

FORM: Half yearly/preliminary final report

Name of *issuer*

Sandringham Community Financial Services Limited

ACN or ARBN

86 099 131 192

Half yearly
(tick)

Preliminary
final (tick)

√

Half year/financial year ended
(‘Current period’)

30 June 2013

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

				\$A,000
Revenue (item 1.1)	down	15%	to	816
Profit (loss) for the period (item 1.9)	down	46%	to	55
Profit (loss) for the period attributable to members of the parent (item 1.11)	down	46%	to	55
Dividends		Current period		Previous corresponding period
Franking rate applicable:		30%		30%
Final dividend (preliminary final report only)(item 10.13-10.14)				
Amount per security		6c		6c
Franked amount per security		100%		100%
Interim dividend (Half yearly report only) (item 10.11 – 10.12)				
Amount per security		N/a		N/a
Franked amount per security		N/a		N/a
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
Not applicable.				

Consolidated income statement *(The figures are not equity accounted)**(see note 3)**(as per paragraphs 81-85 and 88-94 of AASB 101: Presentation of Financial Statements)*

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Revenues <i>(item 7.1)</i>	816	965
1.2 Expenses, excluding finance costs <i>(item 7.2)</i>	739	815
1.3 Finance costs		0
1.4 Share of net profits (losses) of associates and joint ventures <i>(item 15.7)</i>		0
1.5 Profit (loss) before income tax	77	150
1.6 Income tax expense <i>(see note 4)</i>	22	47
1.7 Profit (loss) from continuing operations		
1.8 Profit (loss) from discontinued operations <i>(item 13.3)</i>		
1.9 Profit (loss) for the period	55	103
1.10 Profit (loss) attributable to minority interests		
1.11 Profit (loss) attributable to members of the parent	55	103
1.12 Basic earnings per <i>security</i> <i>(item 9.1)</i>	9c	17c
1.13 Diluted earnings per <i>security</i> <i>(item 9.1)</i>	9c	17c
1.14 Dividends per <i>security</i> <i>(item 9.1)</i>	6c	6c

Comparison of half-year profits*(Preliminary final statement only)*

	Current period - \$A'000	Previous corresponding period - \$A'000
2.1 Consolidated profit (loss) after tax attributable to members reported for the 1st half year <i>(item 1.11 in the half yearly statement)</i>	34	82
2.2 Consolidated profit (loss) after tax attributable to members for the 2nd half year	21	21

Consolidated balance sheet

(See note 5)

(as per paragraphs 68-69 of AASB 101: Financial Statement Presentation)

Current assets		Current period - \$A'000	Previous corresponding period - \$A'000
3.1	Cash and cash equivalents	554	537
3.2	Trade and other receivables	80	105
3.3	Inventories		
3.4	Other current assets (current tax refund)	28	
3.5	Total current assets	662	642
Non-current assets			
3.6	Available for sale investments		
3.7	Other financial assets	7	6
3.8	Investments in associates		
3.9	Deferred tax assets		
3.10	Exploration and evaluation expenditure capitalised (see para. 71 of AASB 1022 – new standard not yet finalised)		
3.11	Development properties (mining entities)		
3.12	Property, plant and equipment (net)	126	150
3.13	Investment properties		
3.14	Goodwill		
3.15	Other intangible assets	48	2
3.16	Other (provide details if material)		
3.17	Total non-current assets	181	158
3.18	Total assets	843	800
Current liabilities			
3.19	Trade and other payables	63	37
3.20	Short term borrowings		
3.21	Current tax payable		5
3.22	Short term provisions	50	46
3.23	Current portion of long term borrowings		
3.24	Other current liabilities (provide details if material)		
		113	88
3.25	Liabilities directly associated with non-current assets classified as held for sale (para 38 of AASB 5)		
3.26	Total current liabilities	113	88
Non-current liabilities			

		Current period - \$A'000	Previous corresponding period - \$A'000
3.27	Long-term borrowings		
3.28	Deferred tax liabilities		
3.29	Long term provisions		
3.30	Other (provide details if material)		
3.31	Total non-current liabilities	0	0
3.32	Total liabilities	113	88
3.33	Net assets	730	712
	Equity		
3.34	Share capital	519	519
3.35	Other reserves		
3.36	Retained earnings	211	193
	Amounts recognised directly in equity relating to non-current assets classified as held for sale		
3.37	Parent interest		
3.38	Minority interest		
3.39	Total equity	730	712

Consolidated statement of changes in equity

(as per paragraphs 96-97 of AASB 101: Presentation of Financial Statements)

	Current period – A\$'000	Previous corresponding period – A\$'000
Revenues recognised directly in equity:	816	965
Expenses recognised directly in equity:	739	815
4.1 Net income recognised directly in equity	77	150
4.2 Profit for the period	77	150
4.3 Total recognised income and expense for the period		
Attributable to:		
4.4 Members of the parent	77	150
4.5 Minority interest		
Effect of changes in accounting policy (as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors):		
4.6 Members of the parent entity		
4.7 Minority interest		

Consolidated statement of cash flows*(See note 6)**(as per AASB 107: Cash Flow Statements)*

		Current period - \$A'000	Previous corresponding period - \$A'000
	Cash flows related to operating activities		
5.1	Receipts from customers	897	1033
5.2	Payments to suppliers and employees	(753)	(885)
5.3	Interest and other costs of finance paid		
5.4	Income taxes paid	(55)	(41)
5.5	Other (interest)	23	28
5.6	Net cash used in operating activities	112	135
	Cash flows related to investing activities		
5.7	Payments for purchases of property, plant and equipment		(5)
5.8	Proceeds from sale of property, plant and equipment		
5.9	Payment for purchases of equity investments		(1)
5.10	Proceeds from sale of equity investments		
5.11	Loans to other entities		
5.12	Loans repaid by other entities		
5.13	Interest and other items of similar nature received		
5.14	Dividends received		
5.15	Other (purchase of franchise agreement)	(58)	
5.16	Net cash used in investing activities	(58)	(6)
	Cash flows related to financing activities		
5.17	Proceeds from issues of securities (shares, options, etc.)		
5.18	Proceeds from borrowings		
5.19	Repayment of borrowings		
5.20	Dividends paid	(37)	(37)
5.21	Other (provide details if material)		
5.22	Net cash used in financing activities	(37)	(37)
	Net increase (decrease) in cash and cash equivalents	17	92
5.23	Cash at beginning of period <i>(see Reconciliations of cash)</i>	537	445
5.24	Exchange rate adjustments to item 5.23		
5.25	Cash at end of period <i>(see Reconciliation of cash)</i>	554	537

Reconciliation of cash provided by operating activities to profit or loss

(as per paragraph Aus20.1 of AASB 107: Cash Flow Statements)

		Current period \$A'000	Previous corresponding period \$A'000
6.1	Profit <i>(item 1.9)</i>	55	103
	Adjustments for:		
6.2	Depreciation	24	24
6.3	Amortisation	11	10
6.4			
6.5	Increase/decrease in receivables	25	2
6.6	Increase/decrease in payables	26	(9)
6.7	Increase/decrease in provisions	4	8
6.8	Increase/decrease in Income tax payable/rec	(33)	(3)
6.9	Increase/decrease in		
6.10	Net cash from operating activities <i>(item 5.6)</i>	112	135

Notes to the financial statements

Details of revenues and expenses

(see note 16)

(Where items of income and expense are material, disclose nature and amount below in accordance with paragraphs 86-87 of AASB 101: Presentation of Financial Statements)

	Current period - \$A'000	Previous corresponding period - \$A'000
Revenue		
Other revenue		
- Interest	23	28
7.1 - Market Development Fund	50	50
Total Revenue	816	965
Expenses		
Depreciation	24	24
Amortisation	11	10
7.2 Total Expenses	739	815
Profit (loss) before tax	77	150

Ratios

	Current period	Previous corresponding period
Profit before tax / revenue		
8.1 Consolidated profit (loss) before tax (item 1.5) as a percentage of revenue (item 1.1)	9%	16%
Profit after tax / equity interests		
8.2 Consolidated profit (loss) after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 3.37)	8%	15%

Earnings per Security

- 9.1 Provide details of basic and fully diluted EPS in accordance with paragraph 70 and Aus 70.1 of AASB 133: Earnings per Share below:

Basic EPS – 9 cents

Diluted EPS – 9 cents

Dividends

- 10.1 Date the dividend is payable

tba

- 10.2 Record date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer)

tba

- 10.3 If it is a final dividend, has it been declared?

(Preliminary final report only)

- 10.4 The *dividend or distribution plans* shown below are in operation.

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The last date(s) for receipt of election notices to the *dividend or distribution plans*

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- 10.5 Any other disclosures in relation to *dividends or distributions*

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Dividends paid or provided for on all securities*(as per paragraph Aus126.4 AASB 101: Presentation of Financial Statements)*

	Current period - \$A'000	Previous corresponding period - \$A'000	Franking rate applicable
Dividends paid or provided for during the reporting period			
10.6 Current year interim	-	-	-
10.7 Franked dividends	-	-	-
10.8 Previous year final	37	37	100%
10.9 Franked dividends	37	37	100%
Dividends proposed and not recognised as a liability			
10.10 Franked dividends	-	-	-

Dividends per security*(as per paragraph Aus126.4 of AASB 101: Presentation of Financial Statements)*

	Current year	Previous year	Franking rate applicable
Dividends paid or provided for during the reporting period			
10.11 Current year interim	-	-	-
10.12 Franked dividends – cents per share	-	-	-
10.13 Previous year final	6c	6c	100%
10.14 Franked dividends – cents per share	6c	6c	100%
Dividends proposed and not recognised as a liability			
10.15 Franked dividends – cents per share	-	-	-

Exploration and evaluation expenditure capitalised

To be completed only by issuers with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit

	Current period \$A'000	Previous corresponding period \$A'000
11.1 Opening balance		
11.2 Expenditure incurred during current period		
11.3 Expenditure written off during current period		
11.4 Acquisitions, disposals, revaluation increments, etc.		
11.5 Expenditure transferred to Development Properties		
11.6 Closing balance as shown in the consolidated balance sheet (item 3.10)		

Development properties

(To be completed only by issuers with mining interests if amounts are material)

	Current period \$A'000	Previous corresponding period \$A'000
12.1 Opening balance		
12.2 Expenditure incurred during current period		
12.3 Expenditure transferred from exploration and evaluation		
12.4 Expenditure written off during current period		
12.5 Acquisitions, disposals, revaluation increments, etc.		
12.6 Expenditure transferred to mine properties		
12.7 Closing balance as shown in the consolidated balance sheet (item 3.11)		

Discontinued Operations

(see note 18)

(as per paragraph 33 of AASB 5: Non-current Assets Held for Sale and Discontinued Operations)

	Current period – A\$'000	Previous corresponding period – A\$'000
13.1 Revenue		
13.2 Expense		
13.3 Profit (loss) from discontinued operations before income tax		
13.4 Income tax expense <i>(as per para 81 (h) of AASB 112)</i>		
13.5 Gain (loss) on sale/disposal of discontinued operations		
13.6 Income tax expense <i>(as per paragraph 81(h) of AASB 112)</i>		

Movements in Equity

(as per paragraph 97 of AASB 101: Financial Statement Presentation)

		Number issued	Number listed	Paid-up value (cents)	Current period – A\$'000	Previous corresponding period – A\$'000
14.1	Preference securities <i>(description)</i>					
14.2	Balance at start of period					
14.3	a) Increases through issues					
14.4	a) Decreases through returns of capital, buybacks etc.					
14.5	Balance at end of period					
14.6	Ordinary securities <i>(description)</i>					
14.7	Balance at start of period	610,008	610,008	85c	519	519
14.8	a) Increases through issues					
14.9	b) Decreases through returns of capital, buybacks etc.					
14.10	Balance at end of period	610,008	610,008	85c	519	519
14.11	Convertible Debt Securities <i>(description & conversion factor)</i>					
14.12	Balance at start of period					
14.13	a) Increases through issues					
14.14	b) Decreases through maturity, converted.					
14.15	Balance at end of period					

	Number issued	Number listed	Paid-up value (cents)	Current period – A\$'000	Previous corresponding period – A\$'000
14.16 Options <i>(description & conversion factor)</i>					
14.17 Balance at start of period					
14.18 Issued during period					
14.19 Exercised during period					
14.20 Expired during period					
14.21 Balance at end of period					
14.22 Debentures <i>(description)</i>					
14.23 Balance at start of period					
14.24 a) Increases through issues					
14.25 b) Decreases through maturity, converted					
14.26 Balance at end of period					
14.27 Unsecured Notes <i>(description)</i>					
14.28 Balance at start of period					
14.29 a) Increases through issues					
14.30 b) Decreases through maturity, converted					
14.31 Balance at end of period					
14.32 Total Securities					

		Current period – A\$'000	Previous corresponding period – A\$'000
Reserves			
14.33	Balance at start of period		
14.34	Transfers to/from reserves		
14.35	Total for the period		
14.36	Balance at end of period		
14.37	Total reserves		
Retained earnings			
14.38	Balance at start of period	193	184
14.39	Changes in accounting policy/adjustment		(57)
14.40	Restated balance		127
14.41	Profit for the balance	55	103
14.42	Total for the period	248	230
14.43	Dividends	(37)	(37)
14.44	Balance at end of period	211	193

Details of aggregate share of profits (losses) of associates and joint venture entities*(equity method)**(as per paragraph Aus 37.1 of AASB 128: Investments in Associates and paragraph Aus 57.3 of AASB 131: Interests in Joint Ventures)*

Name of associate or joint venture entity

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Reporting entities percentage holding

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		Current period - \$A'000	Previous corresponding period - \$A'000
15.1	Profit (loss) before income tax		
15.2	Income tax		
15.3	Profit (loss) after tax		
15.4	Impairment losses		
15.5	Reversals of impairment losses		
15.6	Share of non-capital expenditure contracted for (excluding the supply of inventories)		
15.7	Share of net profit (loss) of associates and joint venture entities		

Control gained over entities having material effect*(See note 8)*16.1 Name of *issuer* (or *group*)

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		\$A'000
16.2	Consolidated profit (loss) after tax of the <i>issuer</i> (or <i>group</i>) since the date in the current period on which control was acquired	
16.3	Date from which profit (loss) in <i>item 16.2</i> has been calculated	
16.4	Profit (loss) after tax of the <i>issuer</i> (or <i>group</i>) for the whole of the previous corresponding period	

Loss of control of entities having material effect*(See note 8)*

17.1 Name of issuer (or group)

17.2 Consolidated profit (loss) after tax of the entity (or *group*) for the current period to the date of loss of control17.3 Date from which the profit (loss) in *item 17.2* has been calculated17.4 Consolidated profit (loss) after tax of the entity (or *group*) while controlled during the whole of the previous corresponding period

17.5 Contribution to consolidated profit (loss) from sale of interest leading to loss of control

\$A'000

Material interests in entities which are not controlled entities*The economic entity has an interest (that is material to it) in the following entities.*

		Percentage of ownership interest (ordinary securities, units etc) held at end of period or date of disposal		Contribution to profit (loss) (<i>item 1.9</i>)	
18.1	Equity accounted associated entities	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
				<i>Equity accounted</i>	
18.2	Total				
18.3	Other material interests			Non equity accounted (i.e. part of <i>item 1.9</i>)	
18.4	Total				

Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 114: Segment Reporting. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this statement. However, the following is the personation adopted in the Appendices to AASB 114 and indicates which amount should agree with items included elsewhere in this statement.

		Current period - \$A'000	Previous corresponding period - \$A'000
Segments			
Revenue:			
19.1	External sales		
19.2	Inter-segment sales		
19.3	Total (consolidated total equal to <i>item 1.1</i>)		
19.4	Segment result		
19.5	Unallocated expenses		
19.6	Operating profit (equal to <i>item 1.5</i>)		
19.7	Interest expense		
19.8	Interest income		
19.9	Share of profits of associates		
19.10	Income tax expense		
19.11	Net profit (consolidated total equal to <i>item 1.9</i>)		
Other information			
19.12	Segment assets		
19.13	Investments in equity method associates		
19.14	Unallocated assets		
19.15	Total assets (equal to <i>item 3.18</i>)		
19.16	Segment liabilities		
19.17	Unallocated liabilities		
19.18	Total liabilities (equal to <i>item 3.32</i>)		
19.19	Capital expenditure		
19.20	Depreciation		
19.21	Other non-cash expenses		

NTA Backing

(see note 7)

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	1.12	1.16

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

21.1

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International Financial Reporting Standards

Under paragraph 39 of AASB 1: First –time Adoption of Australian Equivalents to International Financial Reporting Standards, an entity's first Australian-equivalents-to-IFRS's financial report shall include reconciliations of its equity and profit or loss under previous GAAP to its equity and profit or loss under Australian equivalents to IFRS's. See IG63 in the appendix to AASB 1 for guidance.

22.1

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Under paragraph 4.2 of AASB 1047: Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards, an entity must disclose any known or reliably estimable information about the impacts on the financial report had it been prepared using the Australian equivalents to IFRSs or if the aforementioned impacts are not known or reliably estimable, a statement to that effect.

22.2

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Comments by directors

Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) but may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach notes to this statement.

Basis of accounts preparation

If this statement is a half yearly statement, it is a general purpose financial report prepared in accordance with the listing rules and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the issuer during the period. This report does not include all notes of the type normally included in an annual financial report [Delete if inapplicable.]

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible). In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations (as per paragraphs 16(b), 16(b) and Aus 16.1 of AASB 134: Interim Financial Reporting)

Any other factors which have affected the results in the period, or which are likely to affect results in the future, including those where the effect could not be quantified.

The results of the year reflect tighter market conditions following successive reductions in interest rates and competition for deposits and lending across the sector. In addition our Franchise Partner, Bendigo and Adelaide Bank, announced adjustments to the “profit share” model during the year which has impacted trail commission on fixed rate loans and term deposits.

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

87,333 franking credits will be available to pay a fully franked dividend in the next 12 months.

Changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.

(Disclose changes in the half yearly statement in accordance with paragraph 16(a) of AASB 134: Interim Financial Reporting. Disclose changes in the preliminary final statement in accordance with paragraphs 28-29 of 108: Accounting Policies, Changes in Accounting Estimates and Errors.)

An *issuer* shall explain how the transition from previous GAAP to Australian equivalents to IFRS' affected its reported financial position, financial performance and cash flows. *(as per paragraph 38 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards)*

Revisions in estimates of amounts reported in previous periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year *(as per paragraph 16(d) of AASB 134: Interim Financial Reporting)*

Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assts since the last annual report *(as per paragraph 16(j) of AASB 134: Interim Financial Reporting)*

The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence *(as per paragraph 16(c) of AASB 134: Interim Financial Reporting)*

The company entered into a new franchise agreement during the year at a cost of \$58K. The previous franchise fee of \$50k was fully amortised and therefore written off.

Effect of changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations *(as per paragraph 16(i) of AASB 134: Interim Financial Reporting)*

Annual meeting*(Preliminary final statement only)*

The annual meeting will be held as follows:

Place	Sandringham Community Bank Branch
Date	Thursday 28th November 2013
Time	TBA
Approximate date the annual report will be available	25 th October 2013

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does/does not* (*delete one*) give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:

The financial statements have been audited.

The financial statements have been subject to review by a registered auditor (or overseas equivalent).

X The financial statements are in the process of being audited or subject to review.

The financial statements have *not* yet been audited or reviewed.

5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications will follow immediately they are available* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)

6. The *issuer* has a formally constituted audit committee.

Sign here: Kate Robb..... Date: 13 September..2013.....
(Company secretary)

Print name: Kate Robb.....

