

**Sandringham Community Financial  
Services Limited  
ABN 86 099 131 192  
Financial Report  
as at 31st December 2015**

**Sandringham Community Financial Services Limited**  
**ABN 86 099 131 192**  
**Directors' Report**

Your directors submit the financial report of the Company for the half year ended 31 December 2015.

**Directors**

The names of directors who held office during or since the end of the half-year:

Graham Manson Ludecke (Chairman)  
Michael John Davies  
Glen Hay Kruger  
Ian Richard Siebert  
Kate Jean Robb (Retired 30 September 2015)  
Felicity Thomlinson  
Cindy Nora Jessica O'Donoghue (Appointed 1 October 2015)  
Amanda May Smyth (Appointed 1 February 2016)  
Caitlin Elizabeth Eves (Appointed 1 February 2016)

**Principal activities**

The principal activities of the Company during the course of the financial period were providing community banking services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

**Review and results of operations**

Operations have continued to perform in line with expectations. The net loss of the company for the financial period was \$21,267 (2014: profit of \$18,754), primarily due to recognising the full years sponsorship commitment of \$55,000 (2014: \$19,650) as approved by the board.

**Matters subsequent to the end of the reporting period**

There are no matters or circumstances that have arisen since the end of the half year reporting period that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company.

**Significant changes in the state of affairs**

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial period under review not otherwise disclosed in this report.

**Auditor's independence declaration**

The auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 2 for the half year ended 31 December 2015.

The director's report is signed in accordance with a resolution of the Board of Directors at Sandringham Community Financial Services Limited on 22 February 2016.



.....  
Graham Manson Ludecke (Chairman)  
Director

Dated: 22 February 2016



**Richmond  
Sinnott &  
Delahunty**

Chartered Accountants

Level 2, 10-16 Forest Street  
Bendigo, VICTORIA  
PO Box 30, Bendigo VICTORIA 3552

Ph: (03) 5445 4200  
Fax: (03) 5444 4344  
rsd@rsdadvisors.com.au  
www.rsdadvisors.com.au

**Auditor's Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of Sandringham Community Financial Services Limited**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2015 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

**RICHMOND SINNOTT & DELAHUNTY**  
Chartered Accountants

**Kathie Teasdale**  
Partner  
Level 2, 10-16 Forest Street  
Bendigo VIC 3550

**Dated: 23 February 2016**

Sandringham Community Financial Services Limited  
ABN 86 099 131 192  
**Statement of Profit or Loss and Other Comprehensive Income**  
**for the half-year ended 31 December 2015**

	31 Dec 2015 \$	31 Dec 2014 \$
Revenue	415,355	397,639
Employee benefits expense	(236,582)	(208,468)
Depreciation and amortisation expense	(17,039)	(17,022)
Bad and doubtful debts expense	(58)	(138)
Rental expense	(25,675)	(25,317)
Other expenses from ordinary activities	<u>(102,268)</u>	<u>(100,253)</u>
<b>Profit before charitable donations &amp; sponsorships</b>	<b>33,733</b>	<b>46,441</b>
Charitable donations and sponsorships	<u>(55,000)</u>	<u>(19,650)</u>
<b>(Loss)/profit before income tax</b>	<b>(21,267)</b>	<b>26,791</b>
Income tax expense	<u>-</u>	<u>(8,037)</u>
<b>(Loss)/profit for the period</b>	<b>(21,267)</b>	<b>18,754</b>
Other comprehensive income	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<b><u>(21,267)</u></b>	<b><u>18,754</u></b>
(Loss)/profit attributable to members of the company	(21,267)	18,754
<b>Total comprehensive income attributable to members of the company</b>	<b><u>(21,267)</u></b>	<b><u>18,754</u></b>
<b>Earnings per share (cents per share)</b>		
- basic earnings per share	(3.49)	3.07
- diluted earnings per share	(3.49)	3.07

The accompanying notes form part of these financial statements

Sandringham Community Financial Services Limited  
ABN 86 099 131 192

**Statement of Financial Position  
as at 31 December 2015**

	31 Dec 2015 \$	30 Jun 2015 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	671,679	686,388
Trade and other receivables	76,833	81,958
Investment and other financial assets	32,163	31,919
<b>Total Current Assets</b>	<b>780,675</b>	<b>800,265</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	71,787	83,057
Deferred tax assets	17,581	17,581
Intangible assets	19,229	24,998
<b>Total Non-Current Assets</b>	<b>108,597</b>	<b>125,636</b>
<b>Total Assets</b>	<b>889,272</b>	<b>925,901</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	65,191	44,423
Current tax payable	15,533	25,123
Provisions	67,090	57,029
<b>Total Current Liabilities</b>	<b>147,814</b>	<b>126,575</b>
<b>Total Liabilities</b>	<b>147,814</b>	<b>126,575</b>
<b>Net Assets</b>	<b>741,458</b>	<b>799,326</b>
<b>Equity</b>		
Issued capital	518,507	518,507
Retained earnings	222,951	280,819
<b>Total Equity</b>	<b>741,458</b>	<b>799,326</b>

The accompanying notes form part of these financial statements

Sandringham Community Financial Services Limited

ABN 86 099 131 192

**Statement of Changes in Equity  
for the half-year ended 31 December 2015**

	Note	Issued Capital \$	Retained Earnings \$	Total Equity \$
<b>Balance at 1 July 2014</b>		<b>518,507</b>	<b>232,309</b>	<b>750,816</b>
Total comprehensive income for the period		-	18,754	18,754
Transactions with owners in their capacity as owners:				
Dividends recognised for the period	5	-	(36,601)	(36,601)
<b>Balance at 31 December 2014</b>		<b>518,507</b>	<b>214,462</b>	<b>732,969</b>
<b>Balance at 1 July 2015</b>		<b>518,507</b>	<b>280,819</b>	<b>799,326</b>
Total comprehensive income for the period		-	(21,267)	(21,267)
Transactions with owners in their capacity as owners:				
Dividends recognised for the period	5	-	(36,601)	(36,601)
<b>Balance at 31 December 2015</b>		<b>518,507</b>	<b>222,951</b>	<b>741,458</b>

The accompanying notes form part of these financial statements

Sandringham Community Financial Services Limited  
ABN 86 099 131 192  
**Statement of Cash Flows**  
for the half-year ended 31 December 2015

	31 Dec 2015 \$	31 Dec 2014 \$
<b>Cash Flows From Operating Activities</b>		
Receipts from customers	451,871	429,955
Payments to suppliers and employees	(428,804)	(367,405)
Interest received	8,414	8,187
Dividends received	245	224
Income tax paid	(9,590)	(11,667)
<b>Net cash flows from operating activities</b>	<u>22,136</u>	<u>59,294</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	-	(424)
Purchase of investments	(244)	(221)
<b>Net cash flows from investing activities</b>	<u>(244)</u>	<u>(645)</u>
<b>Cash Flows From Financing Activities</b>		
Dividends paid	(36,601)	(36,601)
<b>Net cash flows from financing activities</b>	<u>(36,601)</u>	<u>(36,601)</u>
<b>Net (decrease) / (increase) in cash held</b>	<b>(14,709)</b>	<b>22,048</b>
Cash and cash equivalents at beginning of period	686,388	561,141
<b>Cash and cash equivalents at end of period</b>	<u><u>671,679</u></u>	<u><u>583,189</u></u>

The accompanying notes form part of these financial statements



**Sandringham Community Financial Services Limited**

**ABN 86 099 131 192**

**Notes to the Financial Statements  
for the half-year ended 31 December 2015**

**1. Summary of significant accounting policies**

**(a) Basis of preparation**

These general purpose interim financial statements for the half-year reporting period ended 31 December 2015 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard *AASB 134: Interim Financial Reporting*. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Sandringham Community Financial Services Limited ("the Company"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2015, together with any public announcements made during the following half-year.

**(b) Accounting policies**

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the entity's last annual financial statements for the year ended 30 June 2015.

**(c) Critical accounting estimates and judgements**

The critical judgements, estimates and assumptions applied in the interim financial statements were the same as those applied in the entity's last annual financial statements for the year ended 30 June 2015.

**(d) New and revised accounting requirements applicable to the current half year reporting period**

The following Australian Accounting Standards and amendments to Australian Accounting Standards have become mandatory for the reporting period commencing 1 July 2015:

- AASB 111 Construction Contracts
- AASB 1004 Contributions
- AASB 1039 Conside Financial Reports
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality
- AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent

None of the above new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2015 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods. There were no other new or revised Accounting Standards and Interpretations effective for the current reporting period relevant to the company that were not disclosed in the annual financial report for the year ended 30 June 2015.



Sandringham Community Financial Services Limited  
ABN 86 099 131 192

**Notes to the Financial Statements  
for the half-year ended 31 December 2015**

**1. Summary of significant accounting policies (continued)**

**(e) Income tax**

In the federal budget released May 2014, the Government announced a reduction to the company tax rate for small businesses from 30% to 28.5% for periods beginning on 1 July 2015. These changes are applied prospectively.

**2. Events after the End of the Interim Period**

There have been no events subsequent to reporting date that would materially effect the financial statements at the reporting date.

**3. Contingent assets and liabilities**

Since the last annual reporting date there has been no material change of any contingent assets or contingent liabilities.

**4. Segment reporting**

The economic entity operates in the financial services sector where it provides banking services to its clients. The economic entity operates in two geographic areas being Melbourne, Victoria.

**5. Dividends**

	2015	2014
	\$	\$
Dividends paid during the half year:		
Final fully franked dividend for the year ended 30 June 2015 of 6 cents (2014: 6 cents)	36,601	36,601

**Sandringham Community Financial Services Limited**

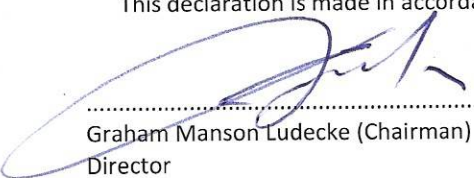
**ABN 86 099 131 192**

**Directors Declaration  
for the half-year ended 31 December 2015**

In the opinion of the directors of Sandringham Community Financial Services Limited:

- (1) The financial statements and notes, as set out on pages 3 to 8 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standard AASB 134 *Interim Financial Reporting*; and
  - (b) giving a true and fair view of the Company's financial position as at 31 December 2015 and of its performance for the half-year ended on that date.
- (2) In the directors opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



.....  
Graham Manson Ludecke (Chairman)  
Director

Signed at Sandringham Community Financial Services Limited on 22 February 2016

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Sandringham Community Financial Services Limited

### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Sandringham Community Financial Services Limited, which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the company's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of Sandringham Community Financial Services Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Sandringham Community Financial Services Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

**RICHMOND SINNOTT & DELAHUNTY**  
Chartered Accountants



**Kathie Teasdale**  
Partner

**Bendigo, Victoria**

**Dated: 22 February 2016**