
Acacia Ridge

Financial Services Limited

ABN: 73 116 060 916

Financial Report

For the half-year ended

31 December 2021

Acacia Ridge Financial Services Limited

Directors' Report

The directors present their report together with the financial statements of the company for the half-year ended 31 December 2021.

Directors

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

Peter Geoffrey Henderson OAM	Victoria Louise Maguire
Amanda Lee Harward	Jane Baxter Carlisle
Linda Anne Beaumont	Angela Kellie Griffiths
Earle Alexander Johnston	

Principal activity

The principal activity of the company during the financial period was facilitating Community Bank services under management rights of Bendigo and Adelaide Bank Limited.

Review 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:

Half-year ended 31 December 2021	Half-year ended 31 December 2020
\$	\$
(30,180)	46,187

Events after the end of the reporting period

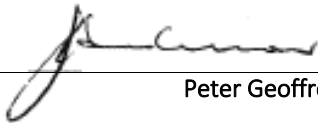
There are no matters or circumstances that have arisen since the end of the half year reporting period that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

Auditor's 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 Acacia Ridge, Queensland.

Chair



Peter Geoffrey Henderson OAM

Dated this 25th day of February 2022

Lead auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Acacia Ridge Financial Services Limited

We declare that, to the best of our knowledge and belief, for the half-year ended 31 December 2021 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review
- ii. any applicable code of professional conduct in relation to the review.



Andrew Frewin Stewart
61 Bull Street, Bendigo Vic 3550
Dated: 25 February 2022



Adrian Downing
Lead Auditor

Acacia Ridge Financial Services Limited

Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2021

	Note	2021 \$	2020 \$
Revenue from contracts with customers		339,000	331,942
Other revenue		9,586	29,873
Finance income		340	1,121
Employee benefits expense		(265,166)	(191,664)
Charitable donations, sponsorship, advertising and promotion		(13,179)	(18,959)
Occupancy and associated costs		(7,485)	(8,324)
Systems costs		(9,343)	(9,328)
Depreciation and amortisation expense		(36,416)	(34,150)
Finance costs		(14,453)	(15,391)
General administration expenses		(47,355)	(42,140)
Profit/(loss) before income tax		(44,471)	42,980
Income tax (expense)/credit		10,869	(8,967)
Profit/(loss) after income tax		(33,602)	34,013
Other comprehensive income, net of income tax			
Items that will not be reclassified to profit or loss:			
Net gain on fair value increment of investments	6	3,422	12,174
Total other comprehensive income for the period		3,422	12,174
Total comprehensive income for the half-year attributable to the ordinary shareholders of the company:		(30,180)	46,187
Earnings per share		¢	¢
- Basic and diluted earnings/(loss) per share:		(5.65)	8.64

Acacia Ridge Financial Services Limited

Statement of Financial Position

For the half-year ended 31 December 2021

	Note	31-Dec-21 \$	30-Jun-21 \$
ASSETS			
Current assets			
Cash and cash equivalents		134,536	201,790
Trade and other receivables		25,357	46,123
Current tax asset		10,329	-
Total current assets		170,222	247,913
Non-current assets			
Property, plant and equipment		58,243	61,973
Right of use assets		724,193	750,368
Intangible assets		50,263	56,772
Deferred tax assets		15,539	5,478
Investments	5	187,560	183,330
Total non-current assets		1,035,798	1,057,921
TOTAL ASSETS		1,206,020	1,305,834
LIABILITIES			
Current liabilities			
Trade and other payables		26,617	32,351
Current tax liabilities		-	362
Lease liabilities		45,502	44,705
Total current liabilities		72,119	77,418
Non-current liabilities			
Trade and other payables		29,534	44,301
Lease liabilities		752,034	774,986
Provisions		6,132	6,024
Total non-current liabilities		787,700	825,311
TOTAL LIABILITIES		859,819	902,729
NET ASSETS		346,201	403,105
EQUITY			
Issued capital		405,476	405,476
Reserves	6	21,893	18,471
Accumulated losses		(81,168)	(20,842)
TOTAL EQUITY		346,201	403,105

The accompanying notes form part of these financial statements

Acacia Ridge Financial Services Limited

Statement of Changes in Equity

For the half-year ended 31 December 2021

	Note	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2020		405,476	441	(31,070)	374,847
Total comprehensive income for the half-year		-	12,174	34,013	46,187
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	7	-	-	(32,069)	(32,069)
Balance at 31 December 2020		405,476	12,615	(29,126)	388,965
Balance at 1 July 2021		405,476	18,471	(20,842)	403,105
Total comprehensive income for the half-year		-	3,422	(33,602)	(30,180)
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	7	-	-	(26,724)	(26,724)
Balance at 31 December 2021		405,476	21,893	(81,168)	346,201

Acacia Ridge Financial Services Limited

Statement of Cash Flows

For the half-year ended 31 December 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers		396,643	403,423
Payments to suppliers and employees		(375,499)	(292,087)
Lease payments not included in the measurement of lease liabilities		(3,568)	(3,418)
Lease payments (interest component)		(14,346)	(15,243)
Interest received		494	1,263
Dividends received		1,992	5,489
Income taxes paid		(10,668)	(4,717)
Net cash provided by/(used in) operating activities		(4,952)	94,710
Cash flows from investing activities			
Payments for intangible assets		(13,424)	(13,424)
Payments for investment assets		-	(22,327)
Net cash used in investing activities		(13,424)	(35,751)
Cash flows from financing activities			
Lease payments (principal component)		(22,154)	(21,141)
Dividends paid	7	(26,724)	(32,069)
Net cash used in financing activities		(48,878)	(53,210)
Net cash increase/(decrease) in cash held		(67,254)	5,749
Cash and cash equivalents at the beginning of the financial year		201,790	211,807
Cash and cash equivalents at the end of the half-year		134,536	217,556

Acacia Ridge Financial Services Limited

Notes to the Financial Statements

For the half-year ended 31 December 2021

Note 1. Summary of significant accounting policies

Statement of Compliance

This general purpose financial report has been 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

This 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 2021 and any public announcements made by the company during the period.

Accounting policies

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 report and the previous corresponding interim period. The half-year financial report has been prepared on an accruals and historical cost basis.

Note 2. Events subsequent to reporting date

There have been no events subsequent to reporting date that would materially affect 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. Related parties

Arrangements with related parties continue to be in place. For details on these arrangements, refer to the 30 June 2021 annual financial report.

Note 5. Investments

	Note	31-Dec-21 \$	30-Jun-21 \$
Listed securities			
Carrying amount at beginning		183,330	135,091
Additions		-	23,887
Gross gain arising on fair value increment of investments		4,230	24,352
Carrying amount at the end	8	<u>187,560</u>	<u>183,330</u>

Note 6. Reserves

	31-Dec-21 \$	30-Jun-21 \$
Carrying amount at beginning	18,471	441
Net gain arising on fair value increment of investments	3,422	18,030
Carrying amount at the end	<u>21,893</u>	<u>18,471</u>

The company has made an election under *AASB 9 Financial Instruments* to recognise fair value movements on investments through other comprehensive income.

Acacia Ridge Financial Services Limited

Notes to the Financial Statements

For the half-year ended 31 December 2021

Note 7. Dividends provided for or paid

a) Dividends declared and paid during the period	31-Dec-21		31-Dec-20	
	Cents	\$	Cents	\$
Fully franked dividend	5	26,724	6	32,069

The tax rate at which dividends have been franked is 25% (2020: 26%).

Note 8. Fair value measurement

Some of the company's assets and liabilities are measured at fair value for financial reporting purposes. The board of directors determine the appropriate valuation techniques and inputs for fair value measurements.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are based on the quoted market price at the close of business at the end of the reporting period.
- Level 2 inputs are based on a valuation performed by a third party qualified valuer using quoted prices for similar assets in an active market.
- Level 3 inputs are unobservable inputs for the asset or liability.

At 31 December 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements:				
Available-for-sale financial assets				
Listed investments:	187,560	-	-	187,560
Total assets at fair value	187,560	-	-	187,560

At 30 June 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements:				
Available-for-sale financial assets				
Listed investments:	183,330	-	-	183,330
Total assets at fair value	183,330	-	-	183,330

There were no transfers between Level 1 and Level 2 during the reporting period. The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Acacia Ridge Financial Services Limited

Directors' Declaration

In the opinion of the directors of Acacia Ridge Financial Services 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 2021 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.

This declaration is made in accordance with a resolution of the Board of Directors.

Chair



Peter Geoffrey Henderson OAM

Dated this

25

day of

February

2022.

Independent auditor's review report to the Directors of Acacia Ridge Financial Services Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Acacia Ridge Financial Services Limited, which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Acacia Ridge Financial Services Limited does not comply with the *Corporations Act 2001* including:

- a. giving a true and fair view of the company's financial position at 31 December 2021 and of its performance for the half-year ended on that date
- b. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the 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 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 error.

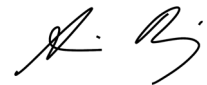
Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 2021 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.

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 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.



Andrew Frewin Stewart
61 Bull Street, Bendigo Vic 3550
Dated: 25 February 2022



Adrian Downing
Lead Auditor