

Canterbury Surrey Hills Community Finance Limited

27 August 2020

Market Announcement
National Stock Exchange (**NSX**)

BY ELECTRONIC LODGEMENT

Dear Sir/Madam

2020 PRELIMINARY FINAL REPORT

Canterbury Surrey Hills Community Finance Limited (NSX: CSH) attaches its Preliminary Final Report for the year ended 30 June 2020.

Yours sincerely

Michael Sapountzis
Company Secretary
Canterbury Surrey Hills Community Finance Limited

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Franchisee of Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879

FORM: Preliminary final report

Name of *issuer*

Canterbury Surrey Hills Community Finance Limited

ACN or ARBN

96 099 590 593

Half yearly
(tick)

Preliminary
final (tick)

✓

Financial year ended ('Current period')

30 June 2020

For announcement to the market

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

				\$A,000
Revenue (<i>item 1.1</i>)	Up	9.9%	to	5,387
Profit for the period (<i>item 1.9</i>)	up	180.4%	to	717
Profit for the period attributable to members of the parent (<i>item 1.11</i>)	up	180.4%	to	717
Dividends		Current period		Previous corresponding period
Franking rate applicable:		100%		100%
Final dividend (<i>preliminary final report only</i>)(<i>item 10.13-10.14</i>)				
Amount per security		7 cents		7 cents
Franked amount per security		7 cents		7 cents
Interim dividend (<i>Half yearly report only</i>) (<i>item 10.11 – 10.12</i>)				
Amount per security				
Franked amount per security				
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				

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>	5,387	4,903
1.2 Expenses, excluding finance costs <i>(item 7.2)</i>	4,411	4,339
1.3 Finance costs		
1.4 Share of net profits (losses) of associates and joint ventures <i>(item 15.7)</i>		
1.5 Profit (loss) before income tax	976	564
1.6 Income tax expense <i>(see note 4)</i>	259	167
1.7 Profit (loss) from continuing operations	717	397
1.8 Profit (loss) from discontinued operations <i>(item 13.3)</i>		
1.9 Profit (loss) for the period	717	397
1.10 Profit (loss) attributable to minority interests		
1.11 Profit (loss) attributable to members of the parent	717	397
1.12 Basic earnings per <i>security</i> <i>(item 9.1)</i>	25.67	13.50
1.13 Diluted earnings per <i>security</i> <i>(item 9.1)</i>	25.67	13.50
1.14 Dividends per <i>security</i> <i>(item 9.1)</i>	7.0	7.0

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>	213	230
2.2 Consolidated profit (loss) after tax attributable to members for the 2nd half year	504	167

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	1,218	125
3.2	Trade and other receivables	566	558
3.3	Inventories		
3.4	Other current assets – Term deposits	1,830	2,100
3.5	Total current assets	3,614	2,783
Non-current assets			
3.6	Available for sale investments		
3.7	Other financial assets		
3.8	Investments in associates		
3.9	Deferred tax assets	68	46
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)	222	277
3.13	Investment properties		
3.14	Goodwill		
3.15	Other intangible assets	125	174
3.16	Other – Right of use assets	2,569	
3.17	Total non-current assets	2,984	497
3.18	Total assets	6,598	3,280
Current liabilities			
3.19	Trade and other payables	244	192
3.20	Short term borrowings		
3.21	Current tax payable	141	30
3.22	Short term provisions	206	148
3.23	Current portion of long term borrowings		
3.24	Other current liabilities - Leases	371	
		962	370
3.25	Liabilities directly associated with non-current assets classified as held for sale (para 38 of AASB 5)		
3.26	Total current liabilities	962	370
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	39	30
3.30	Other - Leases	2,273	
3.31	Total non-current liabilities	2,312	30
3.32	Total liabilities	3,274	400
3.33	Net assets	3,325	2,880
	Equity		
3.34	Share capital	1,246	1,321
3.35	Other reserves		
3.36	Retained earnings	2,079	1,559
	Amounts recognised directly in equity relating to non-current assets classified as held for sale		
3.37	Parent interest	3,325	2,880
3.38	Minority interest		
3.39	Total equity	3,325	2,880

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:		
	Expenses recognised directly in equity:		
4.1	Net income recognised directly in equity		
4.2	Profit for the period	717	397

4.3	Total recognised income and expense for the period		
	Attributable to:		
4.4	Members of the parent	717	397
4.5	Minority interest		
	Effect of changes in accounting policy (<i>as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors</i>):		
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	5,719	5,283
5.2	Payments to suppliers and employees	(4,166)	(4,630)
5.3	Interest and other costs of finance paid	11	61
5.4	Income taxes paid	(170)	(184)
5.5	Other (provide details if material)		
5.6	Net cash used in operating activities	1,394	530
	Cash flows related to investing activities		
5.7	Payments for purchases of property, plant and equipment	(10)	
5.8	Proceeds from sale of property, plant and equipment		
5.9	Payment for purchases of equity investments		
5.10	Proceeds from sale of equity investments		
5.11	Loans to other entities		
5.12	Loans repaid by other entities	270	100
5.13	Interest and other items of similar nature received		
5.14	Dividends received		
5.15	Other (provide details if material)		(121)
5.16	Net cash used in investing activities	260	(21)
	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	(196)	(209)
5.21	Other - Share buy back	(76)	(163)
	- Repayment of lease liabilities	(289)	
5.22	Net cash used in financing activities	(561)	(372)
	Net increase (decrease) in cash and cash equivalents	1,093	137
5.23	Cash at beginning of period (see <i>Reconciliations of cash</i>)	125	(12)
5.24	Exchange rate adjustments to item 5.23		
5.25	Cash at end of period (see <i>Reconciliation of cash</i>)	1,218	125

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 (item 1.9)	717	397
	Adjustments for:		
6.2	Depreciation	428	53
6.3	Amortisation	49	50
6.4			
6.5	Increase/decrease in receivables	(13)	(52)
6.6	Increase/decrease in payables	52	31
6.7	Increase/decrease in provisions	66	67
6.8	Increase/decrease in income tax payable	111	2
6.9	Increase/decrease in other assets	(17)	(19)
6.10	Net cash from operating activities (item 5.6)	1,393	529

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		
Service and commissions	5,337	4,842
Interest	49	61
7.1 Total Revenue	5,386	4,903
Expenses		
Employee benefits	2,504	2,383
Depreciation and amortisation	478	103
Occupancy	201	475
7.2 Charitable grants and sponsorships	494	650
Other	734	728
Total Expenses	4,411	4,339
Profit (loss) before tax	975	564

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)	18.1%	11.5%
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)	21.6%	13.8%

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 earnings per share are calculated by dividing profit after income tax by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing profit after income tax by the weighted average number of ordinary shares outstanding during the year, adjusted for the effects of any dilutive options or preference shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations

Profits after income tax	716,875	397,474
Weighted average number of ordinary shares		
For basic and diluted earnings per share	2,792,390	2,945,303

Dividends

- 10.1 Date the dividend is payable

7 October 2020

- 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)

11 September 2020

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

Yes

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

Not applicable

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

Not applicable

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

Not applicable

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	196	209	100%
10.9	Franked dividends			
	Dividends proposed and not recognised as a liability			
10.10	Franked dividends	7 cents		100%

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	7 cents	7 cents	100%
10.14	Franked dividends – cents per share	7 cents	7 cents	100%
	Dividends proposed and not recognised as a liability			
10.15	Franked dividends – cents per share	7 cents	7 cents	100%

Exploration and evaluation expenditure capitalised

Not applicable

Development properties

Not applicable

Discontinued Operations

Not applicable

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	2,816,957			1,321	1,484
14.8	a) Increases through issues					
14.9	b) Decreases through returns of capital, buybacks etc.	(78,150)			(76)	(163)
14.10	Balance at end of period	2,738,807			1,245	1,321
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	1,559	1,370
14.39 Changes in accounting policy		
14.40 Restated balance		
14.41 Profit for the balance	717	397
14.42 Total for the period	717	397
14.43 Dividends	(196)	(209)
14.44 Balance at end of period	2,080	1,558

Details of aggregate share of profits (losses) of associates and joint venture entities

Not applicable

Control gained over entities having material effect

Not applicable

Loss of control of entities having material effect

Not applicable

Material interests in entities which are not controlled entities

Not applicable

Reports for industry and geographical segments

Not applicable

NTA Backing

(see note 7)

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$1.17	\$0.96

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	Not applicable
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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	Not applicable
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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	Not applicable
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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)

Not applicable

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.

Not applicable

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

The franking credit balance as at 30 June 2020 was \$892,326

The Board will determine the ability of the Company to pay dividends in the future on an annual basis

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.)

First application of AASB 16 Leases

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)

Not applicable

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)

Not applicable

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

Not applicable

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)

Not applicable

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)

Not applicable

Annual meeting

(Preliminary final statement only)

The annual meeting will be held as follows:

Place	Virtual meeting (online)
Date	19 November 2020
Time	6:30pm (AEDT)
Approximate date the annual report will be available	25 September 2020

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

Not applicable

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does 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:
- | | |
|--|---|
| <input type="checkbox"/> The financial statements have been audited. | <input type="checkbox"/> The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| <input checked="" type="checkbox"/> The financial statements are in the process of being audited or subject to review. | <input type="checkbox"/> The financial statements have <i>not</i> 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
6. The *issuer* has a formally constituted audit committee.

Sign here:
Company Secretary

Date: 27 August 2020

Print name: Michael Sapountzis