

**Mount Gambier & District Financial Services
Limited**

ABN: 42 096 059 997

Financial Statements

as at

31 December 2015

MOUNT GAMBIER & DISTRICT FINANCIAL SERVICES LTD
A.C.N. 096 059 997
CONDENSED FINANCIAL STATEMENTS
DIRECTORS' REPORT

Your Directors submit the financial report of the company for the half year ended 31 December 2015.

Directors

The names of directors who held office during the half year and until the date of this report are as below:

Helen Strickland	Anne Eitzen
Herman Bersee	Rodney Summers
Karen Olive	Mark Fulford
Barbara Munt	Jane Featherstonhaugh
Roberta Coke	Francis Wilcox
Rosangela Crispino	Terasa Nearmy

Principal activities

The principal activities of the company during the course of the financial period were in providing **Community Bank®** 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 and budget. The profit/(loss) of the Company for the financial period after provision for income tax was: \$65,258 [2014: \$81,567]

Signed in accordance with a resolution of the Directors

on 24th February 2016.


.....
Helen Strickland, Chairperson

.....

MOUNT GAMBIER & DISTRICT FINANCIAL SERVICES LTD
A.C.N. 096 059 997
CONDENSED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	31-Dec 2015 \$	31-Dec 2014 \$
Revenue from ordinary activities	734,373	780,490
Other revenue	1,329	1,682
Salaries and employee benefit expense	(361,798)	(359,868)
Depreciation and amortisation expense	(14,785)	(16,750)
Other expenses from ordinary activities	<u>(265,908)</u>	<u>(289,031)</u>
Profit/(loss) from ordinary activities before income tax expense	93,211	116,523
Income tax expense relating to ordinary activities	<u>(27,953)</u>	<u>(34,956)</u>
Net profit/(loss) attributable to members of the entity	<u>65,258</u>	<u>81,567</u>
Total changes in equity other than those resulting from transactions with owners as owners	<u>65,258</u>	<u>81,567</u>
Basic Earnings per share (cents per share)	14	17

The accompanying notes form part of these financial statements

MOUNT GAMBIER & DISTRICT FINANCIAL SERVICES LTD
A.C.N. 096 059 997
CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	2015 \$	2014 \$
Cash Flows From Operating Activities		
Cash receipts in the course of operations	826,262	864,678
Cash payments in the course of operations	(657,065)	(713,324)
Interest paid	-	-
Interest received	1,329	1,682
Income Tax paid	(34,515)	(30,008)
Net cash provided by (used in) operating activities	136,011	123,028
Cash Flows From Investing Activities		
Proceeds from sale of non current assets	-	-
Payments for property, plant and equipment	-	-
Payments for improvements	-	-
Payments for intangible assets	-	-
Net cash provided by (used in) investing activities	-	-
Cash Flows From Financing Activities		
Proceeds from issue of shares	-	-
Proceeds from borrowings	-	-
Repayment of borrowings	(46,884)	-
Interest Paid	(67,026)	(74,983)
Net cash provided by (used in) financing activities	(113,910)	(74,983)
Net increase (decrease) in cash held	22,101	48,045
Cash at beginning of period	216,744	118,906
Cash at end of period	238,845	166,951

The accompanying notes form part of these financial statements

MOUNT GAMBIER & DISTRICT FINANCIAL SERVICES LTD
A.C.N. 096 059 997
CONDENSED BALANCE SHEET STATEMENT
AS AT 31 DECEMBER 2015

	31-Dec 2015 \$	30-Jun 2015 \$
Current Assets		
Cash and cash equivalents	238,845	216,744
Receivables	142,483	162,865
Prepayments	8,556	5,334
Total Current Assets	<u>389,884</u>	<u>384,943</u>
Non-Current Assets		
Property, plant and equipment	151,442	161,227
Deferred income tax asset	13,099	11,720
Intangible Assets	2,776,860	2,781,860
Total Non-Current Assets	<u>2,941,401</u>	<u>2,954,807</u>
Total Assets	<u>3,331,285</u>	<u>3,339,750</u>
Current Liabilities		
Payables	69,792	96,146
Interest bearing liabilities	228,100	228,000
Current tax payable	11,468	16,651
Provisions	16,837	16,154
Total Current Liabilities	<u>326,197</u>	<u>356,951</u>
Non-Current Liabilities		
Interest bearing liabilities	1,886,814	1,933,698
Provisions	26,828	22,913
Trade and other payables	-	-
Total Non-Current Liabilities	<u>1,913,642</u>	<u>1,956,611</u>
Total Liabilities	<u>2,239,839</u>	<u>2,313,562</u>
Net Assets/(Liabilities)	<u>1,091,446</u>	<u>1,026,188</u>
Equity		
Issued capital	471,458	471,458
Retained profits/(Accumulated losses)	619,988	554,730
Total Equity	<u>1,091,446</u>	<u>1,026,188</u>

The accompanying notes form part of these financial statements

MOUNT GAMBIER & DISTRICT FINANCIAL SERVICES LTD
A.C.N. 096 059 997
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

1. Basis of preparation of the Half-Year Financial Statements

Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2015 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Mount Gambier & District Financial Services Ltd. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the year ended 30 June 2015, together with any public announcements made during the following half-year.

Accounting Policies

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.

Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the 30 June 2015 annual report.

Reporting Basis and Conventions

The half-yearly report has been prepared on an accruals basis and is based on historical costs less any accumulated depreciation and any accumulated impairment losses of selected non-current assets, financial assets and financial liabilities.

2. Events subsequent to Reporting Date

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

There were no contingent assets or liabilities at the date of this report to affect the financial statements.

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 Mount Gambier and surrounding district.

The accompanying notes form part of these financial statements

MOUNT GAMBIER & DISTRICT FINANCIAL SERVICES LTD
A.C.N. 096 059 997
CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

		\$	\$	\$
		Share Capital		
	Note	Ordinary	Retained Profits	Total
Balance at 01/07/14		471,458	422,432	893,890
Profit for six months to 31/12/14		-	81,567	81,567
Balance at 31/12/14		<u>471,458</u>	<u>503,999</u>	<u>975,457</u>
Balance at 01/07/15		471,458	554,730	1,026,188
Profit for six months to 31/12/15		-	65,258	65,258
Balance at 31/12/15		<u>471,458</u>	<u>619,988</u>	<u>1,091,446</u>

The accompanying notes form part of these financial statements

Bordertown T 08 8752 1300
PO Box 270, Bordertown SA 5268
E bordertown@murraynankivell.com.au

Naracoorte T 08 8762 1544
PO Box 403, Naracoorte SA 5271
E naracoorte@murraynankivell.com.au
www.murraynankivell.com.au
ABN 68 191 400 792

Millicent T 08 8733 3122
PO Box 534, Millicent SA 5280
E millicent@murraynankivell.com.au

Murray Bridge T 08 8531 1563
PO Box 3007, Murray Bridge SA 5253
E mb@murraynankivell.com.au



INDEPENDENCE DECLARATION

The following independence declaration has been obtained from the Company's auditor,
Mark Edwards of Murray Nankivell & Associates Pty Ltd.

Auditor's Independence Declaration to the Directors of Mount Gambier & District Financial Services Limited

In relation to our review of the financial report of Mount Gambier & District Financial
Services Limited for the half-year ended 31 December 2015, to the best of my knowledge
and belief, there have been no contraventions of the auditor independence requirements of
the Corporations Act 2001 or any applicable code of professional conduct.

Mark Stephen Edwards
Chartered Accountant

172 Smith Street
Naracoorte, SA, 5271



Registered Auditor: Mark Edwards
Registered Auditor No. 289565

Date: **24 February 2016**

Signed in accordance with a resolution of the Board of Directors

MOUNT GAMBIER & DISTRICT FINANCIAL SERVICES LTD
A.C.N. 096 059 997
CONDENSED FINANCIAL STATEMENTS
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Mt Gambier & District Financial Services Ltd, we state that:

In the opinion of the directors:

1. The Financial Statements and notes of the company:
 - (i) give a true and fair view of the company's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and
 - (ii) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations.
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.


.....
Helen Strickland, Chairperson

.....

Dated this 24th day of February 2016

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AUDITOR'S INDEPENDENT REVIEW REPORT

To the members of Mount Gambier & District Financial Services Limited

Scope

The financial report and directors' responsibility

The financial report comprises the balance sheet, income statement, cash flow statement, statement of changes in equity and accompanying notes to the financial statements for Mount Gambier & District Financial Services Limited and the director's declaration for the company, for the period ended 31 December 2015.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company, and that complies with Accounting Standard AASB 134 "Interim Financial Reporting", in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting estimates inherent in the financial report.

Review approach

We conducted an independent review of the financial report in order to make a statement about it to the members of the company, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements, in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the Corporations Act 2001, Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory financial reporting requirements in Australia, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and of its performance as represented by the results of its operations and cash flows.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Director's Report. In addition to our review of the financial report, we were engaged to undertake other services. The provision of these services has not impaired our independence.

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AUDITOR'S INDEPENDENT REVIEW REPORT

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the consolidated entity, comprising Mount Gambier & District Financial Services Limited during the period is not in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2015 and its performance for the period ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*; and
- (b) other mandatory financial requirements in Australia.

Mark Stephen Edwards
Chartered Accountant

172 Smith Street
Naracoorte, SA, 5271



Registered Auditor Mark Edwards
Registered Auditor No. 289565

Date: 24 February 2016