

East Gosford and Districts Financial
ABN 90 092 538 620
Financial Report
As at 31 December 2015

East Gosford and Districts Financial Services Limited

ABN 90 092 538 620

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:

Garry Morris
Brian Lindbeck
Theo Glover (Resigned 5th February 2016)
Kenneth Howes
John Coman
S McIntosh (Appointed 2nd October 2015)
Simone Lenihan
Mark Cotter (Appointed 20th August 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 \$34,885 (2014: \$23,204 loss).

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.

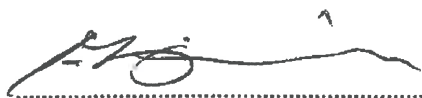
Significant changes in the state of affairs

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 on 8th March 2016.



Brian Lindbeck
Director

Dated: 8th March 2016



**Richmond
Sinnott &
Delahunty**

Chartered Accountants

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Bendigo, VICTORIA
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Auditor's Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of East Gosford & Districts 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: 11 March 2016

East Gosford and Districts Financial Services Limited
ABN 90 092 538 620
Statement of Profit or Loss and Other Comprehensive Income
for the half-year ended 31 December 2015

	31 Dec 2015 \$	31 Dec 2014 \$
Revenue	857,141	893,088
Other Revenue	5,550	6,224
Employee benefits expense	(560,044)	(566,062)
Depreciation and amortisation expense	(29,986)	(30,102)
Rental Expense	(80,896)	(79,312)
Other expenses from ordinary activities	<u>(205,630)</u>	<u>(226,255)</u>
Profit/(Loss) before charitable donations & sponsorships	(13,865)	(2,419)
Charitable donations and sponsorship	<u>(19,745)</u>	<u>(25,875)</u>
Loss before income tax	(33,610)	(28,294)
Income tax (expense)/benefit	<u>(1,275)</u>	<u>5,090</u>
Loss for the period	(34,885)	(23,204)
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>(34,885)</u>	<u>(23,204)</u>
Profit attributable to members of the company	(34,885)	(23,204)
Total comprehensive income attributable to members of the company	<u>(34,885)</u>	<u>(23,204)</u>
Earnings per share (cents per share)		
- basic earnings per share	(3.51)	(2.33)
- diluted earnings per share	(3.51)	(2.33)

The accompanying notes form part of these financial statements

East Gosford and Districts Financial Services Limited
ABN 90 092 538 620

Statement of Financial Position
as at 31 December 2015

	31 Dec 2015 \$	30 Jun 2015 \$
ASSETS		
Current Assets		
Cash and cash equivalents	136,894	131,642
Trade and other receivables	193,217	167,363
Investments and other financial assets	328,093	322,591
Current tax assets	-	7,060
Total Current Assets	<u>658,204</u>	<u>628,656</u>
Non-Current Assets		
Property, plant and equipment	133,057	137,163
Deferred tax asset	100,947	101,915
Intangible assets	182,918	3,001
Total Non-Current Assets	<u>416,922</u>	<u>242,079</u>
Total Assets	<u>1,075,126</u>	<u>870,735</u>
LIABILITIES		
Current Liabilities		
Trade and other payables	295,530	95,338
Provisions	245,388	217,692
Total Current Liabilities	<u>540,918</u>	<u>313,030</u>
Non-Current Liabilities		
Provisions	11,388	-
Total Non-Current Liabilities	<u>11,388</u>	<u>-</u>
Total Liabilities	<u>552,306</u>	<u>313,030</u>
Net Assets	<u>522,820</u>	<u>557,705</u>
Equity		
Issued capital	709,669	709,669
Retained earnings	(186,849)	(151,964)
Total Equity	<u>522,820</u>	<u>557,705</u>

The accompanying notes form part of these financial statements

East Gosford and Districts Financial Services Limited

ABN 90 092 538 620

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

	Note	Issued Capital \$	Retained Earnings \$	Total Equity \$
Balance at 1 July 2014		709,669	(129,085)	580,584
Total comprehensive income for the period		-	(23,204)	(23,204)
Balance at 31 December 2014		709,669	(152,289)	557,380
Balance at 1 July 2015		709,669	(151,964)	557,705
Total comprehensive income for the period		-	(34,885)	
Balance at 31 December 2015		709,669	(186,849)	522,820

The accompanying notes form part of these financial statements

East Gosford and Districts Financial Services Limited
ABN 90 092 538 620
Statement of Cash Flows
for the half-year ended 31 December 2015

	31 Dec 2015 \$	31 Dec 2014 \$
Cash Flows From Operating Activities		
Receipts from customers	915,606	891,249
Payments to suppliers and employees	(916,119)	(889,742)
Interest received	4,514	5,188
Income tax refund / (paid)	<u>6,753</u>	<u>(4,985)</u>
Net cash flows from operating activities	<u>10,754</u>	<u>1,710</u>
Cash Flows From Investing Activities		
Purchase of Intangibles	-	(11,800)
Proceeds from sale of property, plant and equipment	-	(726)
Purchase of investments	<u>(5,502)</u>	<u>-</u>
Net cash flows used in investing activities	<u>(5,502)</u>	<u>(12,526)</u>
Net increase / (decrease) in cash held	5,252	(9,816)
Cash and cash equivalents at beginning of period	<u>131,642</u>	<u>418,814</u>
Cash and cash equivalents at end of period	<u><u>136,894</u></u>	<u><u>408,998</u></u>

The accompanying notes form part of these financial statements

**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 East Gosford & Districts Financial 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 Consise 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.

East Gosford and Districts Financial Services Limited
ABN 90 092 538 620
Notes to the Financial Statements
for the half-year ended 31 December 2015

(e) Income tax

In the federal budget released May 2015, the government announced a reduction to the company tax rate for small businesses from 30% to 28.5% for periods beginning on 1st July 2015. This change has been 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 three geographic areas being Kincumber, East Gosford and Lisarow.

5. Dividends

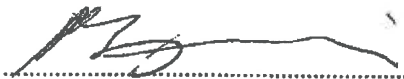
There were no dividends paid or declared during the period (2014:Nil)

East Gosford and Districts Financial Services Limited
ABN 90 092 538 620
Directors Declaration
for the period ended 31 December 2015

In the opinion of the directors of East Gosford & Districts Financial Services Limited:

- (1) The financial statements and notes, as set out on pages 4 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.



Brian Lindbeck
Director

Signed on 8th of March 2016

INDEPENDENT AUDITOR'S REVIEW REPORT

To the directors of East Gosford and Districts Financial Services Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of East Gosford and Districts 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:

- i. 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
- ii. complying with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of East Gosford and Districts 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of East Gosford and Districts Financial Services Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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 East Gosford and Districts Financial Services Limited is not in accordance with the *Corporations Act 2001* including:

- i. 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
- ii. complying with Accounting Standard *AASB 134 Interim Financial Reporting* and *Corporations Regulations 2001*.

Richmond Sinnott & Delahunty
Chartered Accountants



Kathie Teasdale
Partner

Dated: 11 March 2016