

**FORRESTFIELD & DISTRICTS COMMUNITY
FINANCIAL SERVICES LIMITED
A.C.N. 094 967 978**

**FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2016**

**FORRESTFIELD & DISTRICTS COMMUNITY
FINANCIAL SERVICES LIMITED
ACN 094 967 978**

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FOR THE HALF-YEAR ENDED
31 DECEMBER 2016**

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**FORRESTFIELD & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED
ACN 094 967 978**

DIRECTORS' REPORT

The directors of the Company submit the financial report for the half-year ended 31 December 2016.

DIRECTORS

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

Colleen Bitmead
Phillip Mutter
Michael Houlahan
Brian Gordon
Elizabeth Taylor

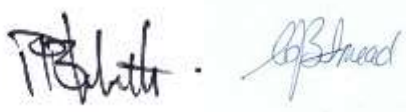
REVIEW OF OPERATIONS

The Company recorded a net loss after income tax from ordinary activities of \$86,422 for the six months ended 31 December 2016 (six months ended 31 December 2015 loss of \$51,193).

AUDITOR'S DECLARATION

In accordance with section 307C of the *Corporations Act 2001*, the Directors have obtained a declaration of independence from RSM Australia Partners, the company's auditors. The declaration is included as part of this financial report.

This report is signed in accordance with a resolution of the Board of Directors.

A rectangular box containing two handwritten signatures in blue ink. The signature on the left is 'P. Mutter' and the signature on the right is 'C. Bitmead'.

DIRECTOR

DIRECTOR

DATED THIS 22ND DAY OF FEBRUARY 2017

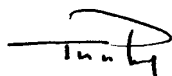
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Forrestfield & Districts Community Financial Services Limited for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 22 February 2017



RSM Australia Partners

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
FORRESTFIELD & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED**

We have reviewed the accompanying half-year financial report of Forrestfield & Districts Community Financial Services Limited which comprises the statement of financial position as at 31 December 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary 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 half-year financial report that 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2016 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 Forrestfield & Districts Community Financial Services 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.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Independence

In conducting our review, 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 Forrestfield & Districts Community Financial Services Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

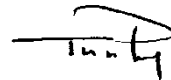
Conclusion

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 Forrestfield & Districts Community Financial Services 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 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 23 February 2017


**FORRESTFIELD & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED
ACN 094 967 978**

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:
 - (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting* and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the Company's financial position as at 31 December 2016 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.

Two handwritten signatures in black ink, separated by a period. The first signature is 'P. White' and the second is 'M. Street'.

DIRECTOR

DIRECTOR

DATED THIS 22ND DAY OF FEBRUARY 2017

FORRESTFIELD & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED
ACN 094 967 978

STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	31 December 2016 \$	31 December 2015 \$
Revenue	1,017,805	997,261
Interest income	16,137	17,249
Employee benefits expense	(596,947)	(628,849)
Depreciation and amortisation expense	(45,682)	(50,756)
Computer hardware and software expense	(49,089)	(48,984)
Other expenses	(428,646)	(337,114)
	_____	_____
(Loss) before income tax	(86,422)	(51,193)
Income tax expense	3 -	-
	_____	_____
(Loss) for the period	<u><u>(86,422)</u></u>	<u><u>(51,193)</u></u>
Other comprehensive income		
Other comprehensive income for the period, net of tax	-	-
Total comprehensive loss attributable to members of the company	<u><u>(86,422)</u></u>	<u><u>(51,193)</u></u>
Earnings per share		
- Basic & Diluted loss per share (cents)	<u><u>(15.9)</u></u>	<u><u>(9.43)</u></u>

The accompanying notes form part of this financial report.

FORRESTFIELD & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED
ACN 094 967 978

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	31 December 2016 \$	30 June 2016 \$
CURRENT ASSETS		
Cash and Cash Equivalents	1,401,847	1,491,406
Trade and Other Receivables	199,303	195,890
Other Current Assets	<u>26,671</u>	<u>29,520</u>
TOTAL CURRENT ASSETS	<u>1,627,821</u>	<u>1,716,816</u>
NON CURRENT ASSETS		
Property, Plant and Equipment	241,029	270,386
Deferred Tax Asset	55,766	55,766
Intangible Assets	<u>97,684</u>	<u>73,564</u>
TOTAL NON CURRENT ASSETS	<u>394,479</u>	<u>399,716</u>
TOTAL ASSETS	<u>2,022,300</u>	<u>2,116,532</u>
CURRENT LIABILITIES		
Trade and Other Payables	167,485	170,980
Provisions	<u>131,316</u>	<u>114,613</u>
TOTAL CURRENT LIABILITIES	<u>298,801</u>	<u>285,593</u>
NON CURRENT LIABILITIES		
Provisions	<u>64,122</u>	<u>63,222</u>
TOTAL LIABILITIES	<u>362,923</u>	<u>348,815</u>
NET ASSETS	<u>1,659,377</u>	<u>1,767,717</u>
EQUITY		
Issued Capital	4 537,815	537,815
Retained Earnings	<u>1,121,562</u>	<u>1,229,902</u>
TOTAL EQUITY	<u>1,659,377</u>	<u>1,767,717</u>

The accompanying notes form part of this financial report.

FORRESTFIELD & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED
ACN 094 967 978

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2015	537,815	1,248,686	1,786,501
(Loss) attributable to members of the Company	-	(51,193)	(51,193)
Total comprehensive loss for the period	-	(51,193)	(51,193)
<i>Transactions with owners in their capacity as owners:</i>			
Dividend declared during the period	-	(37,997)	(37,997)
Balance at 31 December 2015	537,815	1,159,496	1,697,311
Balance at 1 July 2016	537,815	1,229,902	1,767,717
(Loss) attributable to members of the Company	-	(86,422)	(86,422)
Total comprehensive loss for the period	-	(86,422)	(86,422)
<i>Transactions with owners in their capacity as owners:</i>			
Dividend declared during the period	-	(21,918)	(21,918)
Balance at 31 December 2016	537,815	1,121,562	1,659,377

The accompanying notes form part of this financial report.

FORRESTFIELD & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED
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STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	31 December 2016 \$	31 December 2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	976,257	983,706
Payments to suppliers and employees	(1,077,403)	(1,034,367)
Income tax received (paid)	-	17,596
Other revenue	37,500	-
Interest income	<u>16,774</u>	<u>17,249</u>
Net cash (used in) operating activities	<u>(46,872)</u>	<u>(15,816)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(624)	-
Proceeds from sale of plant and equipment	(39,822)	-
Purchase of franchise fees	<u>-</u>	<u>(68,056)</u>
Net cash (used in) investing activities	<u>(40,446)</u>	<u>(68,056)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	<u>(2,241)</u>	<u>(2,799)</u>
Net cash used in financing activities	<u>(2,241)</u>	<u>(2,799)</u>
Net (decrease) in cash held	(89,559)	(86,671)
Cash and cash equivalents at beginning of period	<u>1,491,406</u>	<u>1,534,418</u>
Cash and cash equivalents at end of period	<u><u>1,401,847</u></u>	<u><u>1,447,747</u></u>

The accompanying notes form part of this financial report.

**FORRESTFIELD & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED
ACN 094 967 978**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial report for the half-year reporting period ended 31 December 2016 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including 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 Forrestfield & District Community Financial Services 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 2016, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to the matters disclosed below.

New and Revised Accounting Standards

The Company has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the Company's accounting policies.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Company.

FORRESTFIELD & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED
ACN 094 967 978

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	31/12/2016	31/12/2015
	\$	\$
2. (LOSS) FOR THE PERIOD		

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

Directors fees	(20,000)	(20,000)
Community grants	(45,698)	(61,750)
Depreciation	(29,981)	(29,523)
Amortisation of intangible assets	(15,702)	(21,223)
Rental expense	(84,895)	(82,213)

3. INCOME TAX EXPENSE

No income tax expense was recognised during the half-year as the Company has unused tax losses of \$138,682 carried forward from 30 June 2016.

4. ISSUED CAPITAL

	31 December 2016	30 June 2016
	\$	\$
542,810 (2016: 542,810) Ordinary shares fully paid	537,815	537,815

31 December 2016	
Number of shares	\$

Movements in ordinary shares on issue

Ordinary shares fully paid		
At the beginning of the reporting period	542,810	537,815
At the end of the reporting period	542,810	537,815

5. DIVIDENDS

Dividends declared during the period	21,918	37,996
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**FORRESTFIELD & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED
ACN 094 967 978**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

6. SEGMENT INFORMATION

The Company operates in the financial services sector as branches of the Bendigo and Adelaide Bank Limited at Forrestfield and High Wycombe in Western Australia.

7. EVENTS SUBSEQUENT TO REPORTING DATE

Since 31 December 2016, no event has arisen, that would be likely to materially affect the operations of the Company or the state of affairs of the Company not otherwise disclosed in this financial report.

8. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.