

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

ABN 41 114 925 174

Interim Financial Report

For the half-year ended 31 December 2016

C O N T E N T S

Directors' Report

Auditor's Independence Declaration

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the Financial Statements

Directors' Declaration

Independent Auditor's Review Report

This is annexure A of 11 pages referred to in Form 7051: Notification of half-yearly reports

A handwritten signature in black ink, appearing to read 'Anxin D. Ruel', is written over a light blue rectangular background.

Directors

Dated this 14 day of March 2017

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

ABN 41 114 925 174

Interim Financial Report

DIRECTORS' REPORT

Your Directors submit the financial report of the Company for the half-year ended 31 December 2016.

Directors

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

Debra Anne Rule

Arnold Bart Houwen

Bruce James Moriarty

John Alexander Bird

Dearne Russell

Donna Quinn

Sam John Sandford Wilkinson (Appointed 2 November 2016)

Janusz Olbromski (Appointed 2 November 2016)

Review of operations

The focus of the Company's operations during the half-year was the operation of the Fremantle Community Bank Branch of Bendigo and Adelaide Bank Ltd, pursuant to a franchise agreement.

Auditor's Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* for the half-year ended 31 December 2016 is attached to the financial report.

This report is signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read 'Anxi D. Rule', is shown within a light grey rectangular box.

Directors

Dated this 14 March 2017

RSM Australia Partners

8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844

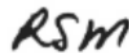
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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Fremantle Community Financial Services Limited for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



RSM AUSTRALIA PARTNERS



Perth, WA
Dated: 14 March 2017

D J WALL
Partner

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FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

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Interim Financial Report

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	31.12.2016	31.12.2015
	\$	\$
Revenue	483,116	491,595
Employee benefits expense	(195,650)	(175,970)
Depreciation and amortisation expense	(12,050)	(9,465)
Other expenses	(263,296)	(233,170)
Profit before income tax	12,120	72,990
Income tax expense	-	-
Profit for the period	12,120	72,990
	-	-
Other comprehensive income	-	-
Other comprehensive income for the period, net of tax	-	-
Total comprehensive income for the period attributable to members	12,120	72,990
Earnings per share		
Basic earnings per share (cents per share)	1.65	9.91
Diluted earnings per share (cents per share)	1.65	9.91

The accompanying notes form part of these financial statements

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

ABN 41 114 925 174

Interim Financial Report

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	31.12.2016	30.06.2016
	\$	\$
CURRENT ASSETS		
Cash	328,224	388,180
Trade and other receivables	86,323	87,580
Other assets	24,988	23,425
TOTAL CURRENT ASSETS	439,535	499,195
NON-CURRENT ASSETS		
Other assets	32,732	32,732
Property, plant and equipment	57,518	14,516
Intangible assets	56,953	63,732
TOTAL NON-CURRENT ASSETS	147,203	110,980
TOTAL ASSETS	586,738	610,165
CURRENT LIABILITIES		
Trade and other payables	76,967	71,984
Short-term provisions	10,824	14,516
TOTAL CURRENT LIABILITIES	87,791	86,500
TOTAL LIABILITIES	87,791	86,500
NET ASSETS	498,947	523,665
EQUITY		
Issued capital	736,759	736,759
Accumulated losses	(237,812)	(213,094)
TOTAL EQUITY	498,947	523,665

The accompanying notes form part of these financial statements

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

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Interim Financial Report

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Note	Issued capital	Accumulated losses	Total
		\$	\$	\$
Balance at 1 July 2015		736,759	(331,210)	405,549
Total comprehensive income for the period		-	72,990	72,990
Subtotal		736,759	(258,220)	478,539
Dividends paid or provided for		-	(36,838)	(36,838)
Balance at 31 December 2015		736,759	(295,058)	441,701
Balance at 1 July 2016		736,759	(213,094)	523,665
Total comprehensive income for the period		-	12,120	12,120
Subtotal		736,759	(200,974)	535,785
Dividends paid or provided for		-	(36,838)	(36,838)
Balance at 31 December 2016		736,759	(237,812)	498,947

The accompanying notes form part of these financial statements

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED**ABN 41 114 925 174****Interim Financial Report****STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	31.12.2016	31.12.2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	471,834	476,468
Payments to suppliers and employees	(472,066)	(423,989)
Rental Income	7,774	7,629
Interest received	3,581	3,967
Net cash from operating activities	<u>11,123</u>	<u>64,075</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	<u>(37,804)</u>	<u>-</u>
Net cash used in investing activities	<u>(37,804)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of dividend	<u>(33,275)</u>	<u>(23,939)</u>
Net cash used in financing activities	<u>(33,275)</u>	<u>(23,939)</u>
Net movement in cash held	(59,956)	40,136
Cash and cash equivalents at beginning of period	<u>388,180</u>	<u>352,429</u>
Cash and cash equivalents at end of period	<u>328,224</u>	<u>392,565</u>

The accompanying notes form part of these financial statements

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

ABN 41 114 925 174

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

NOTE 1: BASIS OF PREPARATION

These general purpose financial statements for the half-year reporting period ended 31 December 2016 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Fremantle 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 2016, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to the matters disclosed below.

New and Revised Accounting Standards

In the current year, the company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the company's accounting policies.

NOTE 2: OPERATING SEGMENT

The Company operates in a single segment being the financial services sector as a branch of Bendigo and Adelaide Bank Ltd in Western Australia.

NOTE 3: CONTINGENT LIABILITIES

The company had no contingent liabilities as at 31 December 2016 and 30 June 2016.

NOTE 4: EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial period to the date of this report that significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

ABN 41 114 925 174

Interim Financial Report

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Australian Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*; and
 - b. giving a true and fair view of the Company's financial position as at 31 December 2016 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.



Director

Dated this 14 March 2017

RSM Australia Partners

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www.rsm.com.au**INDEPENDENT AUDITOR'S REVIEW REPORT****TO THE MEMBERS OF****FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED**

We have reviewed the accompanying half-year financial report of Fremantle Community Financial Services Limited which comprises the statement of financial position as at 31 December 2016, and the statement of comprehensive income, statement of changes in equity and 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Fremantle 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Fremantle Community Financial Services Limited would be in the same terms if given to the directors as at the time of this auditor's review report.

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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 Fremantle 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 2016 and of 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*.

RSM

RSM AUSTRALIA PARTNERS

D J Wall

D J WALL
Partner

Perth, WA
Dated: 14 March 2017