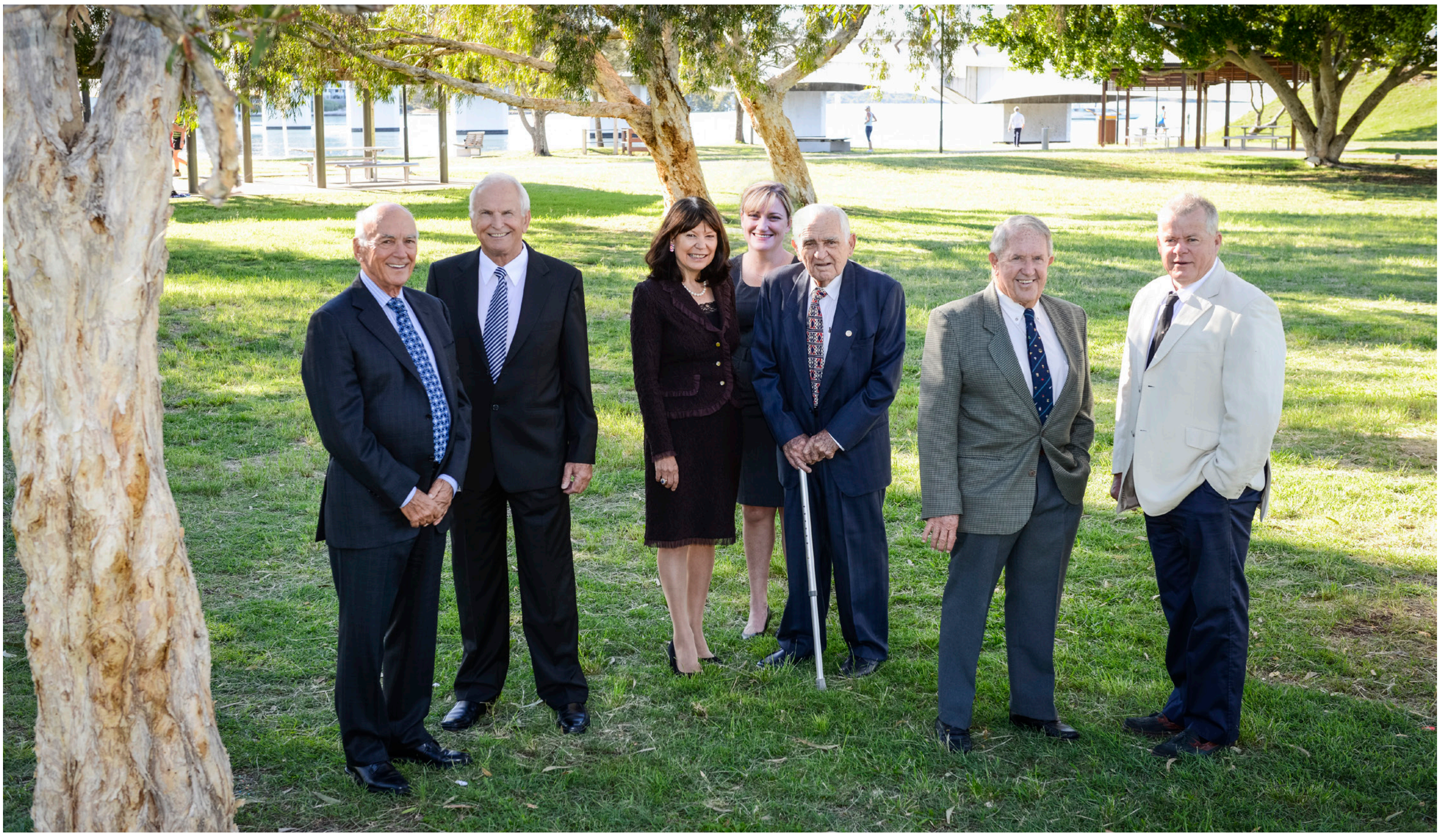
Annual Report

Paradise Point Financial Services Ltd

ABN 33 095 686 936

2014

Paradise Point **Community Bank**® Branch
Upper Coomera branch
Ormeau branch



Board of directors

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Chairman's Report

For the financial year ending 30 June 2014

Dear Shareholders,

Our **Community Bank®** company during the financial year achieved a milestone that would have been only a dream when our first branch (in October 2001) opened its doors for business at Paradise Point. Thanks to the support of our customers and shareholders, our company has now returned more than $1 million to support and strengthen our local communities.

Our branches continue to provide excellent service to our customers and at the same time achieve good financial returns for your board to support needy organisations and pay dividends to the shareholders.

The **Community Bank®** network of 305 branches, Australia wide, has put back over $122 million into their communities. **Community Bank®** branches are now a robust and maturing banking network where valued partnerships enhance banking services, taking the profits their banking business generates and reinvesting that funding into initiatives that will ultimately strengthen their communities.

The northern end of the Gold Coast is now one of the largest growth areas in Queensland. The Board believes that your **Community Bank®** company should direct its future activities to this area. As a consequence the directors in collaboration with Bendigo and Adelaide Bank decided that the future of the Mudgeeraba sub branch, due to its geographical position, would be more secure if its operations were administered by Bendigo and Adelaide Bank. In April 2014 the Mudgeeraba sub-branch became a company owned Bendigo and Adelaide Bank branch.

Our community company is in a very strong financial position, we look with confidence to the future and as we become more successful and achieve bigger profits we will continue to pay substantial dividends to the shareholders and re-invest the profits in initiatives that will contribute to the ultimate strength of our communities.

Our Partners, Bendigo and Adelaide Bank

Our franchise partner remains one of the few banks, globally, to be rewarded an upgraded credit rating since the onset of the Global Financial Crisis. This means the Bank continues to be rated at least "A" by Standard & Poors, Moody's and Fitch in recognition of its strong performance in the face of what continues to be a challenging economic environment.

All **Community Bank®** branches operate under Bendigo and Adelaide Bank banking licence and as such they benefit from the Federal Government guarantees. Bendigo and Adelaide Bank continues to give great support to the **Community Bank®** network Australia wide. The Bank is now reviewing the **Community Bank®** model in order to put in place strategies that will underpin the financial long-term strength of the network. Your Board is confident that with this joint vision and strategy for a sustainable commercial model, the Bank and **Community Bank®** partners will create a shared vision for the future long term success regardless of changes to the operational and market conditions.

Dividends

The Board of Directors is pleased to recommend a dividend of 15.5 cents per share, fully franked, to be paid.

This recommended dividend will take total dividends paid per share to just over $1.11 amounting to $694,845.75 since our **Community Bank®** company commenced trading.

Our original shareholders have now received in dividends more than their investment of $1.00 per share.

Your Board of Directors

Your Board believes that the success of Paradise Point Financial Services Limited is mainly due to the dedication and long term service of most of its Directors. Combined they bring a wealth of business experience and corporate governance to the **Community Bank®** company.

During the year we welcomed to the Board Nicole Hintz, a valued customer of our Ormeau sub branch. Nicole is a very successful business lady, she is the proprietor of a real estate agency in the Ormeau area. We look forward to her contribution to the future direction of the company and to our marketing strategy for the Ormeau sub branch

Community Activities

During the year your company returned $223,050 to the community. You will find within this report a list of recipients of our donations and sponsorships for the 2013/14 financial year. These funds have made a significant difference to those organisations, we look forward to continuing to support these groups and others as more people bank with us and we become more successful.

Our Employees

The Board is very grateful and would like to say thanks to all our employees for their commitment to the **Community Bank®** concept. At all times they perform their duties to the best of their abilities.

Recently Yvonne Watts, one of our original employees, retired after 13 years with our Paradise Point **Community Bank®** Branch. Yvonne was an exemplary employee, during all those years Yvonne was mentor and trainer to many young people who chose to pursue a banking career. We wish Yvonne and her partner Peter a happy retirement.

We also would like to say thanks to our Managers for their commitment to the company’s goals, in particular we are in debt to Senior Manager, Ian Johnston, his banking expertise, can-do attitude and work ethics are the cornerstones of your company’s success.

The Future

On behalf of the board of Directors I would like you, our shareholders, to become our ambassadors to the community at large. You can help your community company achieve greater success by encouraging members of your family, friends and acquaintances to bank with us.

In conclusion I would like to thank you for your support and assure you that it is the intention of your Board to continue to work diligently on your behalf in order to deliver great benefits to our community and continue to pay dividends to you, the shareholders.

Paul Vertullo

Chairman

Senior Manager's report

For the financial year ending 30 June 2014

This past financial year has been a year of refocus and strategic planning for our Community Bank Company. We have reduced our operations back to our core 3 branches, being Paradise Point, Upper Coomera and Ormeau. This move has realigned our focus to the Northern end of the Gold Coast, which from the outset, was the Boards strategy and direction as outlined in our inaugural Annual Company Report back in 2002. With this realignment, the Sub-Branch that our Board established in 2009 at Mudgeeraba, changed to now be owned and managed by Bendigo and Adelaide Bank. Mudgeeraba Branch now forms part of the Bendigo and Adelaide Bank suite of branch operated on the Gold Coast Region.

Business growth and activity was maintained last year for Paradise Point, Upper Coomera and Ormeau Branches with our combined three branches holding customer business of $260 million as at the 30th June 2014. This is down $6 million compared with 30th June 2013. Reason being was that on 1st December 2013, Mudgeeraba branch with customer business of $21.7 million, transferred to Bendigo and Adelaide Bank, as part of our realignment.

We have started the new 2014/2015 financial year with solid business activity, which is very pleasing. We look forward to continued economic stability within our Gold Coast Region. The Commonwealth Games here on the Gold Coast will see confidence and business activity build over the next three to four years. The work we have done on building the many community and business relationships, will continue to increase our Community Bank brand awareness and our reputation for excellent customer service. Our strategy in the coming term is to increase our customer and community engagement, to further our opportunities in gaining more business and increased customer base.

I thank our Board Chairman, Paul Vertullo, together with the Directors for their support. Also, a big thank you to our customers and shareholders, for simply banking with us.

I would like to acknowledge our staff teams:-

Paradise Point

Kristy Battista (Executive Assistant to myself and Customer Relationship Manager), Yvonne Watts (Customer Relationship Manager) retired 5th September 2014, Alana Dimatulac (Customer Relationship Manager), Belinda Sippel (Customer Relationship Manager), Brittany Von Mengersen (Customer Service Supervisor), Amie Ebert, Siobhan Wilkinson and Stefanie Gilbert (Customer Service Officers). Chris Anderson (formerly our Customer Service Supervisor) now completing a Degree at Griffith University (On Call Casual).

We have two School Based Trainee's – Laititi Ah-Hi & Matthew Finn.

Upper Coomera

Upper Coomera Branch was named Gold Coast Region's "Branch of the Year". Congratulations to the team.

Joanne Vandenberg (Manager) Jenny O'Keefe (Customer Service Supervisor) Amanda Gall, Bree Noormahomed (now on maternity leave) Janelle Herne and Ashleigh Chard (Customer Service Officers).

Ormeau

Dean Campbell (Manager), Ragan Godfrey (Customer Service Supervisor) and Brianna Gilbert (Customer Service Officers)

We are all looking forward to the year ahead with optimism and to the opportunities that will present. We are confident that we will achieve solid financial results, which in turn, will benefit our communities, shareholders and staff.

Ian Johnston

Senior Manager

Donations and sponsorship recipients 2013/2014

Bonogin Valley Spring Fair

Community Enterprise Foundation ™

Coombabah State High School – Reading Program

Coomera Chamber of Commerce

Coomera Cutters Junior Rugby League

Coomera Magpies Snr

Drug Arm Awareness Booklet

Dynamite Studios Australia

Gold Coast Arts Centre

Highway Christian Church – Christmas Carols

Laidley Flood Appeal

Local Hero SIDS – The Great Australian Ride

Mater Miracles

Mudgeeraba Heat Basketball

Mudgeeraba Show Society

Nerang Respite

North Burnett Flood Appeal

Ormeau Bulldogs AFL Club

Ormeau Fair

Ormeau Junior Cricket Club

Oxenford & Coomera Youth Centre

Paradise Kids – Grief & Loss Program

Paradise Point Sailing Club – 4 BIC Dinghies

Professionals Real Estate, Upper Coomera – Community BBQ Trailer

QLD Blue Light Association

RACQ Careflight

Rivermount College – Winner Ormeau Fair Contest

Rotary Club of Coomera River -

Rotary Club of Coomera Valley – Upper Coomera Christmas Carols

RSL Mudgeeraba Sub Branch

Runaway Bay Junior Rugby Leagues Club

Runaway Bay Rotary Club – Healthy Heroes Program & Early Psychosis Symposium

Runaway Bay Seahawks Basketball Club

Sequana Retirement Village

Shearers Junior Rugby League Club

Shearers Senior Rugby League Club

St Francis Xavier School Fete

Tasmanian Bicheno Bushfire Appeal

The d'Arcy Doyle Art Awards

The Goda Foundation - Gala Ball

Variety Queensland Inc

YHES House

PARADISE POINT FINANCIAL SERVICES LTD

ABN: 33 095 686 936

Financial Report For The Year Ended 30 June 2014

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PARADISE POINT FINANCIAL SERVICES LTD
ABN: 33 095 686 936
DIRECTORS' REPORT

Your directors present their report, together with the financial statements of the Company for the financial year ended 30 June 2014.

Principal Activities and Significant Changes in Nature of Activities

The principal activities of the company during the financial year were to provide community banking services under Franchise Agreements to operate franchised branches of Bendigo Bank Limited. No significant change in the nature of these activities occurred during the year.

Operating Results and Review of Operations for the year

Operating Results

The loss after tax for the company amounted to $8,354 for the financial year.

Review of Operations

A review of operations of the Company during the financial year indicated that the ongoing income from the franchise agreements led to a decrease in revenue by 6.38%.

During the period the Board of Directors resolved to dispose of the Mudgeeraba Branch back to Bendigo Adelaide Bank. The sale was settled on 31 March 2014.

Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Dividends Paid or Recommended

A Full Franked Interim ordinary dividend of 15.50c per share was paid on 25 November 2013. $96,836

Events subsequent to the End of the Reporting Period

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

Future Developments, Prospects and Business Strategies

The Company will continue its policy of providing banking services to the community.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Information on Directors

Paul Vertullo	—	Real Estate Agent
John Ronald Hooton	—	Retailer
Frederick William Woodley	—	Retired Engineer
Lesley Woodford-Carr	—	Lawyer
Ewald Gerhard Kuppe	—	Businessman
Paul James Wraith	—	Retired Businessman
Nicole Hintz (Appointed 28/1/14)	—	Real Estate Agent

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

Company Secretary

The following person held the position of company secretary at the end of the financial year:
John Ronald Hooton. Mr Hooton was general manager of stock broking company McIntosh Securities (PNG) Limited until its acquisition by Merrill Lynch & Co Inc. in 1994. Mr Hooton departed Merrill Lynch & Co in 1998 and has since been a local retailer. Mr Hooton was also Chairman of the Port Moresby Stock Exchange during the period 1992 to 1998. Mr Hooton was appointed Company Secretary on 4 August 2011.

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
Paul Vertullo	12	12
John Ronald Hooton	12	12
Frederick William Woodley	12	12
Lesley Woodford-Carr	12	12
Ewald Gerhard Kuppe	12	11
Paul James Wraith	12	10
Nicole Hintz	6	4

PARADISE POINT FINANCIAL SERVICES LTD
ABN: 33 095 686 936
DIRECTORS' REPORT

Indemnifying Officers or Auditor

The company has indemnified all directors, officers and the manager in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors, officers or managers of the company except where the liability arises out of conduct involving the lack of good faith. Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

The company has not provided any insurance for an auditor of the company or a related body corporate.

Options

No options over issued shares or interest in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2014 has been received and is attached to this report.

Changes in Directors and Executives Subsequent to Year End

No changes in Directors or Executives occurred subsequent to year end.

Signed in accordance with a resolution of the Board of Directors

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Paul Vertullo

Dated: This 30th day of September 2014

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PARADISE POINT FINANCIAL SERVICES LIMITED
ABN 33 095 686 936

AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF PARADISE POINT FINANCIAL SERVICES LIMITED

I declare that to the best of my knowledge and belief, during the year ended 30 June 2014 there have been:

i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

WPIAS Pty Ltd
Authorised Audit Company No. 440306

LEE-ANN DIPPENAAR BCom CA RCA
DIRECTOR

Dated this 30th day of September, 2014

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Helensvale QLD 4212

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WPIAS Pty Ltd ABN 99 163 915 482
An Authorised Audit Company

GOLD COAST | BRISBANE | SYDNEY | MELBOURNE | PERTH

PARADISE POINT FINANCIAL SERVICES LTD
ABN: 33 095 686 936
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 $	Restated 2013 $
Continuing operations			
Revenue	2	2,618,841	2,797,610
Other income	2	66,328	-
Employee benefits expense		(1,409,170)	(1,385,897)
Impairment of Assets	9c	(128,993)	-
Profit on sale of Mudgeeraba Branch	9c	2,360	-
Finance costs	3	(1,843)	(2,439)
Depreciation and amortisation expense		(78,401)	(87,527)
Other expenses		(1,051,514)	(1,082,616)
Profit before income tax	3	17,608	239,131
Tax expense	4	(25,962)	(78,525)
Net (Loss)/Profit for the year	3	(8,354)	160,605
Other comprehensive income:		-	-
Total Other comprehensive income for the		-	-
Total comprehensive (loss)/income for the		(8,354)	160,605

The accompanying notes form part of these financial statements.

PARADISE POINT FINANCIAL SERVICES LTD
ABN: 33 095 686 936
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	2014 $	Restated 2013 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	616,658	587,381
Trade and other receivables	8	203,643	232,769
Current tax assets	14	36,410	6,336
Other assets	11	5,025	4,941
TOTAL CURRENT ASSETS		861,736	831,427
NON-CURRENT ASSETS			
Trade and other receivables	8	1,000	1,000
Property, plant and equipment	9	308,273	467,183
Intangible assets	10	68,734	100,908
TOTAL NON-CURRENT ASSETS		378,007	569,091
TOTAL ASSETS		1,239,743	1,400,518
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	159,257	173,684
Borrowings	13	9,239	8,599
Provisions	15	87,676	90,983
TOTAL CURRENT LIABILITIES		256,172	273,266
NON-CURRENT LIABILITIES			
Borrowings	13	11,652	20,890
Deferred tax liabilities	14	2,935	21,439
Other provisions	15	24,790	35,541
TOTAL NON-CURRENT LIABILITIES		39,377	77,870
TOTAL LIABILITIES		295,549	351,136
NET ASSETS		944,194	1,049,384
EQUITY			
Issued capital	16	608,450	608,450
Retained earnings		335,744	440,934
TOTAL EQUITY		944,194	1,049,384

The accompanying notes form part of these financial statements.

PARADISE POINT FINANCIAL SERVICES LTD
ABN: 33 095 686 936
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014

	Notes	Share Capital Ordinary	Retained Earnings	Total
		$	$	$
Balance at 1 July 2012 (restated)		608,450	352,175	960,625
Comprehensive income				
Profit for the year			160,605	160,605
Total comprehensive income for the year		-	160,605	160,605
Transactions with owners, in their capacity as owners				
Dividends recognised for the year	6		(71,846)	(71,846)
Total transactions with owners		-	(71,846)	(71,846)
Balance at 30 June 2013 (restated)		608,450	440,934	1,049,384
Balance at 1 July 2013		608,450	440,934	1,049,384
Comprehensive income				
Loss for the year			(8,354)	(8,354)
Total comprehensive loss for the year		-	(8,354)	(8,354)
Transactions with owners, in their capacity as owners				
Dividends recognised for the year	6		(96,836)	(96,836)
Total transactions with owners		-	(96,836)	(96,836)
Balance at 30 June 2014		608,450	335,744	944,194

The accompanying notes form part of these financial statements.

PARADISE POINT FINANCIAL SERVICES LTD
ABN: 33 095 686 936
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 $	2013 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,691,769	2,774,360
Payments to suppliers and employees		(2,473,951)	(2,499,776)
Interest received		17,695	26,446
Finance costs		(1,843)	(2,439)
Income tax paid		(74,539)	(211,643)
Net cash provided by/(used in) operating activities	19a	159,131	86,948
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Intangible Assets		-	(72,246)
Purchase of property, plant and equipment		(24,419)	(17,881)
Net cash provided by/(used in) investing activities		(24,419)	(90,127)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(8,599)	(8,004)
Dividends paid		(96,836)	(71,846)
Net cash provided by/(used in) financing activities		(105,435)	(79,850)
Net increase/(decrease) in cash held		29,277	(83,029)
Cash and cash equivalents at beginning of financial year	7	587,381	670,410
Cash and cash equivalents at end of financial year	7	616,658	587,381

The accompanying notes form part of these financial statements.

This financial report includes the financial statements and notes of Paradise Point Financial Services Ltd. Paradise Point Financial Services Ltd is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 30 September 2014 by the directors of Paradise Point Financial Services Ltd.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar unless stated otherwise.

Accounting Policies

(a) Income Tax

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(d) for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a Diminishing Value method over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Furniture and Fittings	6.67% - 30%
Plant and equipment	7.5 - 50%
Motor Vehicles	25.00%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(c) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The Company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) **Financial assets at fair value through profit or loss**
Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) **Loans and receivables**
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) **Held-to-maturity investments**
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) **Available-for-sale investments**
Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) **Financial Liabilities**
Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment
At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired.

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

(d) **Impairment of Non Financial Assets**
At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

(e) **Intangibles Other than Goodwill**

Franchise Fee
Franchise fees and other upfront payments have been initially recorded at cost and amortised on a straight line basis at a rate of 20% per annum.

(f) **Employee Benefits**

Short-term employee benefits
Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits
Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(g) **Provisions**
Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less.

(i) Revenue and Other Income

Interest and fee revenue is recognised to the extent that it is probable that economic benefits will flow to the entity and the revenue can be reliably measured. All revenue is stated net of the amount of goods and services tax (GST).

(j) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(c) for further discussion on the determination of impairment losses.

(k) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(m) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(n) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(o) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates

(i) Impairment - General

The Company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(p) New Accounting Standards for Application in Future Periods

Accounting Standards and Interpretations issued by the AASB which are not yet mandatory applicable to the company, together with an assessment of the potential impact of such pronouncements on the company when adopted in future periods, are discussed below:

— AASB 9: Financial Instruments and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

The Standards will be applicable retrospectively (subject to the comment on hedge accounting below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes made to the Standard that may affect the company on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the Company's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

— AASB 2012–3: *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities* (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard provides clarifying guidance relating to the offsetting of financial instruments, which is not expected to impact the Company's financial statements.

— Interpretation 21: *Levies* (applicable for annual reporting periods commencing on or after 1 January 2014).

Interpretation 21 clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognised, and whether that liability should be recognised in full at a specific date or progressively over a period of time. This Interpretation is not expected to significantly impact the Company's financial statements.

— AASB 2013-3: *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets* (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard amends the disclosure requirements in AASB 136: Impairment of Assets pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the Company's financial statements.

— AASB 2013-4: *Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting* (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-4 makes amendments to AASB 139: Financial Instruments: Recognition and Measurement to permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. This Standard is not expected to significantly impact the Company's financial statements.

— AASB 2013-5: *Amendments to Australian Accounting Standards – Investment Entities* (applicable for annual reporting periods commencing on or after 1 January

AASB 2013-5 amends AASB 10: Consolidated Financial Statements to define an "investment entity" and requires, with limited exceptions, that the subsidiaries of such entities be accounted for at fair value through profit or loss in accordance with AASB 9 and not be consolidated. Additional disclosures are also required. As the company does not meet the definition of an investment entity, this Standard is not expected to significantly impact the company's financial statements.

Note 2 Revenue and Other Income

		Note	2014 $	2013 $
(a)	**Revenue from continuing operations**			
	Sales revenue			
	— provision of services		2,503,128	2,668,304
	Total sales revenue		2,503,128	2,668,304
	Other revenue			
	— interest received		17,695	26,426
	— government subsidies received		-	4,545
	— other revenue		98,019	98,334
	Total other revenue		115,714	129,306
	Total sales revenue and other revenue		2,618,841	2,797,610
	Other income			
	— other income	(i)	66,328	-
	Total other income		66,328	-

(i) Paradise Point Financial Services Ltd was reimbursed for the trading loss of $66,328 incurred by the Mudgeeraba Branch for the period 1 December 2013 to 31 March 2014. (Refer to Note 9c)

		2014 $	2013 $
	Interest revenue from:		
	— other corporations	17,695	26,426
	Total interest revenue on financial assets not at fair value through profit or loss	17,695	26,426
(b)	**Total revenue and other income from continuing operations**	2,685,169	2,797,610
(c)	**Income from continuing operations and discontinued operations**	2,685,169	2,797,610

Note 3 (Loss)/Profit for the Year

		Note	2014 $	2013 $
(a)	Expenses			
	— Interest unrelated parties		1,843	2,439
	Total interest expense		1,843	2,439
	Employee benefits expense			
	— employee benefit expense		1,409,170	1,385,897

Note 4 Tax Expense

		Note	2014 $	2013 $
(a)	The components of tax (expense)/income comprise:			
	Current tax		44,465	72,973
	Deferred tax	14	(18,504)	7,206
	Over provision of tax in respect of prior years		-	(1,654)
			25,961	78,525
(b)	Prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:			
	Prima facie tax payable on profit from ordinary activities before income tax at 30% (2013:30%)		5,282	71,739
			5,282	71,739
	Add:			
	Tax effect of:			
	— non-deductible depreciation and amortisation		1,932	6,214
	— non-allowable items		2,425	2,226
	— Over provision of tax in respect of prior years		-	(1,654)
	— Loss on disposal of Mudgeeraba branch		16,322	-
			25,962	78,525
	Income tax attributable to entity		25,962	78,525
	The applicable weighted average effective tax rates are as follows:		147.4%	32.8%

The increase in the weighted average effective tax rate for 2014 is a result of a loss on sale of the Mudgeeraba Branch.

Note 5 Auditors' Remuneration

	2014 $	2013 $
Remuneration of the auditor for:		
— auditing or reviewing the financial report	8,500	8,500
	8,500	8,500

Note 6 Dividends

	2014 $	2013 $
Interim fully franked ordinary dividend of $96,836 (2014: 15.5cents per share franked at the tax rate of 30% (2013: 11.5 cents per share franked at the tax rate of 30%)	96,836	71,846
	96,836	71,846

Note 7 Cash and Cash Equivalents

	Note	2014 $	2013 $
Cash at bank and on hand		616,658	587,381
	22	616,658	587,381

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	616,658	587,381
	616,658	587,381

Note 8 Trade and Other Receivables

	Note	2014 $	2013 $
CURRENT			
Trade receivables		203,643	232,769
		203,643	232,769
Total current trade and other receivables		203,643	232,769
NON-CURRENT			
Trade receivables		1,000	1,000
		1,000	1,000
Total non-current trade and other receivables		1,000	1,000

Credit risk

The company has no exposure to credit risk relating to financial assets arising from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

Credit risk is managed and reviewed regularly by the Board of Directors.

Credit risk related to balances with banks and other financial institutions is managed in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's (S&P) rating of at least AA.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled with the terms and conditions agreed between the company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount	Past due and impaired	Past due but not impaired (days overdue) <30	31-60	61-90	>90	Not past due
2014	$	$	$	$	$	$	$
Trade and term receivables	203,643	-	-	-	-	-	203,643
Other receivables	1,000	-	-	-	-	-	1,000
Total	204,643	-	-	-	-	-	204,643

	Gross Amount	Past due and impaired	Past due but not impaired (days overdue) <30	31-60	61-90	>90	Not past due
2013	$	$	$	$	$	$	$
Trade and term receivables	232,769	-	-	-	-	-	232,769
Other receivables	1,000	-	-	-	-	-	1,000
Total	233,769	-	-	-	-	-	233,769

(b) Collateral Held as Security

No financial assets have been pledged as security for debt.

	Note	2014 $	2013 $
(c) Financial Assets Classified as Loans and Receivables			
Trade and other receivables			
— Total Current		203,643	232,769
— Total Non-Current		1,000	1,000
		204,643	233,769
Total trade receivables that are financial assets	22	204,643	233,769

(d) Collateral held

No collateral is held over trade receivables.

Note 9 **Property, Plant and Equipment**

PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	583,152	746,609
Accumulated depreciation	(298,289)	(312,744)
	284,863	433,865
Motor Vehicles		
At Cost	52,561	52,561
(Accumulated amortisation)	(29,151)	(21,348)
	23,410	31,213
Low Value Pool	-	2,105
	-	2,105
Total plant and equipment	308,273	467,183
Total property, plant and equipment	308,273	467,183

(a) **Movements in Carrying Amounts**

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Plant and Equipment $	Motor Vehicles $	Total $
Balance at 1 July 2012	457,904	41,616	499,520
Additions	17,881	-	17,881
Depreciation expense	(39,815)	(10,403)	(50,218)
Balance at 30 June 2013	435,970	31,213	467,183
Additions	24,419		24,419
Impairment of assets	(128,993)		(128,993)
Disposals	(8,109)		(8,109)
Depreciation expense	(38,424)	(7,803)	(46,227)
Balance at 30 June 2014	284,863	23,410	308,273

(b) **Capitalised Finance Costs**	2014 $	2013 $
Borrowing costs incurred	569	569
Borrowing costs capitalised	569	569

(c) **Sale of Mudgeeraba Branch**

During the year the Mudgeeraba Branch was sold to Bendigo Adelaide Bank Limited. The termination period was 1 December 2013 to 31 March 2014.The sale was settled on 31 March 2014. Bendigo Adelaide Bank Limited took over the assets at the carrying value of $137,102 and the employee liability of $10,468.65 (Annual Leave and Long Service Leave) (Refer to note 15) for nil consideration. For the half year ended 31 December 2013 an impairment to the Mudgeeraba assets of $128,993 was recognised. On settlement of the sale, a profit of $2,360 was recognised in the statement of Profit & Loss and other Comprehensive Income.

Paradise Point Financial Services Ltd was reimbursed for the cost inurred of $66,328 for the termination period 1 December 2013 to 31 March 2014 in relation to the Mudgeeraba Branch

Note 10 **Intangible Assets**

	2014 $	2013 $
Franchise fees at cost	125,867	125,867
Franchise establishment fees at costs	242,246	242,246
Accumulated Depreciation	(299,626)	(270,420)
Net Carry Amount	68,487	97,693
I.T Software at cost	30,491	30,491
Accumulated Amortisation	(30,491)	(27,637)
Net Carry Amount	-	2,854
Borrowing Costs	569	569
Accumulated Amortisation	(322)	(208)
Net carrying amount	247	361
Total intangibles	68,734	100,908

(a) **Movements in Carrying Amounts**	Franchise Fees $	I.T Software Costs $	Borrowing Costs $
Year ended 30 June 2013			
Balance at the beginning of year	58,070	7,425	474
Additions	72,246	-	-
Amortisation charge	(32,623)	(4,571)	(113)
Closing value at 30 June 2013	97,693	2,854	361
Year ended 30 June 2014			
Balance at the beginning of year	97,693	2,854	361
Amortisation charge	(29,206)	(2,854)	(114)
Closing value at 30 June 2014	68,487	-	247

Intangible assets have finite useful lives. The current amortisation charges for intangible assets are included under depreciation and amortisation expense per the statement of profit or loss.

Note 11 Other Assets

	2014 $	2013 $
CURRENT		
Prepayments	5,025	4,941
	5,025	4,941

Note 12 Trade and Other Payables

	Note	2014 $	2013 $
CURRENT			
Unsecured liabilities			
Sundry payables and accrued expenses		159,257	173,684
		159,257	173,684

(a) Financial liabilities at amortised cost classified as trade and other payables

	2014 $	2013 $
Trade and other payables		
— Total Current	159,257	173,684
Total trade and other payables that are financial liabilities	159,257	173,684

Note 13 Borrowings

	Note	2014 $	2013 $
CURRENT			
Unsecured liabilities			
Chattel Mortgage		9,239	8,599
		9,239	8,599
Total current borrowings		9,239	8,599
NON-CURRENT			
Unsecured liabilities			
Chattel Mortgage		11,652	20,890
		11,652	20,890
Total non-current borrowings		11,652	20,890
Total borrowings	22	20,891	29,489

(a) **Collateral provided**
There is no Collateral Agreement over the chattel mortgage

Note 14 Tax Balances

	2014 $	2013 $
CURRENT ASSETS		
Income tax refundable	36,410	6,336
	36,410	6,336

	Opening Balance $	Charged to Income $	Closing Balance $
NON-CURRENT LIABILITIES			
Deferred tax liability			
Property, plant & equipment			
- Depreciation	68,088	1,010	69,098
Provisions	(43,808)	8,104	(35,704)
Other	(10,048)	(1,908)	(11,956)
Balance as at 30 June 2013	14,232	7,206	21,438
Property, plant & equipment			
- Depreciation	69,097	(22,308)	46,789
Provisions	(35,704)	2,353	(33,351)
Other	(11,956)	1,451	(10,505)
Balance as at 30 June 2014	21,438	(18,504)	2,935

The amount of deductible temporary differences and unused tax losses for which no deferred tax assets have been brought to account:
- temporary differences $Nil (2013: $Nil)
- tax losses: operating losses $Nil (2013: $Nil)

Deferred tax liabilities not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(a) occur.

Note 15 Provisions

CURRENT	2014	2013
Employee Benefits		
Opening balance at beginning of year	52,099	109,289
Additional provisions raised during year	27,418	37,037
Unused amounts reversed	(23,972)	(94,227)
Mudgeeraba Branch Employee Transfer (Refer to Note 9c)	(2,372)	-
Balance at end of the year	53,173	52,099
Other		
Opening balance at beginning of year	40,620	36,625
Additional provision raised during year	-	6,358
Unused amounts reversed	(4,835)	(2,363)
Balance at end of the year	35,785	40,620
Provision for Fringe Benefits Tax	(1,282)	(1,736)
Total	87,676	90,983

NON-CURRENT	2014	2013
Employee Benefits		
Opening balance at beginning of year	35,541	7,855
Additional provisions raised during year	37,104	53,054
Unused amounts reversed	(39,758)	(25,368)
Mudgeeraba Branch Employee Transfer (Refer to Note 9c)	(8,097)	-
Balance at end of the year	24,790	35,541

Analysis of Total Provisions

	2014 $	2013 $
Current	87,676	90,983
Non-current	24,790	35,541
	112,466	126,524

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1(f).

Note 16 Issued Capital

	2014 $	2013 $
624,750 fully paid ordinary shares of $1	624,750	624,750
(Less) Bonus Share Reserve	(16,300)	(16,300)
	608,450	608,450

Bonus Share Reserve

A Bonus Share Reserve is included in Issued Capital for the amount of $16,300

(a) **Capital Management**

Management controls the capital of the company in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the company can fund its operations and continue as a going concern.

The Company's debt and capital includes ordinary share capital, redeemable preference shares, convertible preference shares and financial liabilities, supported by financial assets.

Management effectively manage the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

The gearing ratios for the years ended 30 June 2014 and 30 June 2013 are as follows:

	Note	2014 $	2013 $
Borrowings and trade and other payables	12, 13	180,148	203,173
Less cash and cash equivalents	7	(616,658)	(587,381)
Net debt		-	-
Total equity		944,194	1,049,384
Total capital		944,194	1,049,384
Gearing ratio		Nil	Nil

Note 17 Capital and Leasing Commitments

	Note	2014 $	2013 $
(a) Operating Lease Commitments			
Non-cancellable operating leases contracted for but not recognised in the financial statements			
Payable — minimum lease payments			
— not later than 12 months		293,262	293,262
— between 12 months and 5 years		589,100	1,227,857
		882,362	1,521,119

The property leases are non-cancellable leases with a five-year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreements require that the minimum lease payments shall be increased by amounts not exceeding CPI or 5% per annum. An option exists to renew the lease at the end of the five-year term for an additional term of five years. Operating licenses for ATM sites may have shorter terms.

Note 18 Contingent Liabilities and Contingent Assets

Contingent Liabilities

There has been no contingent liabilities after the end of the financial year that would materially affect the financial statements.

Contingent Assets

There has been no contingent assets after the end of the financial year that would materially affect the financial statements.

Note 19 Cash Flow Information

	2014 $	2013 $
(a) Reconciliation of Cash Flow from Operating Activities with (Loss)/Profit after Income Tax		
(Loss)/Profit after income tax	(8,354)	160,605
Non-cash flows in profit		
Amortisation	32,174	37,308
Depreciation	46,227	50,219
Impairment of Asset	128,993	
Profit on Sale of Mudgeeraba Branch	(2,360)	
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	24,293	3,197
(Increase)/decrease in prepayments	(85)	
Increase/(decrease) in trade payables and accruals	(14,427)	22,810
Increase/(decrease) in taxes (Current & Deferred)	(48,578)	(164,046)
Increase/(decrease) in provisions for Employee Entitlement	1,248	(23,145)
Cash flow from operating activities	159,131	86,948

Note 20 Events after the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

Note 21 Related Party Transactions

Transactions with 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. The names of directors who have held office during the financial year and shareholdings of those directors and related entities are as follows:

	2014 # Shares	2013 # Shares
Paul Vertullo	50,500	50,500
John Ronald Hooton	6,000	6,000
Lesley Woodford-Carr	500	500
Ewald Gerhard (Garry) Kuppe	15,000	15,000
Paul James Wraith	59,900	59,400
Ann Robilotta	25,600	25,600
Helen Louise Weissenberger	2,000	2,000

No director or related entity has entered into a material contract with the company. No directors fees have been paid as the positions are held on a voluntary basis.

During the year directors were paid an honorarium to reimburse costs incurred in the conduct of their duties.
The collective total honorarium was $18,000.

	Gross Remuneration 2014 $	2013 $
Key Management Personnel	179,167	177,301

Note 22 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2014 $	2013 $
Financial Assets			
Cash and cash equivalents	7	616,658	587,381
Loans and receivables	8c	204,643	233,769
Total Financial Assets		821,301	821,150
Financial Liabilities			
Financial liabilities at amortised cost			
— Trade and other payables	12	159,257	173,684
— Borrowings	13	20,891	29,489
Total Financial Liabilities		180,148	203,173

Financial Risk Management Policies

The directors overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include credit risk policies and future cash flow requirements.

The Board of Directors meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Specific Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are liquidity risk and interest rate margin risk .

a. Liquidity risk

Liquidity risk arises from the possibility that the entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities
- using derivatives that are only traded in highly liquid markets
- monitoring undrawn credit facilities
- obtaining funding from a variety of sources
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- only investing surplus cash with major financial institutions
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. The Company has no bank overdrafts. The company has no financial guarantee liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore defer from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 years		Over 5 years		Total	
	2014 $	2013 $	2014 $	2013 $	2014 $	2013 $	2014 $	2013 $
Financial liabilities due for payment								
Trade and other payables	159,257	173,684					159,257	173,684
Chattel Mortgage liabilities	9,239	8,599	11,652	20,890			20,891	29,489
Total contractual outflows	168,496	182,283	11,652	20,890	-	-	180,148	203,173
Less bank overdrafts							-	-
Total expected outflows	168,496	182,283	11,652	20,890	-	-	180,148	203,173

	Within 1 Year		1 to 5 years		Over 5 years		Total	
	2014 $	2013 $	2014 $	2013 $	2014 $	2013 $	2014 $	2013 $
Financial Assets - cash flows realisable								
Cash and cash equivalents	616,658	587,381					616,658	587,381
Trade, term and loans receivables	203,643	232,769	1,000	1,000			204,643	233,769
Total anticipated inflows	820,301	820,150	1,000	1,000	-	-	821,301	821,150
Net (outflow) / inflow on financial instruments	651,805	637,867	(10,652)	(19,890)	-	-	641,153	617,977

b. Market Risk

i. *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

There is no effective variable interest rate borrowings (i.e. un-hedged debt). The company is not exposed to interest rate risk which will impact future cash flows and interest charges.

ii. *Foreign exchange risk*

The company is not exposed to fluctuations in foreign currencies.

iii. *Other price risk*

The company is not exposed to other price risks.

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

	Note	2014 Carrying Amount $	2014 Fair Value $	2013 Carrying Amount $	2013 Fair Value $
Financial assets					
Cash and cash equivalents		616,658	616,658	587,381	587,381
Trade and other receivables:					
- unrelated parties - trade and term receivables		204,643	204,643	233,769	233,769
Total trade and other receivables		204,643	204,643	233,769	233,769
Total financial assets		821,300	821,300	821,150	821,150
Financial liabilities					
Trade and other payables		159,257	159,257	173,684	173,684
Chattel Mortgage		20,891	20,891	29,490	29,490
Total financial liabilities		180,148	180,148	203,174	203,174

(i) Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments in nature whose carrying amounts are equivalent to their fair values. Trade and other payables excludes amounts provided for annual leave, which is outside the scope of AASB 139.

Note 23 Prior Period Error

During the half year ended 31 December 2013 while determining the impairment of the Mudgeeraba branch assets, it was found that the incorrect tax base had been used for these assets, in the calculation of the deferred tax balances. There was no impact on tax payables or the tax provision as the error related to the tax carrying values of theses assets.
The tables below provide a summary of the amounts of the adjustments for each financial statement line item affected by the error for the year-ended 30 June 2013.

Adjustments made to statement of profit or loss and other comprehensive income:

	As previously Presented 30.06.2013 $	Adjustment $	Restated 30.06.2013 $
Income Tax (Expense)/Benefit	(75,782)	(2,743)	(78,525)
(Loss)/Profit for the period	163,348	(2,743)	160,605
Total Comprehensive Income for the period attributable to members	163,348	(2,743)	160,605

Adjustments made to statement of financial position:

	As previously Presented 30.06.2013	Adjustment	Restated 30.06.2013
ASSETS	$	$	$
NON-CURRENT ASSETS			
Deferred Tax Asset	47,020	(47,020)	-
TOTAL NON-CURRENT ASSETS	616,111	(47,020)	569,091
TOTAL ASSETS	1,401,349	(40,684)	1,360,665
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred Tax Liability	-	21,437	21,437
TOTAL NON-CURRENT LIABILITIES	56,431	21,437	77,868
TOTAL LIABILITIES	289,844	21,437	311,281
NET ASSETS	1,117,841	(68,457)	1,049,384
EQUITY			
Retained Earnings	509,391	(68,457)	440,934
TOTAL EQUITY	1,117,841	(68,457)	1,049,384

Adjustments made to statement of changes in equity:

	As previously Presented 30.06.2013	Adjustment	Restated 30.06.13
Retained Earnings	$	$	$
Balance at 1 July 2012	417,889	(65,714)	352,175
Comprehensive Income			
Profit/(Loss) attributable to members of the company	163,348	(2,743)	160,605
Total Comprehensive Income for the period	163,348	(2,743)	160,605

	As previously Presented 30.06.2013	Adjustment	Restated 30.06.13
Retained Earnings	$	$	$
Balance at 1 July 2013	509,391	(68,457)	440,934

Note 24 Company Details

The registered office of the company is:
Paradise Point Financial Services Ltd
Shops 3 & 4, 42 Esplanade Paradise Point QLD 4216

The principal place of business is:
Paradise Point Financial Services Ltd
Shops 3 & 4,42 Esplanade Paradise Point QLD 4216

PARADISE POINT FINANCIAL SERVICES LTD
ABN: 33 095 686 936
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Paradise Point Financial Services Ltd, the directors of the company declare that:

1. the financial statements and notes, comprising of Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements are in accordance with the Corporations Act 2001 and:
   (a) comply with Accounting Standards; and
   (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the company;
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.

Director ______________________

Paul Vertullo

Dated this 30th day of September 2014

PARADISE POINT FINANCIAL SERVICES LIMITED
ABN 33 095 686 936

INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF PARADISE POINT FINANCIAL SERVICES LIMITED

Report on the Financial Report
We have audited the accompanying financial report of Paradise Point Financial Services Limited (the company) which comprises the statement of financial position as at 30 June 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow for the then year ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company.

Directors' Responsibility for the Financial Report
The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determined is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on the financial report based on our audit. We 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 judgment, 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 company's preparation of the financial report 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 company'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.

Basis for Qualified Auditors' Opinion

During the year the company sold the Mudgeeraba Branch to Bendigo Adelaide Bank Limited (refer Note 9 (c) to the financial statements). We have not sighted a signed copy of the sale agreement.

HEAD OFFICE:
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a: 4 Helensvale Road Helensvale Queensland 4212 Australia
e: info@wpias.com.au
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WPIAS Pty Ltd ABN 99 163 915 482
An Authorised Audit Company

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PARADISE POINT FINANCIAL SERVICES LIMITED
ABN 33 095 686 936

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PARADISE POINT FINANCIAL SERVICES LIMITED

Qualified Auditors' Opinion

In our opinion, the financial report of Paradise Point Financial Services 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 2014 and of its performance for the year ended on that date; and

b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

WPIAS Pty Ltd
Authorised Audit Company No. 440306

LEE-ANN DIPPENAAR BCom CA RCA
DIRECTOR

Dated this 30th day of September 2014

4 Helensvale Road
Helensvale Qld 4212

Notes:

Paradise Point **Community Bank**® Branch
Shop 3 & 4, 42 The Esplanade,
Paradise Point QLD 4216
Phone: (07) 5577 4199

Upper Coomera branch
Shop 10, Upper Coomera Shopping Village,
Cnr Reserve and Tamborine Oxenford Roads,
Upper Coomera QLD 4209
Phone: (07) 5500 0496

Ormeau branch
Tenancy 6, Ormeau Town Centre,
19-21 Peachey Road, Ormeau QLD 4208
Phone: (07) 5549 1256

Franchisee: Paradise Point Financial Services Ltd
Shop 3 & 4, 42 The Esplanade,
Paradise Point QLD 4216
Phone: (07) 5577 4199
ABN: 33 095 686 936
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Bendigo Bank