



# annual report

Fleurieu Community Enterprises Ltd

ABN 72 116 550 157

FLEURIEU COMMUNITY ENTERPRISES LIMITED  
Aldinga Beach **Community Bank**<sup>®</sup> Branch  
Chairman's report for the year ending 30 June 2013

I am pleased, once again to report to you on behalf of the Board of Fleurieu Community Enterprises Limited for the year ending 30 June 2013. I am also very pleased by the work of our staff and their continued focus on the branch growth. The branch continued increasing its business and customer numbers. At the end of this financial year, we had in excess of \$75 million in the branch deposits and business.

This does not say that we will stop there, we are continuing to stress the need for more business and ask you as a shareholder to help by asking your family and friends to come to our branch and talk to our staff and to consider transferring their bank business to Aldinga Beach **Community Bank**<sup>®</sup> Branch.

We continue to sponsor sporting clubs and non profit community organisations around our district. In the last years we have granted \$69,000. We are seeking suggestions from you for worthy local projects and organisations.

In accordance with our company constitution, three Directors will be retiring and may re-nominate for the same position. Any shareholder may nominate for one of 10 Director positions, as required by the constitution. Nomination forms were issued with preliminary Annual General Meeting Notice. If required, an election will take place by those attending the Annual General Meeting and by those completing their Proxy Form that accompanies the Annual Report and Notice of the Annual General Meeting. I am pleased to say that I am satisfied by the work done by all Directors.

This is my last report to you, as I have decided to retire from the Board after 10 years of community work. I have enjoyed myself working for the local community and I want to thank the shareholders, for your understanding and your contribution to the success of our **Community Bank**<sup>®</sup> branch, the Board members and all the staff for their dedication to our customers.

Finally I wish you all great success to the Aldinga Beach **Community Bank**<sup>®</sup> Branch.



George Apap J.P.  
Chairman

## MANAGER'S REPORT

For Year Ending 30 June 2013


I would like to take this opportunity to thank our local community and our customers who have consistently supported us through this last year which has been an extremely good effort in these challenging economic times. During the year we have been able to meet with many of our customers both business and consumer, to help the wider community recognise our point of difference which revolves around our commitment to investing in our local community, which over the last seven years has seen us give back more than \$69,000.

We now have over 3,900 clients and our total holdings stand at over \$75 million as at the end of this financial year. This is an increase of over \$13 million growth which has been across all our product ranges. We are seeing more and more customers bringing all their banking over to our **Community Bank**<sup>®</sup> branch as we continue to improve our product range and facilities. The complete integration of all ex Adelaide Bank clients has been a bonus for us as we are all now on the one banking platform and we are able to confidently help our customers with their financial needs from insurance to financial planning options.

As part of our ongoing support to our local community I would like to mention just a few of the current sponsorships that we have helped out this financial year. Groups such as the Aldinga Bay Surf Life Saving Club, Aldinga Football Club, Aldinga Community Centre, Willunga Bowling Club, SAPOL Blue Light, Willunga Community Bus and the City to Bay fun run (we actually walked it as a team) and many more. Through supporting these local groups it has given me a chance to visit and interact with many of the members of these clubs and the support that we have been given back has been amazing.

Finally I would like to recognise the work of our staff and the ongoing leadership and support of our Board of Directors and our business partner Bendigo and Adelaide Bank Limited, it is through the work of these people that we have become and will continue to be a sustainable growing business.

Please continue to show your support for us as a **Community Bank**<sup>®</sup> branch and tell your friends and family about our **Community Bank**<sup>®</sup> branch and let them know that we are more than a bank, we genuinely want the opportunity to be able to help each customer meet their financial needs.



Annette Seeliger  
Branch Manager

# **Fleurieu Community Enterprises Limited**

**Financial Statements**

**For the Year Ended 30 June 2013**

# **Fleurieu Community Enterprises Limited**

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**For the Year Ended 30 June 2013**

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## Fleurieu Community Enterprises Limited

### Directors' Report

30 June 2013

The directors present their report on Fleurieu Community Enterprises Limited for the financial year ended 30 June 2013.

#### 1. General information

##### Information on directors

The names of each person who has been a director during the year and to the date of this report are:  
George Apap JP

Role	Chairman
Experience	Elected Member City of Onkaparinga, President of Land Tax and Rate Payers Association of SA, former President Neighbourhood Watch SA of Aldinga Bay, Past Director of Labour Union Retirement Fund, former Union Secretary.
Special responsibilities	Member of Audit, Financial Management & Governance; Community Grants Program, Marketing and Promotions; Community Vision and AGM Organising Sub-committees.

Adam John Lucey

Role	Vice Chairman
Experience	Director of multiple companies with interests in commercial property development, project management and construction. Also holds a builder's licence.
Special responsibilities	Chairman of AGM Organising Sub-committee and member of Business Planning, Business Development and Asset Management; Audit, Financial Management & Governance and proxy for Human Resources Sub-committees.

Anthony David Rowley Dutton

Role	Treasurer
Experience	Currently owner/operator local accounting and finance practice. Former Finance Director, many years' experience as a Public Accountant and consultant covering most sectors
Special responsibilities	Member of Business Planning, Business Development and Asset Management; Audit, Financial Management & Governance Sub-committees.

Narelle Susan Looker

Role	Director & Company Secretary
Experience	Booking Officer Aldinga / Sellicks Community Halls and Treasurer of Management Committee Aldinga Community Centre, Treasurer of the Aldinga Bay Residents Association. Former Secretary of: the Community Services Board; the Southern Vales Cancer Council, Celebrate Seniors City of Onkaparinga Committee and South Coast Road Safety Group. Retired Psychiatric Nurse.
Special responsibilities	Records Manager; member of Audit, Financial Management & Governance; Human Resources; Community Vision and AGM Organising Sub-committees.

## Fleurieu Community Enterprises Limited

### Directors' Report

30 June 2013

#### Information on directors continued

Stanley Beck

Role Director

Experience Past President of Friends of the Libraries Aldinga, former Treasurer of Sellicks Progress Association, President of the former Sellicks Neighbourhood Watch. Former owner/operator of a wholesale/retail electronics and repair business. Past experience as an importer. Retired.

Special responsibilities Member of Audit, Financial Management & Governance; Community Grants Program, Marketing and Promotions and AGM Organising Sub-committees.

George Francis Lucey

Role Director

Experience Currently managing director of a commercial property development and construction company. Over 50 years experience in commercial property development and holds a builder's licence.

Special responsibilities Business Planning, Business Development and Asset Management Sub-committee.

John Blakiston Martin

Role Associate Director

Experience Currently freelance management consultant specialising in Change Management, Project Management, Executive Recruitment and Human Resources. Qualified architect, project manager, HRM professional and equities trader Past and Present owner/manager of a series of private and public sector consultancy practices.

Special responsibilities Member of Business Planning, Business Development and Asset Management; Human Resources and Community Vision Sub-committees.

Peter John Smith

Role Director

Experience Currently centre manager at Aldinga Central Shopping Centre for over 14 years during which time he has developed and extensive network of contacts in the area.

Special responsibilities Audit, Financial Management & Governance and Community Grants Program, Marketing and Promotions Sub-committee.

Shirely James

Role Director

Experience Past Treasurer of Aldinga Bay Residents Association, Victorian Ceramic Group and the Fourth National Ceramic Conference. Past President, Treasurer and Life member of Southern Vales Ladies Probus. Currently Treasurer, Off the Slate Galley, Willunga.

Special responsibilities Treasurer's Assistant

Michael Farrell JP

Role Director

Experience Educator, 30yrs experience in Secondary and Tertiary education. Past President of Rotary Club at McLaren Vale, past Deputy Chairman SDNMM Foundation and Director McLaren Vale Hospital. Formerly a Pilot Officer RAAF Reserves. Justice of the Peace.

## **Fleurieu Community Enterprises Limited**

### **Directors' Report**

**30 June 2013**

#### **Information on directors continued**

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### **Principal activities**

The principal activity of Fleurieu Community Enterprises Limited during the financial year was the operation of a branch of Bendigo Bank, pursuant to a franchise agreement.

No significant changes in the nature of the Company's activity occurred during the financial year.

### **2. Operating results and review of operations for the year**

#### **Operating results**

The profit of the Company after providing for income tax amounted to \$ 38,451 (2012: \$ 91,909).

#### **Dividends paid or recommended**

Dividends paid or declared during or since the end of the financial year are as follows:

- A fully franked dividend of \$ 14,498 was paid during the year as recommended in last year's report.
- A fully franked dividend of 3 cents per share was declared on 23 September 2013 for payment for the year ended 30 June 2013.

### **3. Other items**

#### **Significant changes in state of affairs**

There have been no significant changes in the state of affairs of the Company during the year.

#### **Events after the reporting date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

#### **Future developments and results**

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

#### **Environmental issues**

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

The Clean Energy Bill 2012 will have an indirect impact on the Company due to increased costs.



**Fleurieu Community Enterprises Limited**

**Directors' Report**

**30 June 2013**

**Meetings of directors**

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
George Apap JP	12	8
Adam John Lucey	12	11
Anthony David Rowley Dulton	12	8
Narelle Susan Looker	12	11
Stanley Beck	12	12
George Francis Lucey	12	6
John Blakiston Martin	12	2
Peter John Smith	12	7
Shirely James	12	7
Michael Farrell JP	12	5


**Indemnification and Insurance of officers and auditors**

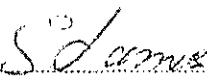
No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Fleurieu Community Enterprises Limited.

**Auditor's independence declaration**

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2013 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: .....  
  
George Apap

Director: .....  
  
Shirely James

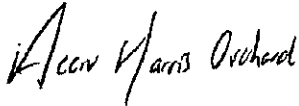
Dated this 29<sup>th</sup> day of OCTOBER 2013

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

To the Directors of Fleurieu Community Enterprises Limited:

As lead auditor for the audit of Fleurieu Community Enterprises Limited for the year ended 30 June 2013, I declare that to the best of my knowledge and belief, there have been:

- † no contraventions of the independence requirements of the Corporations Act 2001 in relation to the audit; and
- † no contraventions of any applicable code of professional conduct in relation to the audit.



**ACCRU<sup>+</sup> HARRIS ORCHARD**



**BEN WILLINGTON  
PARTNER**

Signed at Dulwich this 28<sup>th</sup> day of October 2013.

Fleurieu Community Enterprises Limited

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 June 2013**

		2013	2012
	Note	\$	\$
Revenue	8	608,920	653,746
Employee benefits expense		(311,305)	(281,376)
Depreciation and amortisation expense		(7,787)	(8,181)
Other expenses		(251,369)	(268,164)
Finance costs		(8)	(4,116)
<b>Profit before income tax</b>		<b>38,451</b>	<b>91,909</b>
Income tax expense		-	-
<b>Profit from continuing operations</b>		<b>38,451</b>	<b>91,909</b>
<b>Profit for the year</b>		<b>38,451</b>	<b>91,909</b>
<b>Other comprehensive income, net of income tax</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
<b>Items that will be reclassified to profit or loss when specific conditions are met</b>			
<b>Total comprehensive income for the year</b>		<b>38,451</b>	<b>91,909</b>

The accompanying notes form part of these financial statements.

**Fleurieu Community Enterprises Limited**

**Statement of Financial Position**

**30 June 2013**

	2013	2012	
Note	\$	\$	
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	122,814	75,085
<b>TOTAL CURRENT ASSETS</b>		<u>122,814</u>	<u>75,085</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	173,982	181,669
<b>TOTAL NON-CURRENT ASSETS</b>		<u>173,982</u>	<u>181,669</u>
<b>TOTAL ASSETS</b>		<u><u>296,796</u></u>	<u><u>256,754</u></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	16,020	20,124
Employee benefits	6	27,466	7,273
<b>TOTAL CURRENT LIABILITIES</b>		<u>43,486</u>	<u>27,397</u>
<b>NON-CURRENT LIABILITIES</b>			
<b>TOTAL LIABILITIES</b>		<u>43,486</u>	<u>27,397</u>
<b>NET ASSETS</b>		<u><u>253,310</u></u>	<u><u>229,357</u></u>
<b>EQUITY</b>			
Issued capital	7	724,815	724,815
Retained earnings		<u>(471,505)</u>	<u>(495,458)</u>
<b>TOTAL EQUITY</b>		<u><u>253,310</u></u>	<u><u>229,357</u></u>
		<u><u>253,310</u></u>	<u><u>229,357</u></u>

The accompanying notes form part of these financial statements.

**Fleurieu Community Enterprises Limited**

**Statement of Changes in Equity**

**For the Year Ended 30 June 2013**

**2013**

	Note	Ordinary Shares \$	Retained Earnings \$	Total \$
<b>Balance at 1 July 2012</b>		724,815	(495,458)	229,357
Profit attributable to members of the entity		-	38,451	38,451
Dividends paid or provided for	10	-	(14,498)	(14,498)
<b>Balance at 30 June 2013</b>		<u>724,815</u>	<u>(471,505)</u>	<u>253,310</u>

**2012**

	Note	Ordinary Shares \$	Retained Earnings \$	Total \$
<b>Balance at 1 July 2011</b>		724,815	(587,367)	137,448
Profit attributable to members of the entity		-	91,909	91,909
Contribution of equity, net of transaction costs		-	-	-
<b>Balance at 30 June 2012</b>		<u>724,815</u>	<u>(495,458)</u>	<u>229,357</u>

The accompanying notes form part of these financial statements.

**Fleurieu Community Enterprises Limited**

**Statement of Cash Flows**  
**For the Year Ended 30 June 2013**

	2013	2012
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	608,920	-
Payments to suppliers and employees	(561,191)	(550,302)
Net cash provided by (used in) operating activities	<u>14 47,729</u>	<u>(550,302)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Dividends paid	-	(7,248)
Net cash used by financing activities	<u>-</u>	<u>(7,248)</u>
Net increase (decrease) in cash and cash equivalents held	47,729	(557,550)
Cash and cash equivalents at beginning of year	75,085	(21,061)
Cash and cash equivalents at end of financial year	<u>2 122,814</u>	<u>(578,611)</u>

The accompanying notes form part of these financial statements.

## **Fleurieu Community Enterprises Limited**

### **Notes to the Financial Statements**

**For the Year Ended 30 June 2013**

Fleurieu Community Enterprises Limited is a for profit Company limited by shares, incorporated and domiciled in Australia.

The functional and presentation currency of Fleurieu Community Enterprises Limited is Australian dollars.

#### **1 Summary of Significant Accounting Policies**

##### **(a) Basis of Preparation**

The directors have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore a special purpose financial statements that has been prepared in order to meet the requirements of the *Corporations Act 2001*.

The financial statements have been prepared in accordance with recognition and measurement criteria in the Australian Accounting Standards and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The significant accounting policies disclosed below are those which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

##### **(b) Comparative Amounts**

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

##### **(c) Property, Plant and Equipment**

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

###### **Plant and equipment**

Plant and equipment are measured using the cost model.

###### **Depreciation**

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight-line method from the date that management determine that the asset is available for use.

## Notes to the Financial Statements

For the Year Ended 30 June 2013

### 1 Summary of Significant Accounting Policies continued

#### (c) Property, Plant and Equipment continued

##### Depreciation continued

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	20%
Motor Vehicles	25%
Improvements	2.5%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an assets is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

#### (d) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### *Financial Assets*

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.



## **Notes to the Financial Statements**

**For the Year Ended 30 June 2013**

### **1 Summary of Significant Accounting Policies continued**

#### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in profit or loss. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

In some circumstances, the Company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

#### **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

The Company has some derivatives which are designated as financial assets at fair value through profit or loss.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

## Notes to the Financial Statements

For the Year Ended 30 June 2013

### 1 Summary of Significant Accounting Policies continued

#### Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Company's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

#### Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets.

Purchases and sales of available-for-sale investments are recognised on settlement date.

All other available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Losses recognised in prior period consolidated income statements resulting from the impairment of debt securities are reversed through the income statement, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

#### *Financial liabilities*

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the income statement line items "finance costs" or "finance income".

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Company uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Company's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

#### *Impairment of financial assets*

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

## Notes to the Financial Statements

For the Year Ended 30 June 2013

### 1 Summary of Significant Accounting Policies continued

#### Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

#### Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

#### (e) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

#### (f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

#### (g) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

## Notes to the Financial Statements For the Year Ended 30 June 2013

### 1 Summary of Significant Accounting Policies continued

#### (g) Employee benefits continued

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

#### (h) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

Preference share capital is classified as equity if it is non-redeemable or redeemable only at the company's option, and any dividends are discretionary.

Preference share capital is classified as financial liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary.

#### (i) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income relates to current income tax expense plus deferred tax expense (being the movement in deferred tax assets and liabilities and unused tax losses during the year).

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax consequences relating to a non-monetary asset carried at fair value are determined using the assumption that the carrying amount of the asset will be recovered through sale.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

## Notes to the Financial Statements

For the Year Ended 30 June 2013

### 1 Summary of Significant Accounting Policies continued

#### (l) Income Tax continued

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset where there is a legal right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

#### (j) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

#### Rendering of services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

#### (k) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2013**

**1 Summary of Significant Accounting Policies continued**

**(l) Adoption of new and revised accounting standards**

During the current year, the Company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Fleurieu Community Enterprises Limited.

<b>Standard Name</b>	<b>Impact</b>
AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income	The adoption of this standard has not change the reported financial position and performance of the entity, however the presentation of items in other comprehensive income has changed.
AASB 112 Income Taxes	There has been no impact on the reported financial position and performance
AASB 2011-3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments	There has been no impact due the entity not being a government department

**(m) New Accounting Standards and Interpretations**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these Standards . The following table summarises those future requirements, and their impact on the Company:

<b>Standard Name</b>	<b>Effective date for entity</b>	<b>Requirements</b>	<b>Impact</b>
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6	30 June 2016	Changes to the classification and measurement requirements for financial assets and financial liabilities.  New rules relating to derecognition of financial instruments.	The impact of AASB 9 has not yet been determined as the entire standard has not been released.
AASB 1053 - Application of Tiers of Australian Accounting Standards and amending standards AASB 2010-2, AASB 2011-11, AASB 2012-1, AASB 2012-7 and AASB 2012-11	30 June 2014	This standard allows certain entities to reduce disclosures.	The entity is not adopting the RDR and therefore these standards are not relevant.
AASB 2011-2 Amendments to Australian Accounting Standards arising from Trans-Tasman convergence – Reduced Disclosure Requirements	30 June 2014	Highlights the disclosures not required in AASB 1054 for entities applying the RDR.	The entity is not adopting the RDR and therefore this standard is not relevant.

## Notes to the Financial Statements

For the Year Ended 30 June 2013

### 1 Summary of Significant Accounting Policies continued

#### (m) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 10 Consolidated Financial Statements / AASB 11 Joint Arrangements / AASB 12 Disclosures of Interests in Other Entities, AASB 127 Separate Financial Statements, AASB 128 Investments in Associates and AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments	30 June 2014	<p>AASB 10 includes a new definition of control, which is used to determine which entities are consolidated, and describes consolidation procedures. The Standard provides additional guidance to assist in the determination of control where this is difficult to assess.</p> <p>AASB 11 focuses on the rights and obligations of a joint venture arrangement, rather than its legal form (as is currently the case). IFRS 11 requires equity accounting for joint ventures, eliminating proportionate consolidation as an accounting choice.</p> <p>AASB 12 includes disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.</p>	<p>The Group will review its controlled entities to determine whether they should be consolidated under AASB 10, no changes are anticipated.</p> <p>All joint ventures of the group are equity accounted and therefore minimal impact is expected due to the adoption of AASB 11.</p> <p>Additional disclosures will be required under AASB 12 but there will be no changes to reported position and performance.</p>
AASB 13 Fair Value Measurement.	30 June 2014	<p>AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted.</p> <p>There are a number of additional disclosure requirements.</p>	<p>Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required.</p> <p>The entity has not yet determined the magnitude of any changes which may be needed.</p> <p>Some additional disclosures will be needed.</p>
AASB 2011-8 - Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	30 June 2014	<p>Remove individual key management personnel disclosure requirements (i.e. components of remuneration) for disclosing entities.</p>	<p>Since the entity is a disclosing entity, the KMP remuneration note in the financial statements will not include individual components of remuneration.</p>

**Notes to the Financial Statements**  
For the Year Ended 30 June 2013

1 Summary of Significant Accounting Policies continued

(m) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 2011-6 - Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127, AASB 128 & AASB 131]	30 June 2014	This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards - Reduced Disclosure Requirements.	Since the entity does not comply with the Reduced Disclosure Regime there is no impact on the adoption of this standard.
AASB 2011-7 - Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1036 and Interpretations 5, 9, 16 & 17]	30 June 2014	This standard provides many consequential changes due to the release of the new consolidation and joint venture standards.	The impact of this standard is expected to be minimal.
AASB 119 Employee Benefits (September 2011)	30 June 2014	The main changes in this standard relate to the accounting for defined benefit plans and are as follows:  - elimination of the option to defer the recognition of gains and losses (the 'corridor method');  - requiring remeasurements to be presented in other comprehensive income; and  - enhancing the disclosure requirements.	Since the entity does not have a defined benefit plan, the adoption of these standards will not have any impact.
AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	30 June 2014	Makes amendments to AASB 1	No impact since the entity is not a first-time adopter of IFRS.
AASB 2010-10 - Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7]	30 June 2014	Makes amendments to AASB 1	No impact since the entity is not a first-time adopter of IFRS.
AASB 2012-2 - Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities [AASB 132 & AASB 7]	30 June 2014	Requires the inclusion of information about the effect or potential effect of netting arrangements.	There is no impact on disclosures as there are no offsetting arrangements currently in place.
AASB 2012-4 - Amendments to Australian Accounting Standards - Government Loans [AASB 1]	30 June 2014	Adds exception to retrospective application of Australian Accounting Standards for first time adopters.	No impact as these are not the first time adoption accounts for the entity.



**Notes to the Financial Statements**  
**For the Year Ended 30 June 2013**

**1 Summary of Significant Accounting Policies continued**

**(m) New Accounting Standards and Interpretations continued**

<b>Standard Name</b>	<b>Effective date for entity</b>	<b>Requirements</b>	<b>Impact</b>
AASB 2012-5 - Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2]	30 June 2014	<p>AASB 1 - this standard clarifies that an entity can apply AASB 1 more than once.</p> <p>AASB 101 - clarifies that a third statement of financial position is required when the opening statement of financial position is materially affected by any adjustments.</p> <p>AASB 116 - clarifies the classification of servicing equipment.</p> <p>AASB 132 and Interpretation 2 - Clarifies that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction shall be accounted for in accordance with AASB 112 Income Taxes</p> <p>AASB 134 - provides clarification about segment reporting.</p>	No expected impact on the entities financial position or performance.
AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20	30 June 2014	Allows transitional provisions for strappings costs in accordance with Interpretation 20.	There will be no impact as entity is not in the mining industry.
AASB 2012-9 Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039	30 June 2014	Removes reference to withdrawn Interpretation 1039.	No impact on the financial statements.
AASB 1055 - Budgetary Reporting AASB 2013-1 Amendments to AASB 1049 - Relocation of Budgetary Reporting Requirements	30 June 2015	This standard specifies the nature of budgetary disclosures and circumstances for inclusion in the financial statements.	No impact as the entity is not a public sector entity.
AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132]	30 June 2015	This standard adds application guidance to AASB 132 to assist with applying some of the offset criteria of the standard.	There will be no impact to the entity as there are no offsetting arrangements currently in place..

**Fleurieu Community Enterprises Limited**

**Notes to the Financial Statements**

**For the Year Ended 30 June 2013**

**2 Cash and cash equivalents**

	2013	2012
Note	\$	\$
Cash at bank and in hand	122,814	75,085

**Reconciliation of cash**

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2013	2012
Note	\$	\$
Cash and cash equivalents	122,814	75,085

**3 Assets and liabilities held for sale**

The liabilities associated with non-current assets held for sale are:

**4 Property, plant and equipment**

**PLANT AND EQUIPMENT**

Plant and equipment

At cost

3,541                      3,541

Accumulated depreciation

(366)                      (366)

Total plant and equipment

3,175                      3,175

Motor vehicles

At cost

31,700                      31,700

Accumulated depreciation

(24,337)                      (21,983)

Total motor vehicles

7,363                      9,717

Improvements

At cost

198,423                      198,423

Accumulated depreciation

(34,979)                      (29,646)

Total improvements

163,444                      168,777

Total plant and equipment

173,982                      181,669

**Total property, plant and equipment**

173,982                      181,669

**Fleurieu Community Enterprises Limited**

**Notes to the Financial Statements**

For the Year Ended 30 June 2013

**5 Trade and other payables**

	2013	2012
Note	\$	\$
CURRENT		
GST payable	4,414	-
Sundry payables and accrued expenses	11,606	20,124
	<u>16,020</u>	<u>20,124</u>
	<u>16,020</u>	<u>20,124</u>

**6 Employee Benefits**

	2013	2012
	\$	\$
CURRENT		
Annual leave and sick leave	19,966	7,273
Long service leave	7,500	-
	<u>27,466</u>	<u>7,273</u>

**7 Issued Capital**

	2013	2012
	\$	\$
724,815 (2012: 724,815) Ordinary shares	724,815	724,815

**8 Revenue and Other Income**

**Revenue from continuing operations**

Finance income includes all interest-related income, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance income line in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	2013	2012
Note	\$	\$
Sales revenue		
- provision of services	608,847	618,897
	<u>608,847</u>	<u>618,897</u>
Finance income		
- other interest received	73	50
	<u>73</u>	<u>50</u>
Other revenue		
- other trading revenue	-	34,799
	<u>73</u>	<u>34,849</u>
<b>Total Revenue</b>	<u>608,920</u>	<u>653,746</u>

**Fleurieu Community Enterprises Limited**

**Notes to the Financial Statements  
For the Year Ended 30 June 2013**

**9 Result for the Year**

Finance cost includes all interest-related expenses, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance costs line in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	2013	2012
Note	\$	\$
<b>Finance Costs</b>		
<b>Financial liabilities measured at amortised cost:</b>		
- Other finance costs	8	4,116
<b>Total finance costs</b>	<u>8</u>	<u>4,116</u>

The result for the year includes the following specific expenses:

	2013	2012
Note	\$	\$
<b>Other expenses:</b>		
Impairment of receivables:		
- Bad debts	1,703	1,215
<b>Total impairment of receivables</b>	<u>1,703</u>	<u>1,215</u>
Rental expense on operating leases:		

**10 Dividends**

	2013	2012
	\$	\$
The following dividends were declared and paid:		
Final franked ordinary dividend of 2 cents per share	14,498	-

The proposed final dividend for 2013 was declared after the end of the reporting period and therefore has not been provided for in the financial statements. There are no income tax consequences arising from this dividend at 30 June 2013.

**11 Remuneration of Auditors**

	2013	2012
	\$	\$
Remuneration of the auditor of the Company, Accru Harris Orchard, for:		
- auditing or reviewing the financial report	6,300	6,000

## Fleurieu Community Enterprises Limited

### Notes to the Financial Statements

For the Year Ended 30 June 2013

#### 12 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2013 (30 June 2012:None).

#### 13 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

#### 14 Cash Flow Information

##### (a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2013	2012
	\$	\$
Profit for the year	38,451	91,909
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	7,787	14,473
- dividends paid	(14,498)	(7,248)
Other non cash adjustments	(100)	29,565
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- increase/(decrease) in trade and other payables	(4,104)	(13,371)
- increase/(decrease) in employee benefits	20,193	(11,933)
Cashflow from operations	<u>47,729</u>	<u>103,395</u>

#### 15 Company Details

The registered office of and principal place of business of the company is:

Fleurieu Community Enterprises Limited  
Shop 32, Aldinga Central Shopping Centre  
1 Pridham Boulevard  
Aldinga Beach SA 5173

**Fleurieu Community Enterprises Limited**

**Directors' Declaration**

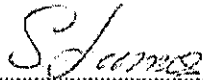
The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7 to 24, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards as stated in Note 1; and
  - (b) give a true and fair view of the Company's financial position as at 30 June 2013 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
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.

Director .....  
  
George Apap

Director .....  
  
Shirely James

Dated this 29<sup>th</sup> day of October 2013

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FLEURIEU COMMUNITY ENTERPRISES LIMITED**

**Report on the Financial Report**

We have audited the accompanying financial report of Fleurieu Community Enterprises Limited. This comprises the balance sheet as at 30 June 2013, the income statement, cash flow statement, statement of changes of equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

**Directors' Responsibility for the Financial Report**

The directors of Fleurieu Community Enterprises Limited are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Fleurieu Community Enterprises Limited on 28 October 2013, would be in the same terms if given to the directors as at the time of the auditor's report.

**Opinion**

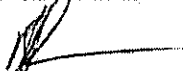
In our opinion the financial report of Fleurieu Community Enterprises Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

**Material Uncertainty Regarding Continuation as a Going Concern**

Without qualifying our opinion we draw attention to Company's accumulated net losses. Notwithstanding this year's profit of \$38,451, the Company has accumulated losses of \$471,505 as at 30<sup>th</sup> June 2013.

**ACCRU<sup>+</sup> HARRIS ORCHARD**



**BEN WILLINGTON  
PARTNER**

Signed at Dulwich this 29<sup>th</sup> day of October 2013.