

**Freycinet Coast Financial Services Limited**  
**32 127 068 222**

**Financial Report**

**As at 31 December 2016**

**Freydinet Coast Financial Services Limited**  
**ABN 32 127 068 222**  
**Directors' Report**

Your directors submit the financial report of the Company 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:

Ken Dean - Chairperson  
Bruce Dunbabin  
Kyle Duffield  
Neil Edwards  
John Fletcher  
Nick Johnston  
Jennifer Logie  
Chris Manson  
John O'Hara  
Adele Plunkett  
Greg Raspin

**Principal activities**

The principal activities of the Company during the course of the financial period were providing community banking services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited

**Review and results of operations**

Operations have continued to perform in line with expectations. The net profit of the company for the financial period was \$116,604 (December 2015: \$17,365).

**Matters subsequent to the end of the reporting period**

There are no matters or circumstances that have arisen since the end of the half year reporting period that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company.

**Significant changes in the state of affairs**

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial period under review not otherwise disclosed in this report.

**Auditor's independence declaration**

The auditor's independence declaration under Section 307C of the *Corporations Act 2001* is set out on page 2 for the half year ended 31 December 2016.

The director's report is signed in accordance with a resolution of the Board of Directors at Swansea on 27 February 2017.

  
.....  
Ken Dean  
Director

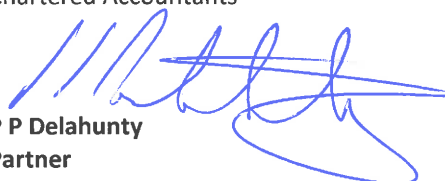
Dated: 27 February 2017

**Auditor's Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of Freycinet Coast Financial Services Limited**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2016 there have been no contraventions of:

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

**RICHMOND SINNOTT & DELAHUNTY**  
Chartered Accountants



**P P Delahunty**  
Partner  
Level 2, 10-16 Forest Street  
Bendigo VIC 3550

**Dated: 1 March 2017**

Freycinet Coast Financial Services Limited  
 ABN 32 127 068 222  
**Statement of Profit or Loss and Other Comprehensive Income**  
**for the half-year ended 31 December 2016**

	31 Dec 2016	31 Dec 2015
	\$	\$
<b>Revenue</b>	424,046	327,932
<b>Expenses</b>		
Employee benefits expense	(153,319)	(146,380)
Depreciation and amortisation	(23,072)	(23,406)
Administration and general costs	(50,644)	(61,438)
ATM costs	(4,991)	(2,958)
Bad and doubtful debts expense	(161)	(69)
Occupancy expenses	(42,860)	(43,400)
IT costs	(18,302)	(17,267)
	<u>(293,349)</u>	<u>(294,918)</u>
<b>Profit before charitable donations &amp; sponsorships</b>	<u><b>130,697</b></u>	<u><b>33,014</b></u>
Charitable donations and sponsorship	(14,093)	(15,649)
<b>Profit before income tax</b>	<u><b>116,604</b></u>	<u><b>17,365</b></u>
Income tax expense	-	-
<b>Profit for the period</b>	<u><b>116,604</b></u>	<u><b>17,365</b></u>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<u><u><b>116,604</b></u></u>	<u><u><b>17,365</b></u></u>
Profit attributable to members of the company	116,604	17,365
<b>Total comprehensive income attributable to members of the company</b>	<u><u><b>116,604</b></u></u>	<u><u><b>17,365</b></u></u>
<b>Earnings per share (cents per share)</b>		
- basic earnings per share	0.10	0.01

The accompanying notes form part of these financial statements

**Freycinet Coast Financial Services Limited**  
**ABN 32 127 068 222**  
**Statement of Financial Position**  
**As at 31 December 2016**

	<b>31 Dec 2016</b>	<b>30 Jun 2016</b>
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	150,658	111,553
Trade and other receivables	83,176	75,782
Financial assets	276,750	173,991
<b>Total Current Assets</b>	<b>510,584</b>	<b>361,326</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	70,796	86,945
Intangible assets	16,844	23,767
<b>Total Non-Current Assets</b>	<b>87,640</b>	<b>110,712</b>
<b>Total Assets</b>	<b>598,224</b>	<b>472,038</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	53,559	43,092
Borrowings	6,591	6,394
Provisions	38,030	35,766
Dividend Payable	58,581	-
<b>Total Current Liabilities</b>	<b>156,761</b>	<b>85,252</b>
<b>Non-Current Liabilities</b>		
Borrowings	2,870	6,216
<b>Total Non-Current Liabilities</b>	<b>2,870</b>	<b>6,216</b>
<b>Total Liabilities</b>	<b>159,631</b>	<b>91,468</b>
<b>Net Assets</b>	<b>438,593</b>	<b>380,570</b>
<b>Equity</b>		
Issued capital	1,153,788	1,153,788
Accumulated losses	(715,195)	(773,218)
<b>Total Equity</b>	<b>438,593</b>	<b>380,570</b>

The accompanying notes form part of these financial statements

Freycinet Coast Financial Services Limited  
 ABN 32 127 068 222  
**Statement of Changes in Equity**  
 for the half-year ended 31 December 2016

	Note	Issued Capital \$	Accumulated losses \$	Total Equity \$
<b>Balance at 1 July 2015</b>		<b>1,153,788</b>	<b>(863,114)</b>	<b>290,674</b>
Total comprehensive income for the period		-	17,365	17,365
<i>Transactions with owners in their capacity as owners:</i>				
Dividends recognised for the period	5	-	-	-
<b>Balance at 31 December 2015</b>		<b><u>1,153,788</u></b>	<b><u>(845,749)</u></b>	<b><u>308,039</u></b>
<b>Balance at 1 July 2016</b>		<b>1,153,788</b>	<b>(773,218)</b>	<b>380,570</b>
Total comprehensive income for the period		-	116,604	116,604
<i>Transactions with owners in their capacity as owners:</i>				
Dividends recognised for the period	5	-	(58,581)	(58,581)
<b>Balance at 31 December 2016</b>		<b><u>1,153,788</u></b>	<b><u>(715,195)</u></b>	<b><u>438,593</u></b>

The accompanying notes form part of these financial statements

Freycinet Coast Financial Services Limited  
 ABN 32 127 068 222  
**Statement of Cash Flows**  
 for the half-year ended 31 December 2016

	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows From Operating Activities</b>		
Receipts from customers	413,896	356,384
Payments to suppliers and employees	(271,642)	(318,207)
Interest received	2,759	1,762
Interest paid	-	(532)
<b>Net cash flows from operating activities</b>	<b>145,013</b>	<b>39,407</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	-	(4,151)
Purchase of investments	(102,759)	(1,762)
<b>Net cash flows from used in investing activities</b>	<b>(102,759)</b>	<b>(5,913)</b>
<b>Cash Flows From Financing Activities</b>		
Repayment of borrowings	(3,149)	(2,961)
<b>Net cash flows used in financing activities</b>	<b>(3,149)</b>	<b>(2,961)</b>
<b>Net increase in cash held</b>	<b>39,105</b>	<b>30,533</b>
Cash and cash equivalents at beginning of period	111,553	45,499
<b>Cash and cash equivalents at end of period</b>	<b>150,658</b>	<b>76,032</b>

The accompanying notes form part of these financial statements

**Freycinet Coast Financial Services Limited**  
**ABN 32 127 068 222**  
**Notes to the Financial Statements**  
**for the half-year ended 31 December 2016**

**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 2016 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard *AASB 134: Interim Financial Reporting*. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Freycinet Coast 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 following half-year.

**(b) Accounting policies**

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the entity's last annual financial statements for the year ended 30 June 2016.

**(c) Critical accounting estimates and judgements**

The critical judgements, estimates and assumptions applied in the interim financial statements were the same as those applied in the entity's last annual financial statements for the year ended 30 June 2016.

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

The Company has considered the implications of any new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

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

There have been no events subsequent to reporting date that would materially effect the financial statements at the reporting date.

**3. Contingent assets and liabilities**

Since the last annual reporting date there has been no material change of any contingent assets or contingent liabilities.

**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 Freycinet Coast, Tasmania.

**5. Dividends**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Dividends provided during the half year:		
Final unfranked dividend for the year ended 30 June 2016 of 5 cents per share (2015: Nil)	58,581	-

**6. Earnings per share**

Basic earnings per share (cents)	0.10	0.01
Earnings used in calculating basic earnings per share	116,604	17,365
Weighted average number of ordinary shares used in calculating basic earnings per share.	1,171,615	1,171,615



**Freycinet Coast Financial Services Limited**  
**ABN 32 127 068 222**  
**Directors Declaration**  
**for the half-year ended 31 December 2016**

In the opinion of the directors of Freycinet Coast Financial Services Limited:

- (1) The financial statements and notes, as set out on pages 3 to 7 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standard AASB 134 *Interim Financial Reporting*; and
  - (b) giving a true and fair view of the Company's financial position as at 31 December 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.



.....  
Ken Dean  
Director

Signed at Swansea on 27 February 2017

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the directors of Freycinet Coast Financial Services Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Freycinet Coast Financial Services Limited, which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and the 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 (including Australian Accounting Interpretations) 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 financial report is not in accordance with the *Corporations Act 2001* including:

- i. 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
- ii. complying with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of Freycinet Coast 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.

### *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 Freycinet Coast Financial Services 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 Freycinet Coast Financial Services Limited is not in accordance with the *Corporations Act 2001* including:

- i. 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
- ii. complying with Accounting Standard *AASB 134 Interim Financial Reporting* and *Corporations Regulations 2001*.

**Richmond Sinnott & Delahunty**  
**Chartered Accountants**



**P. P. Delahunty**  
**Partner**

**Dated:** 1 March 2017