

**Daylesford District Community Developments Limited**

**ABN: 72 149 942 067**

**Interim Financial Report**

**For the Half Year Ended 31 December 2020**

**Daylesford District Community Developments Limited**

**ABN 72 149 942 067**

**Directors' Report**

Your Directors submit the Financial Report of Daylesford District Community Developments Limited (the Company) for the half year ended 31 December 2020.

**Directors**

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

Marek Julius Rak (Chair)  
Margaret Catherine Hodge  
Peter John Benedict Duncan AO (resigned 24 November 2020)  
Philip Roy Gay  
Joan Mary Janssen  
Carol Louise Ross  
Victor Szwed  
Marianne Dunham  
Jim Foster (appointed 4 November 2020)  
Kate Redwood (appointed 24 November 2020)

**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**

The net profit after tax for the Company for the 6 months ended 31 December 2020 after provision for income tax was \$108,517 (December 2019: \$84,168). The Company's business portfolio grew by \$6.5 million to \$127.3 million (5.4% increase) over the 6 months to 31 December 2020. Revenue from ongoing operations was 6.3% higher and cash and cash equivalents are 61.9% higher than the previous corresponding period in 2019. Earnings included an automatic cash flow boost of \$16,647 from the Federal Government's economic stimulus program.

**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**


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 3.

The Directors' Report is signed in accordance with a resolution of the Board of Directors at Daylesford on 23 March 2021.

  
**Philip Gay**  
Director

  
**Marek Rak**  
Chair

Dated: 23rd March 2021

**Daylesford District Community Developments Limited**

**Auditors Independence Declaration under Section 307C of the Corporations Act 2001 to the Board of Daylesford District Community Developments Limited**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2020 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

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A handwritten signature in blue ink, appearing to read "J. Hargreaves".

Jason D. Hargreaves  
Director

20 Lydiard Street South, Ballarat

22<sup>nd</sup> March 2020

Daylesford District Community Developments Limited  
ABN 72 149 942 067  
**Statement of Profit or Loss and Other Comprehensive Income**  
**for the half-year ended 31 December 2020**

	Half-Year Ended 31 Dec 2020 \$	Half-Year Ended 31 Dec 2019 \$
<b>Income</b>		
Revenue	500,817	471,308
Other Income	16,647	-
	<u>517,464</u>	<u>471,308</u>
<b>Expenses</b>		
Employee benefits expense	182,873	185,838
Depreciation and amortisation	49,983	43,393
Administration and general costs	25,179	21,314
Finance costs	1,789	2,730
Occupancy expenses	8,530	4,779
IT costs	19,409	17,108
ATM costs	3,355	3,229
Motor vehicle expenses	3,629	4,319
Board expenses	6,350	4,157
Other expenses	25,423	41,261
	<u>326,520</u>	<u>328,128</u>
<b>Profit before charitable donations &amp; sponsorships</b>	<u><b>190,944</b></u>	<u><b>143,180</b></u>
Charitable donations and sponsorship	42,914	27,086
<b>Profit / (loss) before income tax</b>	<u><b>148,030</b></u>	<u><b>116,094</b></u>
Income tax expense / (benefit)	39,513	31,926
<b>Profit / (loss) for the period</b>	<u><b>108,517</b></u>	<u><b>84,168</b></u>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<u><u><b>108,517</b></u></u>	<u><u><b>84,168</b></u></u>
Profit / (loss) attributable to members of the company	108,517	84,168
<b>Total comprehensive income attributable to members of the company</b>	<u><u><b>108,517</b></u></u>	<u><u><b>84,168</b></u></u>
<b>Earnings per share (cents per share)</b>		
- basic earnings per share	18.09	14.03
- diluted earnings per share	18.09	14.03

The accompanying notes form part of these financial statements

Daylesford District Community Developments Limited

ABN 72 149 942 067

Statement of Financial Position

as at 31 December 2020

	As at 31 Dec 2020 \$	As at 30 Jun 2020 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	311,358	125,607
Trade and other receivables	91,287	96,757
Financial assets	51,590	51,129
Prepayments	25,189	31,674
<b>Total Current Assets</b>	<b>479,425</b>	<b>305,167</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	73,465	95,534
Deferred tax assets	16,095	18,799
Right of use assets	49,895	60,779
<b>Total Non-Current Assets</b>	<b>139,455</b>	<b>175,112</b>
<b>Total Assets</b>	<b>618,879</b>	<b>480,279</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Current tax liabilities	42,143	5,334
Trade and other payables	49,113	47,406
Lease liability	51,085	53,300
Provisions	42,309	39,051
<b>Total Current Liabilities</b>	<b>184,650</b>	<b>145,091</b>
<b>Non-Current Liabilities</b>		
Lease liability	-	9,157
Provisions	1,956	2,275
<b>Total Non-Current Liabilities</b>	<b>1,956</b>	<b>11,432</b>
<b>Total Liabilities</b>	<b>186,606</b>	<b>156,523</b>
<b>Net Assets</b>	<b>432,273</b>	<b>323,756</b>
<b>Equity</b>		
Issued capital	533,520	533,520
Retained earnings / (Accumulated losses)	(101,247)	(209,764)
<b>Total Equity</b>	<b>432,273</b>	<b>323,756</b>

The accompanying notes form part of these financial statements

Daylesford District Community Developments Limited

ABN 72 149 942 067

**Statement of Changes in Equity  
for the half-year ended 31 December 2020**

	Note	Issued Capital \$	Retained earnings \$	Total Equity \$
<b>Balance at 1 July 2019</b>		<b>575,520</b>	<b>(318,471)</b>	<b>257,049</b>
Total comprehensive income for the period		-	84,168	84,168
<i>Transactions with owners in their capacity as owners:</i>				
Dividends recognised for the period	5	-	-	-
<b>Balance at 31 December 2019</b>		<u><b>575,520</b></u>	<u><b>(234,303)</b></u>	<u><b>341,217</b></u>
<b>Balance at 1 July 2020</b>		<b>533,520</b>	<b>(209,764)</b>	<b>323,756</b>
Total comprehensive income for the period		-	108,517	108,517
<i>Transactions with owners in their capacity as owners:</i>				
Dividends recognised for the period	5	-	-	-
<b>Balance at 31 December 2020</b>		<u><b>533,520</b></u>	<u><b>(101,247)</b></u>	<u><b>432,273</b></u>

The accompanying notes form part of these financial statements

**Daylesford District Community Developments Limited**  
**ABN 72 149 942 067**  
**Statement of Cash Flows**  
**for the half-year ended 31 December 2020**

	Half-Year Ended 31 Dec 2020 \$	Half-Year Ended 31 Dec 2019 \$
<b>Cash Flows From Operating Activities</b>		
Receipts from customers	514,049	468,068
Payments to suppliers and employees	(298,079)	(358,839)
Interest paid	(1,789)	(2,730)
Interest received	-	673
<b>Net cash flows from operating activities</b>	<b>214,181</b>	<b>107,172</b>
<b>Cash Flows From Investing Activities</b>		
Payments for property, plant and equipment	-	-
<b>Net cash flows fromused in investing activities</b>	<b>-</b>	<b>-</b>
<b>Cash Flows From Financing Activities</b>		
Repayment of lease liabilities	(27,914)	(24,611)
<b>Net cash flows used in financing activities</b>	<b>(27,914)</b>	<b>(24,611)</b>
<b>Net increase in cash held</b>	<b>186,267</b>	<b>82,561</b>
Cash and cash equivalents at beginning of period	176,681	141,650
<b>Cash and cash equivalents at end of period</b>	<b>362,948</b>	<b>224,211</b>

The accompanying notes form part of these financial statements

**Daylesford District Community Developments Limited**  
**ABN 72 149 942 067**  
**Notes to the Financial Statements**  
**for the half-year ended 31 December 2020**

**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 2020 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 Daylesford District Community Developments 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 2020, together with any public announcements made during the following half-year.

**2. Events after the End of the Interim Period**

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

**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 one geographic area being Daylesford and surrounding district.

**5. Dividends**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Dividends recorded during the half year:		
Unfranked dividend	-	-

**6. Earnings per share**

Basic earnings per share (cents)	18.09	14.03
Earnings used in calculating basic and diluted earnings per share	108,517	84,168

**Daylesford District Community Developments Limited**  
**ABN 72 149 942 067**  
**Notes to the Financial Statements**  
**for the half-year ended 31 December 2020**

**7. Fair Value Measurement**

**Fair value hierarchy**

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The Company did not measure any financial assets or financial liabilities at fair value at 31 December 2020 or 31 December 2019.

The Company has a number of financial instruments which are not measured at fair value in the statement of financial position. These had the following fair values as at 31 December 2020:

	<b>31-Dec-20</b>		<b>30-Jun-20</b>	
	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>				
Cash and cash equivalents	311,358	311,358	125,607	125,607
Trade and other receivables	91,287	91,287	96,757	96,757
Financial assets	51,590	51,590	51,129	51,129
<b>Total financial assets</b>	<b>402,645</b>	<b>402,645</b>	<b>222,364</b>	<b>222,364</b>
<b>Financial liabilities</b>				
Trade and other payables	49,113	49,113	47,406	47,406
<b>Total financial liabilities</b>	<b>49,113</b>	<b>49,113</b>	<b>47,406</b>	<b>47,406</b>

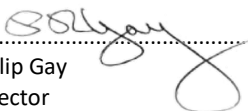
The carrying amounts of the current receivables, current payables and current borrowings are considered to be a reasonable approximation of their fair value.

**Daylesford District Community Developments Limited**  
**ABN 72 149 942 067**  
**Directors' Declaration**  
**for the half-year ended 31 December 2020**

In accordance with a resolution of the Directors of Daylesford District Community Developments 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 2020 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.

  
Philip Gay  
Director

  
Marek Rak  
Chair

Signed at Daylesford on 23rd March 2021

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

### **To the Directors of Daylesford District Community Development Ltd**

We have reviewed the accompanying half-year financial report of Daylesford District Community Development Limited, which comprises the statement of financial position as at 31 December 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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 and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the 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 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 2020 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 Daylesford District Community Development 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 audit, 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 Daylesford District Community Development Limited, would be in the same terms if given to the Directors as at the time of this auditor's report. Liability limited by a scheme approved under Professional Standards Legislation.

### **Conclusion**

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 Daylesford District Community Development Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the company's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

*CountPro Audit Pty Ltd*  
CountPro Audit Pty Ltd



Jason D. Hargreaves  
Director

Signed at Ballarat  
24<sup>th</sup> March 2021