans & advances	(43)	43	-	-	-	43
Net profit attribute to Members	337	-	-	-	-	-
Net change from revaluation of FVOCI investments	-	-	(102)	-	-	(102)
Net change from revaluation of asset	-	-	-	-	-	-
As at 30 June 2020	12,078	753	139	4,436	7,154	12,482

CREDIT LOSS RESERVE

The credit loss reserve is used to record the Co-operative's required provisioning (under the Standard) for setting aside an amount based on risk weighted assets and delinquencies as provision for possible bad debt write off. It represents an appropriation of retained earnings as further capital held against credit losses.

FVOCI RESERVE

The FVOCI reserve is used to record increments and decrements in the fair value of FVOCI investments, i.e. bonds.

BUSINESS COMBINATION RESERVE

The business combination reserve is used to record increments and decrements in equity as a result of mergers with other businesses.

ASSET REVALUATION RESERVE

The asset revaluation reserve is used to record increments and decrements in the fair value of land and buildings to the extent that they offset one another.

	2021	2020
	$'000	$'000
22. ADDITIONAL CASH FLOW INFORMATION		
CASH AND CASH EQUIVALENTS		
Cash on hand	335	177
Deposit at call	13,002	8,078
	13,337	8,255
CHANGE IN OPERATING ASSETS		
Net change in interest receivable	(6)	57
Net change in debtors	305	(267)
Net change in prepayments	(8)	(117)
Net change in future tax receivable	(63)	(45)
	227	(372)
CHANGE IN OPERATING LIABILITIES		
Net change in interest payable	(304)	50
Net change in interest payable	-	-
Net change in creditors and accruals	1,640	(797)
Net change in future tax payable	166	7
Net change in provisions	(41)	40
	1,461	(700)
NON-CASH ITEMS INCLUDED IN PROFIT BEFORE TAX		
Depreciation of property and equipment	543	327
Losses on disposal of property and equipment	-	-
Net impairment losses on financial assets	83	168
Net Revaluation of investment property	(427)	-
	198	495
23. COMMUNITY SPONSORSHIPS, SUPPORT AND BENEFICIARY CONTRIBUTIONS		
Community Sponsorship	3	6
School Support	20	10
Church Praznyk	-	7
Community Access Accounts – Beneficiary Contributions	5	12
	28	35

Dnister Ukrainian Credit Co-operative Ltd makes payments to the Ukrainian Community via Beneficiary Contributions and sponsorships. In addition, Dnister Staff may provide special support services to community organisations free of charge.

The amount allocated is approved by the Board of Directors.

24. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

	Carrying Value	Fair Value
	$'000	$'000
ASSETS 2021		
Financial Assets		
Cash & balances with bank	13,337	13,337
Financial investments - Amortised Cost	6,248	6,249
Financial investments - FVOCI	25,724	25,724
Loans and advances to Members	166,512	167,251
Other financial investments	397	397
Accrued interest receivable	59	59
Other receivables and prepayments	140	140
Total 2021	212,417	213,157
LIABILITIES 2021		
Financial Liabilities		
Member deposits and wholesale borrowings	195,879	195,930
Borrowings repurchase agreements	2,737	2,737
Total 2021	198,616	198,667
ASSETS 2020		
Financial Assets		
Cash & balances with bank	8,255	8,255
Financial investments - Amortised Cost	4,742	4,745
Financial investments - FVOCI	25,351	25,351
Loans and advances to Members	150,689	150,691
Other investments	380	380
Accrued interest receivable	52	52
Other receivables and prepayments	436	436
Total 2020	189,905	189,910
LIABILITIES 2020		
Financial Liabilities		
Member deposits and wholesale borrowings	177,838	177,693
Total 2020	177,838	177,693

24. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Continued...

FAIR VALUE HIERARCHY

All Financial Instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted market prices in an active market (that is unadjusted) for identical assets or liabilities
Level 2 - Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable)
Level 3 - Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable)

For financial instruments that are recognised at fair value on a recurring basis, the Co-operative determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

As at 30 June 2021, the Co-operative held the following classes of financial instruments measured at (AASB13) fair value:

	30 June 21	Level 1	Level 2	Level 3
Financial Assets measured at fair value -2021				
Financial investments – FVOCI	25,724	-	25,724	-
Other Financial Investments – Shares Held	397	-	-	397

	30 June 20	Level 1	Level 2	Level 3
Financial Assets measured at fair value -2020				
Financial investments – FVOCI	25,351	-	25,351	-
Other Financial Investments – Shares Held	380	-	-	380

24. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Continued...

The net fair value estimates were determined by the following methodologies and assumptions:

CASH AND LIQUID ASSETS

The carrying values of cash and liquid assets approximate their net fair value as they are short term in nature or are receivable on demand.

DEPOSITS WITH FINANCIAL INSTITUTIONS

The carrying values of deposits with financial institutions are categorised within the fair value hierarchy based on net present values.

LOANS AND ADVANCES

The carrying values of loans and advances are net of the total provision for doubtful debts. Interest rates on loans both fixed and variable equate to comparable products in the marketplace. The carrying values of loans and advances to Members are categorised within the fair value hierarchy based on net present values.

MEMBER DEPOSITS

The carrying values of member deposits are categorised within the fair value hierarchy based on net present values.

OTHER INVESTMENTS

The carrying amount of other investments is at fair value as these shares are FVOCI.

ACCRUED INTEREST RECEIVABLE

The net fair value of accrued interest receivables represents the carrying amount. This represents the interest that has accrued to date on deposits with financial institutions.

OTHER RECEIVABLES

The net fair value of other receivables represents the carrying amount. This mainly represented rent owed to the Co-operative from the investment properties.

25. RISK MANAGEMENT

25.1 INTRODUCTION

Risk is inherent in the Co-operative's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Co-operative's continuing profitability and each individual within the Co-operative is accountable for the risk exposure relating to his or her responsibilities. The Co-operative is exposed to credit risk, liquidity risk and market risk. It is also subject to operating risks.

RISK MANAGEMENT STRUCTURE

The Board of Directors is ultimately responsible for identifying and controlling risks; however, there is a Risk Committee. This Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. It is responsible for the fundamental risk issues and manages and monitors relevant risk decisions.

INTERNAL AUDIT

Risk management processes throughout the Co-operative are audited annually by the internal audit function, which examines both the adequacy of procedures and the Co-operative's compliance with the procedures. Internal Audit discusses the results of all assessments with Management, and reports its findings and recommendations to the Audit Committee.

25.2 CREDIT RISK

Credit risk is the risk that the Co-operative will incur a loss because a counterparty failed to discharge their obligations. The Co-operative manages and controls risk by setting limits on the amount it is willing to accept for debtors and loan categories, and by monitoring exposures to such limits.

With respect to credit risk arising from other financial assets of the Co-operative, the Co-operative's exposure to credit risk arises from default of the counterparty, with the current exposure equal to the fair value of these instruments as disclosed in the Statement of Financial Position. Future movements in fair value would increase or reduce that exposure.

Credit ratings are those published by Standards and Poor’s.

25. RISK MANAGEMENT

Continued...

The table below shows the credit quality by class of asset **ASSETS** Financial Assets	2021 $'000 Total	2021 $'000 High Grade	2021 $'000 Other Grade	2021 $'000 Past Due or Impaired
Loans and advances	166,512	164,599	-	1,913
	Total	AAA to A-	B to BBB+	Other*
Cash & balances with bank	13,337	5,153	3,754	4,430
Financial investments - Amortised Cost	6,248	4,500	-	1,748
Financial investments - FVOCI	25,724	24,724	1,000	-
Other financial investments	397	-	-	397
Accrued interest receivable	59	59	-	-
Other receivables and prepayments	140	-	-	140
Total	45,905	34,436	4,754	6,715

ASSETS Financial Assets	2020 $'000 Total	2020 $'000 High Grade	2020 $'000 Other Grade	2020 $'000 Past Due or Impaired
Loans and advances	150,689	147,803	-	2,886
	Total	AAA to A-	B to BBB+	Other*
Cash & balances with bank	8,255	1,002	-	7,253
Financial investments Amortised Cost	4,742	2,494	-	2,248
Financial investments FVOC	25,351	25,351	-	-
Other financial investments	380	-	-	380
Accrued interest receivable	52	50	2	-
Other receivables and prepayments	436	-	-	436
Total	39,216	28,897	2	10,317

The Loans and advances are determined to be past due or impaired by the amount of days that they are overdue. As per APRA provisioning, a Housing Loan is determined to be past due at 30 days or greater and impaired after 90 days. Personal and commercial loans are determined to be past due between 30 days or greater and impaired after 90 days. Overdrafts are past due at one day to less than 14 days overdue and impaired if greater than 14 days overdue.

Financial assets that are neither past due or impaired are classified between those assets that are high grade and not high grade (other grade). To define what is a high-grade financial asset, Dnister has referred to the prudential standards issued by the Australian Prudential Regulation Authority (APRA) in particular APS 112 which categorises the risk likelihood of default. APS 112 applies risk-weight percentages to indicate the quality of assets. A risk-weight of 50% or less indicates higher quality assets and this has been applied to define high grade assets for the table provided.

*Other consists of assets or liabilities which have not been rated or are of a non-rated nature.

All interest-bearing securities were issued by Australian entities.

25. RISK MANAGEMENT
Continued...

COLLATERAL AND OTHER CREDIT ENHANCEMENTS

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.

The main types of collateral obtained are as follows:

- for mortgage lending, mortgages over residential properties.
- for commercial lending, charges over real estate properties, inventory and trade receivables.

Management monitors the market value of collateral, requests collateral in accordance with the underlying agreement and monitors the market value of collateral obtained during its review of the adequacy of the allowance for impairment losses.

It is the Co-operative's policy to dispose of repossessed properties in an orderly fashion. The proceeds are used to reduce or repay the outstanding claim. In general, the Co-operative does not occupy repossessed properties for business use.

IMPAIRMENT ASSESSMENT

The main considerations for the loan impairment assessment include whether any payments of principal or interest are overdue by more than the specified period or there are any known difficulties in the cash flows of Members, credit rating downgrades, or infringement of the original terms of the contract.

25.3 LIQUIDITY RISK AND FUNDING MANAGEMENT

Liquidity risk is the risk that the Co-operative will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, Management has arranged diversified funding sources. In addition to its core deposit base, the Co-operative manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure additional funding if required.

The Co-operative has a $350,000 overdraft facility which allows for the day to day fluctuations in a settlement account with Indue Ltd. The overdraft allows the settlement account to be overdrawn for one or two business days in the event that the withdrawals are greater than the settlement account balance. The Co-operative will then deposit within one or two business days the required funds to return the account to credit.

The Co-operative maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flow. In addition, the Co-operative is required by the Australian Prudential Regulatory Authority to hold a minimum level of high-quality liquid assets at any given time. The liquidity position is assessed giving due consideration to stress factors relating to both the market in general and specifically to the Co-operative. Net liquid assets consist of cash, short term bank deposits or negotiable certificate of deposits available for immediate sale.

The liquidity ratio during at the end of the year was as follows:

2021	2020
%	%
18.6	**19.0**

25. RISK MANAGEMENT

Continued...

25.3a MATURITY PROFILE OF FINANCIAL LIABILITIES

The tables below summarises the maturity profile of Dnister`s financial liabilities at balance date based on contractual undiscounted repayment obligations. Dnister does not expect the majority of Members to request repayment on the earliest date that Dnister could be required to pay and the tables do not reflect the expected cash flows indicated by Dnister`s deposit retention history.

	Less than 30 days	Less than 3 months	3-12 months	Subtotal less than 12 months	1 -5 years	Over 5 years	Subtotal over 12 months	Total
2021								
Liabilities	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Member deposits	107,536	28,747	48,017	184,300	11,579	-	11,579	195,879
Borrowings repurchase agreements	-	-	-	-	2,737	-	2,737	2,737
Total	107,536	28,747	48,017	184,300	14,316	-	14,316	198,615
2020								
Liabilities	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Member deposits	81,826	44,086	51,483	177,395	193	-	193	177,588
Trade and other payables	-	549	388	937	-	-	-	937
Total	81,826	44,635	51,871	178,332	193	-	193	178,525

25. RISK MANAGEMENT

Continued...

25.3b MATURITY PROFILE OF COMMITMENTS

The table below shows the contractual expiry of the maturity of Dnister`s credit commitments and lease expenditure commitments. Dnister expects that not all of the commitments will be drawn before the expiry of the commitments. There were no lease expenditure commitments at year end.

	Within 12 months	More than 1 year	Total
2021			
Liabilities			
	$'000	$'000	$'000
Approved but undrawn loans	2,039	-	2,039
Undrawn line of credit	5,762	-	5,762
Total	7,801	-	7,801
2020			
Liabilities			
	$'000	$'000	$'000
Approved but undrawn loans	40	-	40
Undrawn line of credit	6,156	-	6,156
Total	6,196	-	6,196

25.4 MARKET RISK

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates. The Board has set limits on the level of market risk that may be accepted. The Co-operative has significant interest rate risk, but not excessive given the nature of our business. The level of interest rate risk is managed through maturity repricing analysis and limits the exposure based on a 2% interest rate movement, which is set by the Board and reported monthly to the Board. The Co-operative only deals in Australian Dollars and therefore is not exposed to currency risk. The Co-operative does not hold any investments which are subject to equity movement and therefore is not exposed to equity risk.

25. RISK MANAGEMENT

Continued...

INTEREST RATE RISK

Interest rate risk is the risk that fair value or future cash flow of the Co-operative's financial instruments will fluctuate because of changes in market interest rate.

2021	Floating Interest Rate	Fixed interest maturing in		Non-interest bearing	Total carrying amount as per Statement of Financial Position
	$'000	1 year or less $'000	+1 to 5 years $'000	$'000	$'000
FINANCIAL ASSETS					
Cash & balances with bank	13,002	-	-	335	13,337
Financial investments - Amortised Cost	-	6,248	-	-	6,248
Financial investments - FVOCI Shares	19,440	-	6,284	-	25,724
Shares – Shared Service Partners Pty Ltd	-	-	-	20	20
Shares – Indue Ltd	-	-	-	377	377
Other receivables	-	-	-	199	199
Loans and advances to Members	162,333	2,169	2,010	-	166,512
FINANCIAL LIABILITIES					
Member deposits	85,629	99,960	10,290	-	195,879
Borrowings repurchase agreements	2,737	-	-	-	2,737
Wholesale borrowings	-	-	-	-	-

2020	Floating Interest Rate	Fixed interest maturing in		Non-interest bearing	Total carrying amount as per Statement of Financial Position
	$'000	1 year or less	+1 to 5 years $'000	$'000	$'000
FINANCIAL ASSETS					
Cash & balances with bank	8,078	-	-	-	8,078
Financial investments - Amortised Cost	-	4,242	-	177	4,419
Financial investments – FVOCI Shares	24,296	-	1,056	-	25,352
Shares – Shared Service Partners Pty Ltd	-	-	-	20	20
Other receivables		-	-	488	488
Loans and advances to Members	144,434	3,582	2,673	-	150,689
FINANCIAL LIABILITIES					
Member deposits	67,796	109,658	134	-	177,588
Wholesale borrowings	250	-	-	-	250

25. RISK MANAGEMENT

Continued...

INTEREST RATE SENSITIVITY

The following tables demonstrate the sensitivity to a reasonable possible change in interest rates to post tax profit and equity.

		Post Tax Profit Higher / (Lower)	
2021	2020	2021	2020
		$'000	$'000
+0.50% (50 Basis Points)	+0.50% (50 Basis Points)	418	239
-0.25% (25 Basis Points)	-0.25% (25 Basis Points)	(209)	(120)

		Equity Higher / (Lower)	
2021	2020	2021	2020
		$'000	$'000
+0.50% (50 Basis Points)	+0.50% (50 Basis Points)	418	239
-0.25% (25 Basis Points)	-0.25% (25 Basis Points)	(209)	(120)

The above interest rate risk sensitivity is unrepresentative of the risks inherent in the financial assets and financial liabilities, as the sensitivity analysis does not reflect the maturing of fixed interest financial assets and financial liabilities within the next 12 months.

26. CAPITAL

The Co-operative maintains an actively managed capital base to cover risks inherent in the business. The adequacy of the Co-operative's capital is monitored using, among other measures, the rules and ratios established by the Australian Prudential Regulatory Authority (APRA). The capital ratio of 20.8% as at 30 June 2021 exceeds the APRA minimum requirement. Should capital fall to or below 17% a 3 year forecast is performed to ensure that the capital is monitored closely and starts to trend upwards. The capital ratio is reported to the Board at the monthly Board Meetings and more frequently during periods of volatility or when the capital ratio falls below 17%. During the past the year, the Co-operative has complied in full with all its internally and externally imposed capital requirements.

The capital ratio is derived by dividing the capital base by the risk weighted assets. The Co-operative adheres to the regulations set down by APRA in regard to which capital items can or cannot be included and also the different risk weightings put on the various assets. These risk weightings are set by APRA and are based on the risk associated with each different asset class.

CAPITAL MANAGEMENT

The primary objectives of the Co-operative's capital management are to ensure the Co-operative complies with internally and externally imposed capital requirements and that the Co-operative maintains strong credit and healthy capital ratios in order to support its business and maximize member value.

In September 2012, APRA published the final standards relating to the implementation of the Basel III capital reforms in Australia. An important component of the requirements under Basel III in relation to the capital measurement and capital standards is the public disclosure of regulatory information. These requirements are outlined in APRA Prudential Standard APS 330 Public Disclosure. The standard sets minimum requirements for the public disclosure of information on the Co-operative's risk profile, risk management, capital adequacy, capital instruments and remuneration practices. The Co-operative has adopted the new regulatory requirements and published the required information on our website.

REGULATORY CAPITAL	2021	2020
	$'000	$'000
Capital base	23,202	21,334
Risk weighted assets	111,877	99,389
	%	%
Total capital ratio	20.7	21.5

27. RELATED PARTY DISCLOSURES

a. DETAILS OF KEY MANAGEMENT PERSONNEL

The following list of persons includes Directors of the Co-operative holding office during the financial year and the Chief Executive Officer:

D. Hassett
B. Wojewidka
A Pavuk
J. Lipkiewicz
W. Mykytenko
M. Kwas
D. Makohon

L. Tiernan (CEO)

b. COMPENSATION OF KEY MANAGEMENT PERSONNEL OF THE CO-OPERATIVE

	2021	2020
	$'000	$'000
Short-term employment benefits - salaries	268	269
Post employment - superannuation contributions	25	26
Long term benefits - LSL expense	-	4
	293	299

c. DIRECTORS' REMUNERATION

	2021	2020
	$'000	$'000
Aggregate remuneration of Directors	52	52

27. RELATED PARTY DISCLOSURES

Continued...

d. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL OF THE CO-OPERATIVE

The Co-operative enters into transactions, arrangements and agreements involving Directors and the Chief Executive Officer in the ordinary course of business.

The following table provides the aggregate value of loan, investment and deposit products to the Chief Executive Officer, Directors, spouses and related entities:

	2021 $'000	2020 $'000
Loans:		
Opening balance owing	1,779	1,258
New loans advanced	1,490	788
Net repayments	(1,011)	(267)
Balance owing at 30 June	2,258	1,779
Savings and term deposit services:		
Amounts deposited at 30 June	370	469

All loans disbursed are approved on the same terms and conditions applied to Members generally for each class of their loan. All other transactions between the Key Management Personnel and the Co-operative were conducted on normal commercial terms and there has been no breach of these terms.

28. CONTINGENT LIABILITIES AND COMMITMENTS

To meet the financial needs of Members, the Co-operative does enter into irrevocable commitments and contingent liabilities. Even though these obligations may not be recognised on the Statement of Financial Position, they do contain credit risk and are therefore part of the overall risk of the Co-operative.

The total outstanding commitments and contingent liabilities are as follows:	2021	2020
	$'000	$'000
CONTINGENT LIABILITIES		
Financial guarantees	150	10
COMMITMENTS		
Undrawn commitments to lend	2,039	40
Unused overdraft facilities of Members	5,762	6,156
Total	7,951	6,206

CONTINGENT LIABILITIES

Letters of credit and guarantees commit the Co-operative to make payments on behalf of Members in the event of a specific act. Guarantees and standby letters of credit carry the same risk as loans.

CREDIT UNION FINANCIAL SUPPORT SCHEME LIMITED

The Co-operative has volunteered to participate in the Credit Union Financial Support Scheme (CUFSS). CUFSS is a company limited by guarantee with each credit union's guarantee being $100.

As a member of CUFSS, the Co-operative may be required to advance funds up to 3% (excluding permanent loans) of total assets to another credit union requiring financial support. The Co-operative agrees, in conjunction with other Members, to fund the operating costs of CUFSS.

UNDRAWN COMMITMENTS TO LEND

Commitments to extend credit represent contractual commitments to make loans and revolving credits. Commitments generally have fixed expiry dates, or other termination clauses. Since commitments expire without being drawn upon, the total contract amounts do not necessarily represent future cash requirements.

However, the potential credit loss is less than the total unused commitments since most commitments to extend credit are contingent upon Members maintaining specific standards.

OPERATING LEASE COMMITMENTS RECEIVABLES - CO-OPERATIVE AS LESSOR

Leases in which the Co-operative retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the lease asset and recognised as an expense over the lease term on the same basis as rental income.

The Co-operative has entered into commercial property leases on its investment portfolio, consisting of the Co-operative's surplus office buildings.

These non-cancellable leases have remaining terms of between 1 and 3 years. All leases include a clause to enable upward revision of the rental charge on an annual basis.

28. CONTINGENT LIABILITIES AND COMMITMENTS

Continued...

Future minimum rentals receivable under non-cancellable operating leases as at 30 June are as follows:

	2021 $'000	2020 $'000
Within one year	892	709
After one year but not more than three years	504	749
After three years but not more than five years	44	43
Total minimum lease payments	1,440	1,501

LEGAL CLAIMS

The Co-operative had no material unresolved legal claims as at 30 June 2021 (2020: none).

ECONOMIC DEPENDENCY

The Co-operative has service contracts with, and has an economic dependency on, the following organisations:

(a) Indue - This entity supplies the Co-operative with services in the form of settlement with bankers for ATM transactions, member cheques and direct entry services and the production of debit cards for use by Members.

(b) First Data International - This company operates the computer switch used to process transactions from the use of Co-operative's debit cards through approved ATM and EFTPOS networks.

(c) DataAction - This company provides and maintains core banking software utilised by the Co-operative. DataAction is a major supplier of software to financial institutions throughout Australia.

29. REMUNERATION OF EXTERNAL AUDITORS

During the years the auditors of the Co-operative earned the following remuneration:	2021	2020
Audit of Financials	46,700	46,000
Regulatory Audit	10,745	10,000
Corporate Services Support Role	12,368	61,950
Taxation Compliance Service	5,500	5,500
Accounting advice	5,000	2,500
Total	80,313	125,950

30. SUBSEQUENT EVENTS

As at the date of preparation of these financial statements, the impact of the Coronavirus (COVID-19) pandemic is ongoing. The speed and recovery of economic activity is largely dependent on measures imposed by the Australian Government, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided. Given the dynamic and evolving nature of COVID-19, and limited recent experience of the economic and financial impacts of such a pandemic on the preparation of these financial statements, changes to the estimates and judgements that have been applied in the measurement of assets and liabilities may arise in the future.

Aside from the above, Directors are not aware of any other matter or circumstances since the end of the financial year which has significantly affected or may significantly affect the operations of the Co-operative.

31. SEGMENT INFORMATION

The principal activities of the Co-operative during the year were for the provision of retail financial services to all Members and the Ukrainian and Latvian Communities of Australia. This takes form of deposit taking facilities and loan facilities as prescribed by the Constitution. The entity operates primarily in one geographical area, Australia.

Corporate Directory

ESTABLISHED	Dnister was incorporated in Victoria under the Co-operative Act on 21 September 1959
REGISTERED OFFICE	Head Office: 912 Mt Alexander Road, Essendon VIC 3040
BRANCHES	Adelaide: 62 Orsmond St, Hindmarsh SA Geelong: 3 / 29-35 Milton Street, Bell Park VIC 3215 Perth: 20 Ferguson Street, Maylands WA 6051 Strathfield: 32-34 Parnell Street, Strathfield NSW 2135
EXTERNAL AUDITORS	Crowe Melbourne, Level 17, 181 William Street, Melbourne VIC 3000
INTERNAL AUDITORS	KS Nathan, Siva Harris & Trotter Pty Ltd, Chartered Accountants. PO Box 1148, Tullamarine VIC 3042 until 30 July 2021 Grant Thornton Australia Ltd, Collins Square, Tower 5 Level 22, 727 Collins Street, Melbourne VIC 3008 from 31 August 2021
LEGAL CORPORATE ADVISORS	Wisewould Mahony Lawyers, 419 Collins Street, Melbourne VIC 3000
BANKERS	Indue Ltd, Level 3, 601 Coronation Drive Toowong QLD 4066 Westpac Banking Corporation, 260 Queen Street, Brisbane QLD 4000
INSURERS	Primarily Zurich Insurance Group Ltd, Level 2, 82 Pitt Street, North Sydney NSW 2059

Dnister Ukrainian Credit Co-operative Limited

ABN 59 087 651 394 | AFSL 240673