

Daylesford District Community Developments Limited

ABN: 72 149 942 067

Interim Financial Report

For the Half-Year Ended 31 December 2024

Daylesford District Community Developments Limited

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Daylesford District Community Developments Limited

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Directors' Report

For the Half Year Ended 31 December 2024

Your Directors submit the Financial Report of Daylesford District Community Developments Limited (the Company) for the half year ended 31 December 2024.

Directors

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

Marek Julius Rak (resigned 30 September 2024)	Philip Roy Gay
Carol Louise Ross	James Arthur Foster
Margaret Catherine Hodge	Phillip Lavelle
Joan Mary Janssen	Vic Delosa (resigned 20 December 2024)
Peter Douglas (resigned 26 September 2024)	Ruby Glew (appointed 28 November 2024, resigned 6 January 2025)
Shanthi Kumar	Michael Sneddon (appointed 6 February 2025)
Karen McAloon (appointed 31 January 2025)	

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 of operations

The net profit after tax for the Company for the 6 months ended 31 December 2024 was \$33,711 (December 2023: \$81,046).

Revenue was \$489,816, which was \$17,524 lower than the previous corresponding period. Net interest margins were 5% lower than the previous period.

Expenses were \$404,594 which was \$29,144 higher than the previous corresponding period, mainly due to an increase of \$20,980 in employee expenses. Employee expenses in 2023 benefitted from salaries which were refunded while the then Branch Manager had been seconded to a higher duties' role. Charitable donations and sponsorships expense was \$40,350 which was \$17,170 higher than the previous corresponding period.

Cash flow from operating activities was \$55,389, compared to the previous period of \$9,358. The previous period included a payment of \$120,000 to the Bendigo Bank Community Enterprise Foundation related to the 2023 financial year. Cash, cash equivalents and financial assets were \$218,072 as at 31 December 2024. The balance of the loan relating to the Company's commercial property in Hepburn Springs was \$412,055 at 31 December compared to \$420,656 at 30 June 2024.

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, other than those disclosed in the 30 June 2024 financial report.

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.

Daylesford District Community Developments Limited

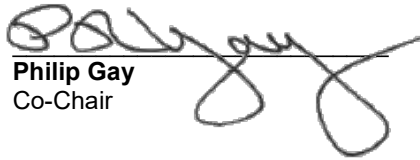
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Directors' Report

Auditor's independence declaration

The Auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 4.

The Directors' Report is signed in accordance with a resolution of the Board of Directors at Daylesford on 26th March 2025.



Philip Gay
Co-Chair



Phillip Lavelle
Co-chair

Dated: 26th March 2025

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 2024 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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Jason D. Hargreaves
Director

180 Eleanor Drive, Lucas

12th March 2025

Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2024

	31 December 2024 \$	31 December 2023 \$
Revenue	489,816	507,340
Expenses		
Employee benefits expense	266,973	245,993
Depreciation	27,733	26,830
Administration and general costs	43,361	40,155
Finance costs	12,310	14,586
Other occupancy expense	30,974	24,081
IT costs	15,227	13,564
Advertising and marketing	630	2,016
ATM costs	4,011	5,392
Board expenses	3,375	2,833
	404,594	375,450
Operating profit before charitable donation and sponsorships	85,222	131,890
Charitable donations and sponsorships	40,350	23,180
Profit before income tax	44,872	108,710
Income tax expense	11,161	27,664
Profit for the year	33,711	81,046
Other comprehensive income		
Gain on the revaluation of equity instruments at fair value	190	498
Total comprehensive income for the year	33,901	81,544
Profit attributable to members of the Company	33,901	81,544
Total comprehensive income attributable to members of the Company	33,901	81,544
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company (cents per share):		
- basic earnings per share	5.65	13.59
- diluted earnings per share	5.65	13.59

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 December 2024

	31 December 2024 \$	30 June 2024 \$
Assets		
Current assets		
Cash and cash equivalents	218,072	261,013
Trade and other receivables	88,544	102,151
Financial assets	14,668	14,249
Other assets	763	888
Prepayments	25,257	29,813
Total current assets	347,304	408,114
Non-current assets		
Property, plant and equipment	786,104	774,522
Deferred tax assets	54,422	62,243
Right of use assets	100,288	125,361
Total non-current assets	940,814	962,126
Total assets	1,288,118	1,370,240
Liabilities		
Current liabilities		
Borrowings	30,180	31,503
Current tax liabilities	3,608	30,779
Trade and other payables	107,632	162,315
Lease liabilities	55,392	52,914
Provisions	37,617	31,517
Total current liabilities	234,429	309,028
Non-current liabilities		
Borrowings	412,055	420,656
Deferred tax liabilities	25,072	31,340
Lease liabilities	53,087	81,499
Provisions	8,002	6,145
Total non-current liabilities	498,216	539,640
Total liabilities	732,645	848,668
Net assets	555,473	521,572
Equity		
Issued capital	455,519	455,519
Retained earnings	99,954	66,053
Total equity	555,473	521,572

The above statement of financial position should be read in conjunction with the accompanying notes.

Daylesford District Community Developments Limited

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Statement of Changes in Equity

For the half year ended 31 December 2024

	Issued Capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023	455,519	(9,939)	445,580
Profit for the year	-	81,046	81,046
Other comprehensive income for the year	-	498	498
Total comprehensive income for the year	-	81,544	81,544
Balance at 31 December 2023	<u>455,519</u>	<u>71,605</u>	<u>527,124</u>
 Balance at 1 July 2024	 455,519	 66,053	 521,572
Profit for the year	-	33,711	33,711
Other comprehensive income for the year	-	190	190
Total comprehensive income for the year	-	33,901	33,901
Balance at 31 December 2024	<u>455,519</u>	<u>99,954</u>	<u>555,473</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the half year ended 31 December 2024

	31 December 2024 \$	31 December 2023 \$
Cash flows from operating activities		
Receipts from customers	503,548	486,218
Payments to suppliers and employees	(399,070)	(455,304)
Interest paid	(12,310)	(14,586)
Income tax paid	(36,779)	(6,970)
Net cash provided by operating activities	55,389	9,358
Cash flows from investing activities		
Purchase of property, plant, and equipment	(14,242)	-
Purchase of investments	(229)	(78)
Net cash flows used in investing activities	(14,471)	(78)
Cash flows from financing activities		
Repayment of borrowings	(9,924)	36,034
Repayment of capital	-	-
Repayment of lease liabilities	(25,934)	(23,131)
Dividends paid	(48,001)	(36,000)
Net cash used in financing activities	(83,859)	(23,097)
Net decrease in cash and cash equivalents	(42,941)	(13,817)
Cash and cash equivalents at beginning of period	261,013	71,199
Cash and cash equivalents at end of period	218,072	57,382

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the Half Year Ended 31 December 2024

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 2024 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 of 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 2024, together with any public announcements made during the following half-year.

2. Events after the reporting 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

In July 2024 the Company was notified by Bendigo and Adelaide Bank (BABL) of credit losses arising from a breach of lending procedures. The Company has provisioned \$50,000 to reflect its contractual obligation to cover credit losses. The Company is in discussion with BABL about the credit losses and there is the potential for the Company's liability to exceed \$50,000.

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

	31 December 2024 \$	31 December 2023 \$
Dividends recorded during the half year:	-	-
Franked dividend		

6. Earnings per share

Basic earnings per share (cents)	5.65	13.59
Earnings used in calculating basic diluted earnings per share	33,901	81,544

7. Fair Value Measurement

Fair value hierarchy

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

Level 1	Level 2	Level 3
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.

	31 December 2024 \$	30 June 2024 \$
Financial assets		
Cash and cash equivalents	218,072	261,013
Trade and other receivables	88,544	102,151
Financial assets	14,668	14,249
Total financial assets	321,284	377,413
Financial liabilities		
Trade and other payables	107,632	162,315
Lease liabilities	108,479	134,413
Borrowings	442,235	452,159
Total financial liabilities	658,346	748,887

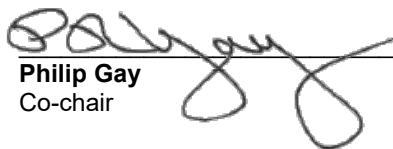
The carrying amounts of the current receivables, current payables and current borrowings are considered to be a reasonable approximation of their fair value.

Directors' Declaration

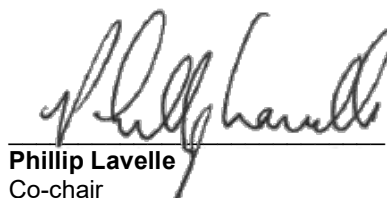
In accordance with a resolution of the Directors of Daylesford District Community Developments Limited, the Directors of the Company declare that:

1. The Financial Statements and Notes as set out on pages 5 to 10 are in accordance with the *Corporations Act 2001* and:
 - i) comply with Australian Accounting Standards which, as stated in accounting policy Note 1(a) to the Financial Statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - ii) give a true and fair view of the Company's financial position as at 31 December 2024 and of the performance for the 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
Co-chair



Phillip Lavelle
Co-chair

Signed at Daylesford on 26th March 2025.

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 2024, 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 material 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 2024 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.

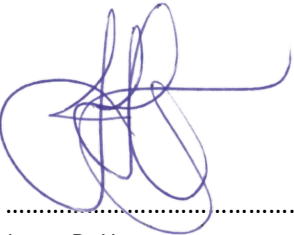
Conclusion

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 2024 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*.

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Jason D. Hargreaves
Director

180 Eleanor Drive, Lucas
27th March 2025