

**Sunshine Coast Community Financial Services Limited**

**ABN: 12 100 576 261**

**Interim Financial Report**

**For the Half-Year Ended 31 December 2017**

**Sunshine Coast Community Financial Services Limited**

**ABN 12 100 576 261**

**Directors' Report**

Your directors submit the financial report of the company for the half year ended 31 December 2017.

**Directors**

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

Rick Cooper  
Fred Broomhall  
Sandy Bolton  
Jay Pashley  
Elizabeth Reynolds  
David Green  
Guy Hamilton

**Principal activities**

The principal activities of the company during the course of the financial period were providing **Community Bank®** branch 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 of the company for the financial period was \$79,490 (December 2016: \$120,667).

**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 2017.

The director's report is signed in accordance with a resolution of the Board of Directors at Cooroy on 14 March 2018.

.....  
Rick Cooper  
Director

Dated: 14 March 2018

**Auditor's Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of XXXXXXX Finances Limited**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2017 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.

**RSD Audit**

**Kathie Teasdale  
Partner  
41A Breen Street  
Bendigo VIC 3552**

**Dated: xx March 2018**

Sunshine Coast Community Financial Services Limited  
ABN 12 100 576 261  
**Statement of Profit or Loss and Other Comprehensive Income**  
**for the half-year ended 31 December 2017**

	Half-Year Ended 31 December 2017 \$	Half-Year Ended 31 December 2016 \$
<b>Revenue</b>	1,477,077	1,347,801
<b>Expenses</b>		
Employee benefits expense	(850,824)	(688,401)
Depreciation and amortisation	(55,869)	(51,040)
Finance costs	(31,133)	(22,977)
Bad and doubtful debts expense	(8)	(1,048)
Occupancy expenses	(106,831)	(90,470)
IT costs	(55,377)	(51,203)
Advertising	(24,027)	(21,727)
Professional Fees	(89,182)	(82,930)
Other expenses	(75,898)	(77,478)
	<u>(1,289,149)</u>	<u>(1,087,274)</u>
<b>Profit before charitable donations &amp; sponsorship</b>	<u><b>187,928</b></u>	<u><b>260,527</b></u>
Charitable donations and sponsorship	75,357	82,325
<b>Profit before income tax</b>	<u><b>112,571</b></u>	<u><b>178,202</b></u>
Income tax expense	33,081	57,535
<b>Profit for the period</b>	<u><b>79,490</b></u>	<u><b>120,667</b></u>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<u><u><b>79,490</b></u></u>	<u><u><b>120,667</b></u></u>
Profit attributable to members of the company	79,490	120,667
<b>Total comprehensive income attributable to members of the company</b>	<u><u><b>79,490</b></u></u>	<u><u><b>120,667</b></u></u>
<b>Earnings per share (cents per share)</b>		
- basic earnings per share	4.66	7.08

The accompanying notes form part of these financial statements

Sunshine Coast Community Financial Services Limited  
ABN 12 100 576 261

**Statement of Financial Position  
as at 31 December 2017**

	As at 31 December 2017 \$	As at 30 June 2017 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	115,520	312,460
Trade and other receivables	245,934	247,707
Financial assets	13,831	-
Other assets	35,460	25,312
<b>Total Current Assets</b>	<b>410,745</b>	<b>585,479</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	2,644,017	1,637,777
Intangible assets	99,509	127,097
Deferred tax assets	22,371	36,336
<b>Total Non-Current Assets</b>	<b>2,765,897</b>	<b>1,801,210</b>
<b>Total Assets</b>	<b>3,176,642</b>	<b>2,386,689</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	309,932	268,831
Borrowings	30,733	8,990
Provisions	16,780	15,435
Current tax payable	16,150	28,036
<b>Total Current Liabilities</b>	<b>373,595</b>	<b>321,292</b>
<b>Non-Current Liabilities</b>		
Borrowings	1,535,936	767,000
<b>Total Non-Current Liabilities</b>	<b>1,535,936</b>	<b>767,000</b>
<b>Total Liabilities</b>	<b>1,909,531</b>	<b>1,088,292</b>
<b>Net Assets</b>	<b>1,267,111</b>	<b>1,298,397</b>
<b>Equity</b>		
Issued capital	1,623,067	1,623,067
Accumulated losses	(355,956)	(324,670)
<b>Total Equity</b>	<b>1,267,111</b>	<b>1,298,397</b>

The accompanying notes form part of these financial statements

Sunshine Coast Community Financial Services Limited  
ABN 12 100 576 261  
**Statement of Changes in Equity**  
**for the half-year ended 31 December 2017**

	Note	Issued Capital \$	Accumulated losses \$	Total Equity \$
Balance at 1 July 2016		1,623,067	(388,095)	1,234,972
Total comprehensive income for the period		-	120,667	120,667
<b><i>Transactions with owners in their capacity as owners:</i></b>				
Dividends recognised for the period	4	-	(119,297)	(119,297)
<b>Balance at 31 December 2016</b>		<u><b>1,623,067</b></u>	<u><b>(386,725)</b></u>	<u><b>1,236,342</b></u>
 Balance at 1 July 2017		 1,623,067	 (324,670)	 1,298,397
Total comprehensive income for the period		-	79,490	79,490
<b><i>Transactions with owners in their capacity as owners:</i></b>				
Dividends recognised for the period	4	-	(110,776)	(110,776)
<b>Balance at 31 December 2017</b>		<u><b>1,623,067</b></u>	<u><b>(355,956)</b></u>	<u><b>1,267,111</b></u>

The accompanying notes form part of these financial statements

Sunshine Coast Community Financial Services Limited  
ABN 12 100 576 261  
**Statement of Cash Flows**  
**for the half-year ended 31 December 2017**

	Half-Year Ended 31 December 2017 \$	Half-Year Ended 31 December 2016 \$
<b>Cash Flows From Operating Activities</b>		
Receipts from customers	1,502,870	1,461,655
Payments to suppliers and employees	(1,269,791)	(1,253,509)
Interest received	573	20
Interest paid	(31,133)	(22,977)
Income tax paid	(31,010)	(50,422)
<b>Net cash flows provided by operating activities</b>	<b>171,509</b>	<b>134,767</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(1,034,521)	-
Purchase of investments	(13,831)	-
<b>Net cash flows from/(used in) investing activities</b>	<b>(1,048,352)</b>	<b>-</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from borrowings	794,445	-
Repayment of borrowings	(3,766)	(4,345)
Dividends paid	(110,776)	(119,296)
<b>Net cash flows from/(used in) financing activities</b>	<b>679,903</b>	<b>(123,641)</b>
<b>Net increase/(decrease) in cash held</b>	<b>(196,940)</b>	<b>11,126</b>
Cash and cash equivalents at beginning of period	312,460	273,012
<b>Cash and cash equivalents at end of period</b>	<b>115,520</b>	<b>284,138</b>

The accompanying notes form part of these financial statements

**Sunshine Coast Community Financial Services Limited**  
**ABN 12 100 576 261**  
**Notes to the Financial Statements**  
**for the half-year ended 31 December 2017**

**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 2017 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 Sunshine Coast 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 2017, 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 2017.

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

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual financial statements for the year ended 30 June 2017.

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

The Company has considered the implications of any new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

**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.



**Sunshine Coast Community Financial Services Limited**  
**ABN 12 100 576 261**  
**Notes to the Financial Statements**  
**for the half-year ended 31 December 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>4. Dividends</b>		
A final fully franked dividend of 6.5 cents per share for the year ended 30 June 2017 was declared in the half year period to 31 December 2017 (2016: 7 cents)	110,776	119,297
<b>5. Earnings per share</b>		
Basic earnings per share (cents)	4.66	7.08
Earnings used in calculating basic earnings per share	79,490	120,667
Weighted average number of ordinary shares used in calculating basic earnings per share.	1,704,238	1,704,238
<b>6. Statutory Information</b>		
The registered office and principle place of business is 36A Maple Street, Cooroy, QLD 4563		

**Sunshine Coast Community Financial Services Limited**  
**ABN 12 100 576 261**  
**Directors Declaration**  
**for the half-year ended 31 December 2017**

In accordance with a resolution of the Directors of Sunshine Coast Community Financial Services Limited, the Directors of the Company declare that:

- (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 2017 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.

.....  
Rick Cooper  
Director



Signed at Cooroy on 14 March 2018



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**Auditors Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of Sunshine Coast Community Financial Services Limited.**

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2017 there have been no contraventions of:

- (i) The auditor independence requirements 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.

**RSD Audit**

A handwritten signature in blue ink, appearing to read 'Kathie Teasdale'.

**Kathie Teasdale**  
**Partner**  
41A Breen Street  
Bendigo VIC 3550

**Dated:** 14 March 2018



## **Independent Auditor's Review Report**

To the shareholders of Sunshine Coast Community Financial Services Limited.

### **Report on the half-year financial report**

We have reviewed the accompanying Interim Financial Report of Sunshine Coast Community Financial Services Limited.

The Interim Financial Report comprises the interim statement of financial position as at 31 December 2017, the interim statement of profit or loss and other comprehensive income, interim statement of changes in equity and interim 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.

The interim period is the six months ended on 31 December 2017.

### **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Sunshine Coast Community Financial Services Limited 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 2017 and of its performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### **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 gives a true and fair view and 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 2017 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 Sunshine Coast 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 Sunshine Coast Community Financial Services Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

A handwritten signature in blue ink, appearing to read 'Kathie Teasdale'.

**Kathie Teasdale**  
**Partner**  
**RSD Audit**

**Dated:** 14 March 2018