

**Dandenong Ranges Community
Finance Limited
ABN: 28 085 480 035
Financial Report
As at 31 December 2015**

Dandenong Ranges Community Finance Limited
ABN 28 084 480 035
Directors' Report

Your directors submit the financial report of the Company for the half year ended 31 December 2015.

Directors

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

Peter Marke
Karel Coxhill
Leslie Stevenson Appointed 10/12/2015
Anthony Thompson Resigned 01/10/2015
Craig Dennis Resigned 01/10/2015
John Fauli
Shane Miller
Deborah Weber
John Waters

Principal activities

The principal activities of the Company during the course of the financial period were providing community banking 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 loss of the company for the financial period was \$10,750 (2014: \$106,836 Loss).

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.

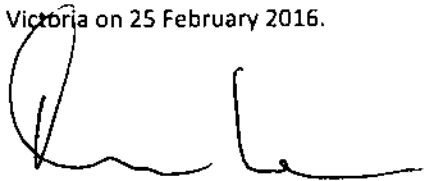
Significant changes in the state of affairs

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 2015.

The director's report is signed in accordance with a resolution of the Board of Directors at Upwey, Victoria on 25 February 2016.



.....
Peter Marke
Director

Dated: 25 February 2016

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of Dandenong Ranges Community Finance Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2015 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.

RICHMOND SINNOTT & DELAHUNTY

Chartered Accountants

Kathie Teasdale
Partner
Level 2, 10-16 Forest Street
Bendigo VIC 3550
Richmond Sinnot Delahunty
Dated: xx March 2016

Dandenong Ranges Community Finance Limited
ABN 28 084 480 035

**Statement of Profit or Loss and Other Comprehensive Income
for the half-year ended 31 December 2015**

| | 31 Dec 2015 \$ | 31 Dec 2014 \$ |
|--|------------------------|-------------------------|
| Revenue | 1,352,671 | 1,434,746 |
| Other revenue | 32,323 | 38,524 |
| Employee benefits expense | (950,674) | (906,660) |
| Depreciation and amortisation expense | (43,674) | (49,607) |
| Other expenses from ordinary activities | <u>(360,729)</u> | <u>(390,975)</u> |
| Profit before charitable donations & sponsorships | 29,917 | 126,028 |
| Charitable donations and sponsorship | <u>(101,296)</u> | <u>(273,667)</u> |
| Loss before income tax | (71,379) | (147,639) |
| Income tax expense | <u>60,629</u> | <u>40,803</u> |
| Loss for the period | (10,750) | (106,836) |
| Other comprehensive income | <u>-</u> | <u>-</u> |
| Total comprehensive loss for the period | <u><u>(10,750)</u></u> | <u><u>(106,836)</u></u> |
| Loss attributable to members of the company | (10,750) | (106,836) |
| Total comprehensive loss attributable to members of the company | <u><u>(10,750)</u></u> | <u><u>(106,836)</u></u> |
| Earnings per share (cents per share) | | |
| - basic earnings per share | (0.48) | (4.81) |
| - diluted earnings per share | (0.48) | (4.81) |

The accompanying notes form part of these financial statements

Dandenong Ranges Community Finance Limited

ABN 28 084 480 035

Statement of Financial Position

as at 31 December 2015

| | 31 Dec 2015 \$ | 30 Jun 2015 \$ |
|----------------------------------|----------------------|----------------------|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | 283,223 | 349,594 |
| Other financial assets | 1,997,212 | 1,968,247 |
| Trade and other receivables | 222,806 | 206,441 |
| Current tax receivable | 26,923 | 91,974 |
| Total Current Assets | <u>2,530,164</u> | <u>2,616,256</u> |
| Non-Current Assets | | |
| Property, plant and equipment | 672,971 | 700,006 |
| Intangible assets | 177,147 | - |
| Deferred tax asset | 75,140 | 14,511 |
| Total Non-Current Assets | <u>925,258</u> | <u>714,517</u> |
| Total Assets | <u>3,455,422</u> | <u>3,330,773</u> |
| LIABILITIES | | |
| Current Liabilities | | |
| Trade and other payables | 339,436 | 87,152 |
| Provisions | 156,553 | 162,336 |
| Total Current Liabilities | <u>495,989</u> | <u>249,488</u> |
| Total Liabilities | <u>495,989</u> | <u>249,488</u> |
| Net Assets | <u>2,959,433</u> | <u>3,081,285</u> |
| Equity | | |
| Issued capital | 701,300 | 701,300 |
| Retained earnings | 2,258,133 | 2,379,985 |
| Total Equity | <u>2,959,433</u> | <u>3,081,285</u> |

The accompanying notes form part of these financial statements

Dandenong Ranges Community Finance Limited
ABN 28 084 480 035
Statement of Changes in Equity
for the half-year ended 31 December 2015

| | Note | Issued Capital \$ | Retained Earnings \$ | Total Equity \$ |
|---|------|-------------------------|----------------------------|-------------------------|
| Balance at 1 July 2014 | | 701,300 | 2,525,105 | 3,226,405 |
| Total comprehensive income for the period | | - | (106,836) | (106,836) |
| Transactions with owners in their capacity as owners: | | | | |
| Dividends recognised for the period | 5 | - | (111,102) | (111,102) |
| Balance at 31 December 2014 | | <u>701,300</u> | <u>2,307,167</u> | <u>3,008,467</u> |
| Balance at 1 July 2015 | | 701,300 | 2,379,985 | 3,081,285 |
| Total comprehensive income for the period | | - | (10,750) | (10,750) |
| Transactions with owners in their capacity as owners: | | | | |
| Dividends recognised for the period | 5 | - | (111,102) | (111,102) |
| Balance at 31 December 2015 | | <u>701,300</u> | <u>2,258,133</u> | <u>2,959,433</u> |

The accompanying notes form part of these financial statements

Dandenong Ranges Community Finance Limited
ABN 28 084 480 035
Statement of Cash Flows
for the half-year ended 31 December 2015

| | 31 Dec 2015 \$ | 31 Dec 2014 \$ |
|---|-------------------------------|-------------------------------|
| Cash Flows From Operating Activities | | |
| Receipts from customers | 1,336,056 | 1,581,233 |
| Payments to suppliers and employees | (1,356,113) | (1,692,936) |
| Interest received | 31,564 | 38,128 |
| Other income | - | 396 |
| Income tax paid | <u>65,051</u> | <u>(28,784)</u> |
| Net cash flows from / (used in) operating activities | <u>76,558</u> | <u>(101,963)</u> |
| Cash Flows From Investing Activities | | |
| Purchase of investments | (28,965) | - |
| Purchase of property, plant and equipment | <u>(2,862)</u> | <u>(990)</u> |
| Net cash flows used in investing activities | <u>(31,827)</u> | <u>(990)</u> |
| Cash Flows From Financing Activities | | |
| Dividends paid | <u>(111,102)</u> | <u>(111,102)</u> |
| Net cash flows used in financing activities | <u>(111,102)</u> | <u>(111,102)</u> |
| Net (decrease) / increase in cash held | (66,371) | 214,055 |
| Cash and cash equivalents at beginning of period | <u>349,594</u> | <u>2,460,307</u> |
| Cash and cash equivalents at end of period | <u><u>283,223</u></u> | <u><u>2,246,252</u></u> |

The accompanying notes form part of these financial statements

**Notes to the Financial Statements
for the half-year ended 31 December 2015**

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 2015 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 Dandenong Ranges Community Finance 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 2015, 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 2015.

(c) Critical accounting estimates and judgements

The critical judgements, estimates and assumptions applied in the interim financial statements were the same as those applied in the entity's last annual financial statements for the year ended 30 June 2015.

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

The following Australian Accounting Standards and amendments to Australian Accounting Standards have become mandatory for the reporting period commencing 1 July 2015:

- AASB 111 Construction Contracts
- AASB 1004 Contributions
- AASB 1039 Consise Financial Reports
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality
- AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent

None of the above new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2015 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods. There were no other new or revised Accounting Standards 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 2015.

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.

Dandenong Ranges Community Finance Limited
ABN 28 084 480 035
Notes to the Financial Statements
for the half-year ended 31 December 2015

4. Segment reporting

The economic entity operates in the financial services sector where it provides banking services to its clients.

The economic entity operates in three geographic areas being Upwey, Belgrave, Cockatoo/Gembrook, Olinda-Mt Dandenong.

5. Dividends

| | Dec 2015 | Dec 2014 |
|---|---------------------|---------------------|
| Dividends paid during the half year: | \$ | \$ |
| Fully franked dividend for the period ended 31 Dec 2015 of 5 cents (31 Dec 2014: 5 cents) | 111,102 | 111,102 |

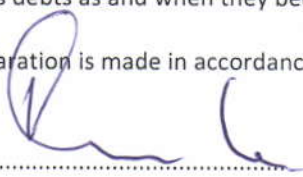
Dandenong Ranges Community Finance Limited
ABN 28 084 480 035
Directors Declaration
for the half-year ended 31 December 2015

In the opinion of the directors of Dandenong Ranges Community Finance Limited:

- (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 2015 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.



.....
Peter Marke
Director

Signed at Upwey, Victoria on 25 February 2016