



## Annexure 3A

### BSX Listing Rules

### Half yearly/Yearly Disclosure

#### References

Version 1, Operative 23/8/2000

Chapter 3, BSX Listing Rules

### Heidelberg District Community Enterprise Limited

Name of entity

62 095 312 744

Half yearly (tick)

☒

31 December 2011

ABN, ACN or ARBN

Annual (tick)

☐

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

#### Summary

				\$A,000
Sales revenue or operating revenue	up	13%	to	1,058
Profit/(Loss) before abnormal items and after tax	up	296%	to	50
Abnormal items before tax		gain (loss) of		-
Profit/(Loss) after tax but before outside equity interests	up	296%	to	50
Extraordinary items after tax attributable to members		gain (loss) of		-
Profit/(Loss) for the period attributable to members	up	296%	to	50

Dividends (distributions)

Franking rate applicable

100%

Current period

Final

5¢

Interim

-¢

Previous corresponding period

Final

3¢

Interim

-¢

Record date for determining entitlements to the dividend, (in the case of a trust distribution)

-

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

Short details of any bonus or cash issue or other items(s) of importance not previously released to BSX:

Not applicable
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**Consolidated profit and loss account**

	Current period \$A'000	Previous corresponding period \$A'000
Sales revenue or operating revenue	1,058	940
Expenses from ordinary activities	(990)	(977)
Borrowing costs	-	-
Share of net profit of associates and joint venture entities	-	-
Profit from ordinary activities before tax	68	(37)
Income tax on ordinary activities	(18)	12
Profit from ordinary activities after tax	50	(25)
Outside equity interests	-	-
Profit from ordinary activities after tax attributable to members	50	(25)
Profit from extraordinary activities after tax attributable to members	-	-
Profit for the period attributable to members	50	(25)
Retained profits at the beginning of the financial period	245	309
Net transfers to and from reserves	-	-
Net effect of changes in accounting policies	-	-
Dividends paid or payable	(115)	(69)
Retained profits at end of financial period	180	215

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Profit restated to exclude amortisation of goodwill**

	Current period \$A'000	Previous corresponding period \$A'000
Profit/(Loss) from ordinary activities after tax before outside equity interests and amortisation of goodwill	50	(25)
Less (plus) outside equity interests	-	-
Profit/(Loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	50	(25)

**Revenue and expenses from operating activities**

	Current period \$A'000	Previous corresponding period \$A'000
Details of revenue and expenses		
Commission Revenue	1049	898
Property Rental Income	2	20
Bank Interest Income	6	22
Expense		
Salary & Employee Expenses	(411)	(432)
Depreciation & Amortisation	(42)	(36)
Donations & Community Payments	(222)	(215)
Other	(122)	(294)

**Intangible and extraordinary items**

	Consolidated - current period		
	Before tax \$A'000	Related tax \$A'000	After tax \$A'000
Amortisation of goodwill	-	-	-
Amortisation of other intangibles	14	2	12
<b>Total amortisation of intangibles</b>	14	2	12
Extraordinary items (details)	-	-	-
<b>Total extraordinary items</b>	-	-	-

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Comparison of half year profits**  
(Annual statement only)

	Current year - \$A'000	Previous year - \$A'000
Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year	-	-
Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	-	-

**Consolidated balance sheet**

	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly statement \$A'000
<b>Current assets</b>			
Cash	322	451	624
Receivable	162	146	157
Investments	-	-	-
Inventories	-	-	-
Other (current tax asset)	18	23	46
<b>Total current assets</b>	<b>502</b>	<b>620</b>	<b>827</b>
<b>Non-current assets</b>			
Receivables	-	-	-
Investments	-	-	-
Other property, plant and equipment (net)	1,378	1,407	1,304
Intangibles (net)	94	108	59
Other (deferred tax asset)	17	30	50
<b>Total non-current assets</b>	<b>1,489</b>	<b>1,545</b>	<b>1,413</b>
<b>Total assets</b>	<b>1,991</b>	<b>2,165</b>	<b>2,240</b>
<b>Current liabilities</b>			
Accounts payable	110	194	45
Borrowings	1	1	53
Provisions	51	76	72
Other (provide details if material)	-	-	-
<b>Total current liabilities</b>	<b>162</b>	<b>271</b>	<b>170</b>

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

<b>Non-current liabilities</b>			
Accounts payable	-	-	-
Borrowings	-	-	202
Provisions	7	8	12
Other (provide details if material)	-	-	-
<b>Total non-current liabilities</b>	<b>7</b>	<b>8</b>	<b>214</b>
<b>Total liabilities</b>	<b>169</b>	<b>279</b>	<b>384</b>
<b>Net assets</b>	<b>1,821</b>	<b>1,886</b>	<b>1,856</b>
<b>Equity</b>			
Capital	1,641	1,641	1,641
Reserves	-	-	-
Retained profits	180	245	215
Equity attributable to members of the parent entity	-	-	-
Outside equity interests in controlled entities	-	-	-
<b>Total equity</b>	<b>1,821</b>	<b>1,886</b>	<b>1,856</b>
Preference capital and related premium included	-	-	-

**Consolidated statement of cash flows**

<b>Cash flows related to operating activities</b>	Current period \$A'000	Previous corresponding period \$A'000
Receipts from customers	1,140	979
Payments to suppliers and employees	(1,160)	(997)
Dividends received	-	-
Interest and other items of similar nature received	6	16
Interest and other costs of finance paid	-	(13)
Income taxes paid	-	(23)
Other (provide details if material)	-	-
<b>Net operating cash flows</b>	<b>(14)</b>	<b>(38)</b>

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

<b>Cash flows related to investing activities</b>		
Payments for purchases of property, plant and equipment	-	-
Proceeds from sale of property, plant and equipment	-	-
Payment for purchases of equity investments	-	-
Proceeds from sale of equity investments	-	-
Payment of Franchise Fees	-	-
Loans repaid by other entities	-	-
Other (Deposit on Land & Buildings)	-	-
<b>Net investing cash flows</b>	-	-
<b>Cash flows related to financing activities</b>		
Proceeds from issues of securities (shares, options, etc.)	-	-
Proceeds from borrowings	-	-
Repayment of borrowings	-	(321)
Dividends paid	(115)	(69)
Other (share issue costs)	-	-
<b>Net financing cash flows</b>	(115)	(390)
<b>Net increase (decrease) in cash held</b>	(115)	(428)
Cash at beginning of period (see Reconciliation of cash)	451	1,052
Exchange rate adjustments	-	-
<b>Cash at end of period</b> (see Reconciliation of cash)	322	624

**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.*

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**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Reconciliation of cash**

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A'000	Previous corresponding period \$A'000
Cash on hand and at bank	192	52
Deposits at call	130	572
Bank overdraft	-	-
Other (provide details)	-	-
Total cash at end of period	322	624

**Ratios**

	Current period	Previous corresponding period
<b>Profit before tax/sales</b>		
Consolidated profit/(loss) from ordinary activities before tax as a percentage of sales revenue	(6%)	(4%)
<b>Profit after tax/equity interests</b>		
Consolidated profit/(loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	(3%)	(1%)

**Earnings per security (EPS)**

	Current period	Previous corresponding period
Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share		
(a) Basic EPS	2.98c	(1.11c)
(b) Diluted EPS (if materially different from (a))		

**NTA backing**

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$1.01	\$0.76

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Details of specific receipts/outlays, revenues/expenses**

	Current period A\$'000	Previous corresponding period A\$'000
Interest revenue included	6	22
Interest revenue included but not yet received (if material)	2	11
Interest costs excluded from borrowing costs capitalised in asset values	-	-
Outlays (excepts those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
Depreciation (excluding amortisation of intangibles)	(28)	(27)
Impairment loss	-	-
Other specific relevant items	-	-

**Control gained over entities having material effect**

Name of entity	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity since the date in the current period on which control was acquired	\$-
Date from which such profit has been calculated	-
Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period	\$-

**Loss of control of entities having material effect**

Name of entity	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity for the current period to the date of loss of control	\$-
Date from which the profit (loss) has been calculated	-
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period	\$-
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$-



**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Reports for industry and geographical segments**

**Segments**

Operating Revenue

Sales to customers outside the economic entity

Inter-segment sales

Unallocated revenue

Total revenue

Segment result

Unallocated expenses

Consolidated profit from ordinary activities after tax (before equity accounting)

Segment assets	)	<i>Comparative data for segment assets should be as at the</i>
Unallocated assets	)	<i>end of the previous corresponding period</i>
Total assets	)	

**Dividends**

Date the dividend is payable

-
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Record date to determine entitlements to the dividend (ie. On the basis of registrable transfers received up to 5.00 pm)

-
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**Amount per security**

		Franking rate applicable	%	%	%
<i>(annual report only)</i>		100%			
<b>Final dividend:</b>	Current year	5¢	N/A	-¢	N/A
	Previous year	3¢	¢	-¢	¢
<i>(Half yearly and annual statements)</i>					
<b>Interim dividend:</b>	Current year	-¢	N/A	-¢	N/A
	Previous year	-¢	-¢	-¢	-¢

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Total annual dividend (distribution) per security**

*(Annual statement only)*

	Current year	Previous year
Ordinary securities	-¢	-¢
Preference securities	-¢	-¢

**Total dividend (distribution)**

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$115	\$69
Preference securities	\$-	\$-
<b>Total</b>	\$115	\$69

**Half yearly report – interim dividend (distribution) on all securities or Annual report – final dividend (distribution) on all securities**

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$-	\$-
Preference securities	\$-	\$-
<b>Total</b>	\$-	\$-

The dividend or distribution plans shown below are in operation.

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

Any other disclosures in relation to dividends (distributions)

Nil disclosures.

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Equity accounted associated entities and other material interests**

*Equity accounting information attributable to the economic entity's share of investments in associated entities must be disclosed in a separate notice. See AASB 1016: Disclosure of Information about Investments in Associated Companies.*

Entities share of:	Current period A\$'000	Previous corresponding period A\$'000
Profit (loss) from ordinary activities before tax.	-	-
Income tax	-	-
Profit (loss) from ordinary activities after tax	-	-
Extraordinary items net of tax	-	-
Net profit (loss)	-	-
Outside equity interests	-	-
Net profit (loss) attributable to members	-	-

**Material interests in entities which are not controlled entities**

*The entity has an interest (that is material to it) in the following entities.*

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to profit (loss) from ordinary activities and extraordinary items after tax	
Equity accounted associates and joint venture entities	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
	-	-	-	-
	-	-	-	-
<b>Total</b>	-	-	-	-
<b>Other material interests</b>	-	-	-	-
	-	-	-	-
	-	-	-	-
<b>Total</b>	-	-	-	-

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Issued and listed securities**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

Category of securities	Number issued	Number listed	Issue Price (cents)	Paid-up value (cents)
<b>Preference securities</b> <i>(description)</i>	-	-	-	-
Changes during current period	-	-	-	-
<b>Ordinary securities</b>	2,298,386	2,298,386	100	100
Changes during current period	-	-	-	-
<b>Convertible debt securities</b> <i>(description and conversion factor)</i>	-	-	-	-
Changes during current period	-	-	-	-
			Exercise price	Expiry date
<b>Options</b> <i>(description and conversion factor)</i>	-	-	-	-
Changes during current period	-	-	-	-
Exercised during current period	-	-	-	-
Expired during current period	-	-	-	-
<b>Debentures</b>	-	-		
<b>Unsecured Notes</b>	-	-		

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Discontinuing Operations**

**Consolidated profit and loss account**

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Sales revenue or operation revenue	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Expenses from ordinary activities	-	-	-	-	-	-
Profit (loss) before tax	-	-	-	-	-	-
Less tax	-	-	-	-	-	-
Profit (loss) from ordinary activities after tax	-	-	-	-	-	-

**Consolidated statement of cash flows**

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Net operating cash flows	-	-	-	-	-	-
Net investing cash flows	-	-	-	-	-	-
Net financing cash flows	-	-	-	-	-	-

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Other disclosures**

	Current period A\$'000	Previous corresponding period A\$'000
Carrying amount of items to be disposed of:	-	-
- total assets	-	-
- total liabilities	-	-
Profit (loss) on disposal of assets or settlement of liabilities	-	-
Related tax		
Net profit (loss) on discontinuance	-	-

Description of disposals

**Comments by *Directors***

**Basis of accounts preparation**

*If this statement is a half yearly statement it should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period.*

Material factors affecting the revenues and expenses of the entity for the current period including seasonal or cyclical factors

The company continues to trade in line with expectations and the entity has no material factors that have affected the revenues and expenses to report for the current period.

## Annexure 3A Half Yearly/Yearly Disclosure

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)

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

\$192,074
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Changes in accounting policies since the last annual report and estimates of amounts reported in prior years are disclosed as follows.

N/A
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Changes in the amounts of contingent liabilities or assets since the last annual report are disclosed as follows.

N/A
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### Additional disclosure for trusts

Number of units held by the management company or responsible entity to their related parties.

N/A
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A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- Initial service charges
- Management fees
- Other fees

N/A
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### Annual meeting *(Annual statement only)*

The annual meeting will be held as follows:

Place	N/A
Date	N/A
Time	N/A
Approximate date the annual report will be available	N/A

**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This statement, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 In the case of a half-yearly report the same accounting standards and methods of computation are/are not\* (*delete one*) followed as compared with the most recent annual accounts.
- 4 This statement does/does not\* (*delete one*) give a true and fair view of the matters disclosed.
- 5 This statement is based on financial statements to which one of the following applies:  
*(Tick one)*  
☐ The financial statements have been audited.  
☒ The financial statements have been subject to review by a registered auditor (or overseas equivalent).  
☐ The financial statements are in the process of being audited or subject to review.  
☐ The financial statements have *not* yet been audited or reviewed.
- 6 If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available\* (*delete one*).
- 7 The entity has/~~does not have~~\* (*delete one*) a formally constituted audit committee.

Sign here:

  
(Director/Company secretary)

Date:

14/3/2012

Print name:

BRETT S. PURCHASE

**Notes**

**True and fair view** If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

**Income tax** If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

**Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement.



**Heidelberg District**  
**Community Enterprise Limited**

**Financial Statements**  
**for the half-year ended**  
**31 December 2011**

**Heidelberg District Community Enterprise Limited**  
**ABN 62 095 312 744**  
**Directors' Report**

Your directors submit the financial report of the company for the half-year ended 31 December 2011.

**Directors**

The names of directors who held office during the half year and until the date of this report are as below:

David John Mayne

Brett Straun Purchase

John Kenneth Nelson

Nancy Louise Caple

Evelyn Stagg

Paul Anthony Gittings

Graham Peter Norman

Russell James Hutchins

Brian Thomas Simpson

**Principal Activities**

The principal activity of the company during the course of the financial period was in facilitating **Community Bank®** 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 profit/(loss) of the company for the financial period after the provision of income tax was: \$49,007 [2010: (\$25,415)].

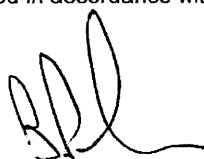
**Matters Subsequent to the End of the Reporting Period**

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.

**Auditors' Independence Declaration**

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 2.

Signed in accordance with a resolution of the directors at East Ivanhoe, Victoria on 14 March 2012.



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**Brett Straun Purchase, Treasurer**

**Lead Auditor's Independence Declaration under section 307C of the Corporations Act 2001  
to the directors of Heidelberg District Community Enterprise Limited**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2011 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.



**DAVID HUTCHINGS**  
**ANDREW FREWIN & STEWART**  
61-65 Bull Street Bendigo 3550

Dated this 9th day of March 2012

**Heidelberg District Community Enterprise Limited**  
**ABN 62 095 312 744**  
**Statement of Comprehensive Income**  
**for the half-year ended 31 December 2011**

	<b><u>Notes</u></b>	<b>2011 \$</b>	<b>2010 \$</b>
Revenue from ordinary activities		1,057,839	939,576
Employee benefits expense		(411,197)	(432,377)
Charitable donations, sponsorship, advertising and promotion		(221,893)	(215,364)
Occupancy and associated costs		(129,000)	(117,399)
Systems costs		(63,003)	(49,533)
Depreciation and amortisation expense		(42,346)	(35,933)
Finance costs		(26)	(12,943)
General administration expenses		(122,421)	(113,699)
<b>Profit/(loss) before income tax expense/credit</b>		<b>67,953</b>	<b>(37,672)</b>
Income tax expense/credit	5	(18,092)	12,257
<b>Profit/(loss) after income tax (expense)/credit</b>		<b>49,861</b>	<b>(25,415)</b>
<b>Total comprehensive income for the year attributable to members</b>		<b>49,861</b>	<b>(25,415)</b>
<b>Earnings per Share</b>		<b>¢</b>	<b>¢</b>
Basic from profit for the period:		2.93	(1.11)

*The accompanying notes form part of these financial statements.*

**Heidelberg District Community Enterprise Limited**  
**ABN 62 095 312 744**  
**Balance Sheet**  
**as at 31 December 2011**

	<b>31-Dec 2011 \$</b>	<b>30-Jun 2011 \$</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash assets	322,071	451,378
Trade and other receivables	162,544	145,807
Current tax asset	17,686	23,461
<b>Total Current Assets</b>	<b><u>502,301</u></b>	<b><u>620,646</u></b>
<b>Non-Current Assets</b>		
Property, plant and equipment	1,378,422	1,406,983
Intangible assets	93,769	107,554
Deferred tax asset	16,869	30,040
<b>Total Non-Current Assets</b>	<b><u>1,489,060</u></b>	<b><u>1,544,577</u></b>
<b>Total Assets</b>	<b><u>1,991,361</u></b>	<b><u>2,165,223</u></b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	110,563	193,562
Borrowings	744	717
Provisions	50,926	76,234
<b>Total Current Liabilities</b>	<b><u>162,233</u></b>	<b><u>270,513</u></b>
<b>Non-Current Liabilities</b>		
Provisions	7,644	8,168
<b>Total Non-Current Liabilities</b>	<b><u>7,644</u></b>	<b><u>8,168</u></b>
<b>Total Liabilities</b>	<b><u>169,877</u></b>	<b><u>278,681</u></b>
<b>Net Assets</b>	<b><u>1,821,484</u></b>	<b><u>1,886,542</u></b>
<b>Equity</b>		
Issued capital	1,641,165	1,641,165
Retained earnings	180,319	245,377
<b>Total Equity</b>	<b><u>1,821,484</u></b>	<b><u>1,886,542</u></b>

*The accompanying notes form part of these financial statements.*

**Heidelberg District Community Enterprise Limited**  
**ABN 62 095 312 744**  
**Statement of Changes in Equity**  
**for the half-year ended 31 December 2011**

	<b>Issued Capital \$</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b>Balance at 1 July 2010</b>	1,641,165	309,107	1,950,272
Total comprehensive income for the year	<u>-</u>	<u>(25,415)</u>	<u>(25,415)</u>
	<b>1,641,165</b>	<b>283,692</b>	<b>1,924,857</b>
<b>Transactions with owners in their capacity as owners:</b>			
Shares issued during period	-	-	-
Costs of issuing shares	-	-	-
Dividends provided for or paid	<u>-</u>	<u>(68,952)</u>	<u>(68,952)</u>
<b>Balance at 31 December 2010</b>	<u><b>1,641,165</b></u>	<u><b>214,740</b></u>	<u><b>1,855,905</b></u>
 <b>Balance at 1 July 2011</b>	 1,641,165	 245,377	 1,886,542
Total comprehensive income for the year	<u>-</u>	<u>49,861</u>	<u>49,861</u>
	<b>1,641,165</b>	<b>295,238</b>	<b>1,936,403</b>
<b>Transactions with owners in their capacity as owners:</b>			
Shares issued during period	-	-	-
Costs of issuing shares	-	-	-
Dividends provided for or paid	<u>-</u>	<u>(114,919)</u>	<u>(114,919)</u>
<b>Balance at 31 December 2011</b>	<u><b>1,641,165</b></u>	<u><b>180,319</b></u>	<u><b>1,821,484</b></u>

*The accompanying notes form part of these financial statements.*

**Heidelberg District Community Enterprise Limited**  
**ABN 62 095 312 744**  
**Cash Flow Statement**  
**for the half-year ended 31 December 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows From Operating Activities</b>		
Receipts from customers	1,139,586	979,417
Payments to suppliers and employees	(1,159,999)	(996,643)
Interest paid	(26)	(12,943)
Interest received	6,024	15,916
Income taxes paid	-	(23,461)
<b>Net cash used in operating activities</b>	<b><u>(14,415)</u></b>	<b><u>(37,714)</u></b>
<b>Cash Flows From Financing Activities</b>		
Repayment of borrowings	27	(320,747)
Dividends paid	(114,919)	(68,952)
<b>Net cash used in financing activities</b>	<b><u>(114,892)</u></b>	<b><u>(389,699)</u></b>
<b>Net decrease in cash held</b>	<b>(129,307)</b>	<b>(427,413)</b>
Cash at the beginning of the financial year	451,378	1,051,594
<b>Cash at the end of the half-year</b>	<b><u><u>322,071</u></u></b>	<b><u><u>624,181</u></u></b>

*The accompanying notes form part of these financial statements.*

**Heidelberg District Community Enterprise Limited**  
**ABN 62 095 312 744**  
**Notes to the financial statements**  
**for the half-year ended 31 December 2011**

**Note 1. Summary of Significant Accounting Policies**

*Statement of Compliance*

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard *AASB 134: Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard *IAS 34: Interim Financial Reporting*.

*Basis of Preparation*

The half-year financial report is intended to provide users with an update on the latest annual financial statements and does not include all the notes of the type normally included in an annual financial report. Accordingly the report shall be read in conjunction with the annual financial report for the year ended 30 June 2011 and any public announcements made by the company during the period.

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 and the previous corresponding interim period.

The half-year financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The company has elected not to early adopt the new and amended Accounting Standards and Interpretations, as outlined in the annual financial report for the year ended 30 June 2011, that have mandatory application dates during future reporting periods.

There are no new and revised Standards and amendments thereof 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 2011.

**Note 2. Events Subsequent to Reporting Date**

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

**Note 3. Contingent Assets and Liabilities**

There were no contingent assets or liabilities at the date of this report to affect the financial statements.

**Note 4. Segment Reporting**

The economic entity operates in a single service sector where it facilitates community banking services in the East Ivanhoe and Heidelberg suburbs of Melbourne, Victoria pursuant to a franchise agreement with Bendigo and Adelaide Bank Limited.



**Heidelberg District Community Enterprise Limited**  
**ABN 62 095 312 744**  
**Notes to the financial statements**  
**for the half-year ended 31 December 2011**

<b>Note 5. Income Tax Expense/Credit</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
The components of tax expense comprise:		
- Current tax	8,660	
- Future income tax benefit attributed to losses	-	(10,208)
- Movement in deferred tax	7,334	(2,049)
- Recoupment of prior year tax losses	5,837	
- Adjustments to tax expense of prior periods	(3,739)	
	<u>18,092</u>	<u>(12,257)</u>
The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Operating profit/(loss)	67,953	(37,672)
Prima facie tax on profit/(loss) from ordinary activities at 30%	20,386	(11,301)
Add tax effect of:		
- non-deductible expenses	2,400	-
- timing difference expenses	(7,334)	2,049
- other deductible expenses	(955)	(956)
	<u>14,497</u>	<u>(10,208)</u>
Movement in deferred tax	7,334	(2,049)
Adjustments to tax expense of prior periods	(3,739)	-
Under/(Over) provision of income tax in the prior year	-	-
	<u>18,092</u>	<u>(12,257)</u>

Adjustments to tax expense of prior periods relates to the tax deductibility of amortisation on the renewal franchise fee and renewal processing fee. A tax deduction was not initially claimed for the amortisation on these items, pending the outcome of a private tax ruling by the Commissioner of Taxation. While the original private tax ruling held that these items were in fact not tax deductible, the ruling was overturned by Administrative Appeals Tribunal decision 607 handed down on 31 August 2011. Therefore amortisation on the renewal franchise fee and renewal processing fee can now be claimed as a tax deduction. Amendment to the applicable income tax returns will be undertaken, with the overall tax effect of the change outlined below:

Year	Franchise Fee	Amortisation Process Fee	Total	Tax effect @ 30%
2007	2,000	-	2,000	600
2008	2,000	-	2,000	600
2009	2,000	-	2,000	600
2010	2,000	-	2,000	600
2011	2,026	771	2,797	839
	<u>10,026</u>	<u>771</u>	<u>10,797</u>	<u>3,239</u>

**Heidelberg District Community Enterprise Limited**  
**ABN 62 095 312 744**  
**Notes to the financial statements**  
**for the half-year ended 31 December 2011**

**Note 6. Dividends Paid/Provided**

	<b>2011 Cents</b>	<b>2011 \$</b>	<b>2010 Cents</b>	<b>2010 \$</b>
Dividend declared and paid during the period:	5.00	114,919	3.00	68,952

100% fully franked (2010: 100%)

**Heidelberg District Community Enterprise Limited**  
**ABN 62 095 312 744**  
**Directors' Declaration**

In the opinion of the directors of Heidelberg District Community Enterprise Limited ("the company"):

- 1 The financial statements and notes thereto are in accordance with the *Corporations Act 2001* including:
  - (a) giving a true and fair view of the financial position of the entity as at 31 December 2011 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date;
  - (b) complying with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- 2 There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the board of directors.



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**Brett Straun Purchase, Treasurer**

Dated this 14th day of March 2012.

## **Independent Auditor's Review Report to the Members of Heidelberg District Community Enterprise Limited**

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

We have reviewed the accompanying half-year financial report of Heidelberg District Community Enterprise Limited, which comprises the balance sheet as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement 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 (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **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 the 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 2011 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 Heidelberg District Community Enterprise 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.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

## **Independence**

In conducting our review we have compiled with the independence requirements of the Corporations Act 2001.

## **Auditor's Opinion**

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 Heidelberg District Community Enterprise Limited is not in accordance with the Corporations Act 2001 including:

- a) Giving a true and fair view of the company's financial position at 31 December 2011 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.



**DAVID HUTCHINGS**

**ANDREW FREWIN & STEWART**

61-65 Bull Street, Bendigo, 3550

Dated this 9th day of March 2012