Annual Report 2015

Paradise Point Financial Services Ltd

ABN 33 095 686 936

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

Board of directors

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CHAIRMAN'S REPORT

Dear Shareholders,

It is with great pleasure that I present the **Annual Report of Paradise Point Financial Services Limited.**

OUR COMPANY

During the financial year ended 30 June 2015 our company once again achieved milestones in most areas of activity

- $285 million held in accounts across our three branches
- 10,000 accounts across our branches
- $1.410 million in donations and sponsorships to our communities since 2011

Our financial position is very sound, providing the Board, on your behalf, the opportunity to assist needy groups and associations in our communities. During the financial year we have donated $146,211 in grants/sponsorships to our local communities (see separate list of recipients).

BANKING ENVIRONMENT

Irrespective of the fact that the banking environment has been challenging nationally and globally as we will keep delivering a great service to our customers in partnership with Bendigo Bank, we are confident that our company and our branches will continue to grow and distribute our profits to the local communities and to our shareholders.

DIVIDENDS

The Board believes that our shareholders should benefit from the strong financial position of our company therefore a fully franked dividend of 15.5 cents a share is again recommended for the 2014/15 financial year. This recommended dividend amounts to $96,836 for the financial year and it brings the total dividend paid per share to $1.26 cents since our company commenced trading.

PROFIT SHARE WITH BENDIGO BANK

Our partners, Bendigo Bank, in conjunction with the **Community Bank®** network Australia-wide, have recently completed a comprehensive review of the **Community Bank®** model. This review, referred to as Project Horizon, has looked at the **Community Bank®** model from its beginning in 1998 to what is today, a network of 310 branches.

The Project Horizon review has resulted in a re-distribution of the Marketing Development Fund to the **Community Bank®** branches. Initially introduced to assist **Community Bank®** branches during their early days of trading, the Marketing Development Fund has also been used by the branches to promote our product and services without impacting on the returns we continue to make to our communities. As a result of The Project Horizon review, the less established **Community Bank®** branches will receive a greater share of the Marketing Development Fund than the more established sites. **Community Bank®** companies will contribute some of the Marketing Development Fund to promote the **Community Bank®** concept locally and state-wide.

The Project Horizon review has also resulted in a re-adjustment of the profit share to reflect changing marketing conditions and the maturity of the **Community Bank®** network.

OUR EMPLOYEES

The Board is very grateful and would like to say thank you to all our employees for their commitment to the **Community Bank®** concept. Both Managers and staff have consistently attended evenings and weekends functions to make presentations and to promote our branches and the services we provide. Our Managers are very committed professionals and are fully dedicated to the ongoing success of our community company.

Our Senior Manager, Ian Johnston, is a mentor and trainer to many young people who choose to pursue a banking career. Ian's commitment to achieve our company's goals is commendable, his banking expertise, "can do" attitude and work ethics inspire all our staff to contribute to the best of their abilities.

OUR PARTNERS BENDIGO BANK

The **Community Bank®** network continues to grow Australia wide. The network's steady expansion demonstrates the strength and relevance of a banking model where the desire to support the financial needs of customers is equalled by the desire to support the community with the good that money can bring. By the end of the 2014/15 financial year the **Community Bank®** network returned over $130 million to local communities since the model's inception. Our **Community Bank®** company and you, our shareholders, are part of a unique banking movement that can only continue to grow.

YOUR BOARD OF DIRECTORS

The success of our company is also due to the dedication and financial expertise of the Board of Directors, particularly the long-term Directors who year after year have diligently administered the affairs of the company and its employees.

During the year we welcomed to the Board Les Forster, valued customer of our Paradise Point **Community Bank®** Branch. Les is a very successful businessman and a well-respected builder in our local community. We look forward to Les's contribution to the future direction of our community company.

THE FUTURE

Directors continue to focus on the need to grow the business and are working on a number of strategies to achieve this. Together with our committed and friendly branch staff we will continue to work hard to grow the business for the betterment of our community and for you, our shareholders.

We thank you for your support as a shareholder. If you are banking with our **Community Bank®** branches we thank you. If you are not, please ask yourself the question, "Should I investigate the products and services offered by my **Community Bank®** branch, and if satisfied, in addition to being a shareholder, become a very valued customer of my **Community Bank®** branch?"

In conclusion we would like to remind you to tell your friends of the great contribution that your **Community Bank®** company makes to our local communities and that in order to continue and grow that contribution we need their support.

Paul Vertullo

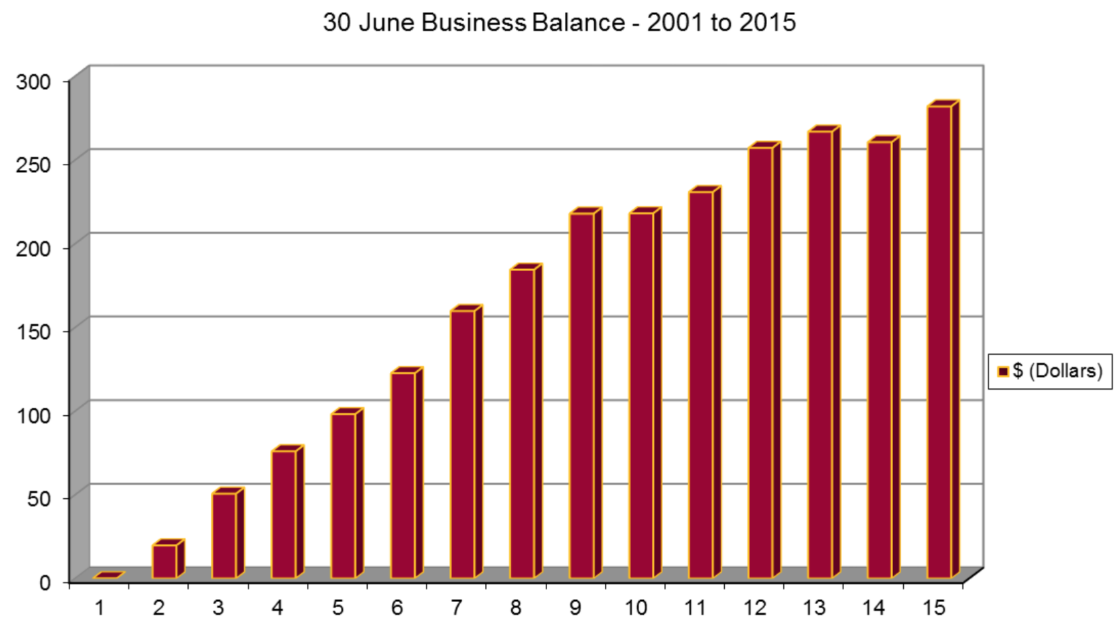
Chairman

MANAGER'S REPORT

This past financial year has shown the benefit of the refocus and strategic planning that our **Community Bank®** company completed and put in place last year. Our core three branches, being Paradise Point, Upper Coomera and Ormeau have set themselves up for future growth and increased value to the communities that they service.

Business growth across the three branches increased by a credible $22.6 million for the year to $285 million consisting of both deposits and lending. This growth was achieved on the back of the many community and business relationships that have been established. We will continue to increase our **Community Bank®** branches' brand awareness and our reputation for excellent customer service over future years to come.

The visual aspect of what has been achieved this year and over the past 14 years is more easily demonstrated in the following graph.



We have commenced 2015/16 financial year, with solid business activity on the back of what was achieved last year. The 2018 Commonwealth Games here on the Gold Coast has provided customer confidence and business activity. This should continue over the next three to four years. Our strategy in the coming term is to increase our customer and community engagement to further our opportunities in gaining more business and increased our customer base.

I thank our community company Board Chairman, Paul Vertullo, together with the Directors for their support. Also, a big thank you to those **Community Bank®** company shareholders who simply bank with us. This support on top of our existing customer advocacy will see our continued success.

I would like to acknowledge our skilful and hardworking staff teams:

PARADISE POINT

Kristy Battista (Executive Assistant to myself and Customer Relationship Manager, assisting at Upper Coomera), Belinda Sippel (Customer Relationship Manager) Brittany Von Mengersen (Customer Relationship Manager), Amie Ebert (Customer Service Supervisor), Siobhan Wilkinson, Cheyanne Marks and Laititi Ah-Hi (Customer Service Officers). Chris Anderson (formerly our Customer Service Supervisor) now completing a Degree at Griffith University (On Call Casual).
Year 12 School Based Trainee – Shanti Griffin.

UPPER COOMERA

Alana Dimatulac (Newly appointed Manager), Kristy Battista (Customer relationship Manager), Jenny O'Keefe (Customer Service Supervisor), Amanda Gall, Brianna Gilbert and Janelle Herne (Customer Service Officers), Bree Noormahomed (now on maternity leave).

ORMEAU

Jill Smith (Manager appoint this year), Ragan Godfrey (Customer Service Supervisor) Vicki Chadwick and Tracy Webster (Customer Service Officers).

Our enthusiastic staff are all looking forward to the year ahead with optimism for the opportunities that will present. We are confident that together, we will achieve solid customer growth, which in turn, will benefit our communities and you our shareholders.

Ian Johnston
Senior Manager

Donations and sponsorship recipients 2014/2015

Paradise Point:

Australian Industry Trades College – Student assistance

Schools Eisteddfod- Gold Coast

Gold Coast Griffith Uni Panthers RLFC

Gold Coast Mayoress Charity Ball

Gold Coast North Chamber of Commerce GCNCC

Griffith University Institute for Glycomics - Cancer

Hinterland Field Archery

Hopewell Hospice Services - Paradise Kids

Mater Miracles Easter Appeal

Paradise Point Bowls Club - Ladies

Paradise Point Sailing Club

Park Ridge Active Riding Group

QLD Blue Light Assoc

RACQ Care Flight

Ronald McDonald Audi Redboot Car Rally

Rotary Club - Healthy Heroes

Rotary Club – Metal Health Symposium

Runaway Bay Baseball Club - Dolphins

Runaway Bay Soccer Club - Bayhawks

St Francis Xavier School Fete

The Arts Centre, Gold Coast – Miss Siagon

The Grace Gawler Institute – Cancer

Upper Coomera:

Australian Business week – High Schools

Cancer Council Relay for Life

Clagiraba Rural Fire Brigade

Crime stoppers

Fundraiser for Xavier

Highland Reserve School P&C ‘Highland Fling Event’

Nerang & Dist Equestrian Centre

Oxenford Mens Shed - Trailer

Oxenford Neighbourhood Watch

Rotary Club of Coomera Valley – Xmas Carols

The Australian Football Club Magpies Snr

Ormeau:

Highway Christian Church – Xmas Carols

My Ormeau Inc

Ormeau Bulldogs Junior Australian Football Club

Ormeau Cricket Club

Ormeau Lions - Ormeau Fair

Ormeau Shearers Jnr Rugby League

Ormeau Shearers Senior Rugby League

PARADISE POINT FINANCIAL SERVICES LTD

ABN: 33 095 686 936

Financial Report For The Year Ended 30 June 2015

PARADISE POINT FINANCIAL SERVICES LTD

ABN: 33 095 686 936

Financial Report For The Year Ended 30 June 2015

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Your directors present their report on the entity PARADISE POINT FINANCIAL SERVICES LTD for the financial year ended 30 June 2015.

General Information

Directors

The following persons were directors of Paradise Point Financial Services Ltd during or since the end of the financial year up to the date of this report:

Paul Vertullo appointed
John Ronald Hooton appointed
Frederick William Woodley appointed
Lesley Woodford-Carr appointed
Ewald Gerhard Kuppe appointed
Paul James Wraith appointed
Nicole Hintz appointed

Particulars of each Director's experience and qualifications are set out later in this report.

Dividends Paid or Recommended

Dividends paid or declared for payment during the financial year are as follows:

- A Fully Franked Interim ordinary dividend of 15.50c per share paid on 8 December 2014 $96,836

Indemnifying Officers or Auditor

During or since the end of the financial year, the company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

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.

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 lead auditor’s independence declaration for the year ended 30 June 2015 has been received and is attached to this report

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.

Information relating to Directors and Company Secretary

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	—	Real Estate Agent

Directors have been in office since 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	11
John Ronald Hooton	12	12
Frederick William Woodley	12	10
Lesley Woodford-Carr	12	10
Ewald Gerhard Kuppe	12	9
Paul James Wraith	12	8
Nicole Hintz	12	4

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

Paul Vertullo

Date This 30th day of September 2015

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For your peace of mind

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 2015 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, 2015

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Helensvale QLD 4212

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

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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 2015

	Note	2015 $	2014 $
Continuing operations			
Revenue	2	2,444,112	2,618,841
Other income	2	7,750	66,328
Employee benefits expense		(1,173,609)	(1,409,170)
Impairment of Assets	9c	-	(128,993)
Profit on sale of Mudgeeraba Branch	9c	-	2,360
Finance costs	3	(13)	(1,843)
Depreciation and amortisation expense		(67,685)	(78,401)
Other expenses		(820,496)	(1,051,514)
Profit before income tax	3	390,060	17,608
Tax expense	4	(120,372)	(25,962)
Net (Loss)/Profit for the year	3	269,689	(8,354)
Other comprehensive income:			
Total Other comprehensive income for the year		-	-
Total comprehensive (loss)/income for the year		269,689	(8,354)

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 2015

	Note	2015 $	2014 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	900,356	616,658
Trade and other receivables	8	186,970	203,643
Other assets	11	5,028	5,025
Current tax assets	14	-	36,410
TOTAL CURRENT ASSETS		1,092,354	861,736
NON-CURRENT ASSETS			
Trade and other receivables	8	1,000	1,000
Property, plant and equipment	9	307,328	308,273
Intangible assets	10	43,692	68,734
TOTAL NON-CURRENT ASSETS		352,020	378,007
TOTAL ASSETS		1,444,373	1,239,743
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	148,124	159,257
Borrowings	13	19,725	9,239
Current tax liabilities	14	50,595	-
Provisions	15	38,351	87,676
TOTAL CURRENT LIABILITIES		256,794	256,172
NON-CURRENT LIABILITIES			
Borrowings	13	27,739	11,652
Deferred tax liabilities	14	20,264	2,935
Other provisions	15	22,529	24,790
TOTAL NON-CURRENT LIABILITIES		70,532	39,377
TOTAL LIABILITIES		327,326	295,549
NET ASSETS		1,117,047	944,194
EQUITY			
Issued capital	16	608,450	608,450
Retained earnings		508,597	335,744
TOTAL EQUITY		1,117,047	944,194

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 2015

	Note	Share Capital		
		Ordinary	Retained Earnings	Total
		$	$	$
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
Balance at 1 July 2014		608,450	335,744	944,194
Comprehensive income				
Profit for the year			269,689	269,689
Total comprehensive income for the year		-	269,689	269,689
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 2015		608,450	508,596	1,117,046

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 2015

	Note	2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,419,526	2,691,769
Payments to suppliers and employees		(2,018,988)	(2,473,951)
Interest received		19,056	17,695
Finance costs		(793)	(1,843)
Income tax paid		(23,921)	(74,539)
Net cash provided by/(used in) operating activities	19a	394,880	159,131
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(3,635)	(24,419)
Purchase of other non-current assets		-	-
Net cash provided by/(used in) investing activities		(3,635)	(24,419)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(10,711)	(8,599)
Dividends paid		(96,836)	(96,836)
Net cash provided by/(used in) financing activities		(107,547)	(105,435)
Net increase/(decrease) in cash held		283,698	29,277
Cash and cash equivalents at beginning of financial year	7	616,658	587,381
Cash and cash equivalents at end of financial year	7	900,356	616,658

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 2015 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, 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.

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.

(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 settled.

(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 basis 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**
Plant and equipment	7.5 - 50%
Furniture and Fittings	6.67% - 30%
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 ventures 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
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 of disposal 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 (eg in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). 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, and bank overdrafts.

(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.

(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 Judgements

The directors evaluate estimates and judgements 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 that are not yet mandatorily 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 to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes 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 that may affect the company on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, 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 the Standard, 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 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2017).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers. The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

Although the directors anticipate that the adoption of AASB 15 may have an impact on the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

Note 2 Revenue and Other Income

	Note	2015 $	2014 $
(a) Revenue from continuing operations			
Sales revenue			
— provision of services		2,325,056	2,503,128
Total sales revenue		2,325,056	2,503,128
Other revenue			

— interest received	19,056	17,695
— other revenue	100,000	98,019
Total other revenue	119,056	115,714
Total sales revenue and other revenue	2,444,112	2,618,841
Other income		
— other income	7,750	66,328
Total other income	7,750	66,328

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)

Interest revenue from:		
— other corporations	19,056	17,695
Total interest revenue on financial assets not at fair value through profit or loss	19,056	17,695
(b) Total revenue and other income from continuing operations	2,451,862	2,685,169
(c) Income from continuing operations and discontinued operations	2,451,862	2,685,169

Note 3 (Loss)/Profit for the Year

	Note	2015	2014
(a) Expenses		$	$
— Interest Unrelated parties		13	1,843
Total interest expense		13	1,843
Employee benefits expense			
— employee benefit expense		1,173,609	1,409,170

Note 4 Tax Expense

	Note	2015 $	2014 $
(a) The components of tax (expense)/income comprise:			
Current tax		103,040	44,465
Deferred tax	14	17,330	(18,504)
		120,370	25,961
(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% (2014: 30%)		117,018	5,282
		117,018	5,282
Add:			
Tax effect of:			
— non-deductible depreciation and amortisation		-	1,932
— non-allowable items		3,354	2,425
— Loss on disposal of Mudgeeraba branch		-	16,322
		120,372	25,962
Income tax attributable to entity		120,372	25,962
The applicable weighted average effective tax rates are as follows:		30.9%	147.4%

The high weighted average effective tax rate for 2014 was a result of a loss on sale of the Mudgeeraba Branch.

Note 5 Auditors' Remuneration

	2015	2014
	$	$
Remuneration of the auditor for:		
— auditing or reviewing the financial report	8,500	8,500
	8,500	8,500

Note 6 Dividends

	2015	2014
	$	$
Distributions paid		
Interim fully franked ordinary dividend of $96,836 (2014: 15.5 cents per share) franked at the tax rate of 30% (2014: 30%)	96,836	96,836
	96,836	96,836

Note 7 Cash and Cash Equivalents

	Note	2015 $	2014 $
Cash at bank and on hand		900,356	616,658
	22	900,356	616,658

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:

		2015	2014
Cash and cash equivalents		900,356	616,658
		900,356	616,658

Note 8 Trade and Other Receivables

	Note	2015 $	2014 $
CURRENT			
Trade receivables		186,970	203,643
		186,970	203,643
Total current trade and other receivables		186,970	203,643
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.

			Past due but not impaired (days overdue)				
	Gross Amount	Past due and impaired	<30	31-60	61-90	>90	Within initial trade terms
2015	$	$	$	$	$	$	$
Trade and term receivables	186,970	-	-	-	-	-	186,970
Other receivables	1,000	-	-	-	-	-	1,000
Total	187,970	-	-	-	-	-	187,970

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

(a) **Collateral Held as Security**

No financial assets have been pledged as security for debt.

(b) **Financial Assets Classified as Loans and Receivables**	Note	2015 $	2014 $
Trade and other Receivables			
— Total Current		186,970	203,643
— Total Non-Current		1,000	1,000
		187,970	204,643
Total trade receivables that are financial assets	22	187,970	204,643

(c) **Collateral Held**

No collateral is held over trade receivables.

Note 9 Property, Plant and Equipment

	2015 $	2014 $
PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	583,152	583,152
Accumulated depreciation	(328,668)	(298,289)
	254,484	284,863
Motor Vehicles		
Cost	93,479	52,561
Accumulated Depreciation	(40,635)	(29,151)
	52,844	23,410
Total plant and equipment	307,328	308,273
Total property, plant and equipment	307,328	308,273

(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 2013	435,970	31,213	467,183
Additions	24,419	-	24,419
Disposals	(8,109)	-	(8,109)
Impairment of assets	(128,993)	-	(128,993)
Depreciation expense	(38,424)	(7,803)	(46,227)
Balance at 30 June 2014	284,863	23,410	308,273
Additions	-	40,918	40,918
Depreciation expense	(30,378)	(11,484)	(41,862)
Balance at 30 June 2015	254,485	52,844	307,329

(b) **Capitalised Finance Costs**	2015 $	2014 $
Borrowing costs incurred	1,349	569
Borrowing costs capitalised	1,349	569

(c) **Sale of Mudgeeraba Branch**

During the 2014 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

	2015 $	2014 $
Franchise fees at cost	125,867	125,867
Franchise establishment fees at cost	242,246	242,246
Accumulated Depreciation	(325,248)	(299,626)
Net Carrying Amount	42,865	68,487
I.T Software at cost	30,491	30,491
Accumulated Amortisation	(30,491)	(30,491)
Net Carrying Amount	-	-
Borrowing Costs	1,349	569
Accumulated Amortisation	(522)	(322)
Net Carrying Amount	827	247
Total intangibles	43,692	68,734

(a) Movements in Carrying Amounts	Franchise Fees $	I.T Software Costs $	Borrowing Costs $
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
Year ended 30 June 2015			
Balance at the beginning of year	68,487	-	247
Additions	-	-	780
Amortisation charge	(25,622)	-	(200)
Closing value at 30 June 2015	42,865	-	827

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

	2015 $	2014 $
CURRENT		
Prepayments	5,028	5,025
	5,028	5,025

Note 12 Trade and Other Payables

	Note	2015 $	2014 $
CURRENT			
Unsecured liabilities			
Sundry payables and accrued expenses		148,124	159,257
		148,124	159,257

	Note	2015 $	2014 $
(a) Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables			
— Total Current		148,124	159,257
Total trade and other payables that are financial liabilities	22	148,124	159,257

Note 13 Borrowings

	Note	2015 $	2014 $
CURRENT			
Unsecured liabilities			
Chattel Mortgage		19,725	9,239
		19,725	9,239
Total current borrowings		19,725	9,239
NON-CURRENT			
Unsecured liabilities			
Chattel Mortgage		27,739	11,652
		27,739	11,652
Total non-current borrowings		27,739	11,652
Total borrowings	22	47,464	20,891

(a) **Collateral provided**

There is no Collateral Agreement over the chattel mortgage

Note 14 Tax Balances

	2015 $	2014 $
CURRENT (ASSETS)/LIABILITIES		
Income tax payable/(refundable)	50,595	(36,410)
	50,595	(36,410)

	Opening Balance	Charged to Income	Closing Balance
NON-CURRENT LIABILITIES	$	$	$
Deferred tax liabilities			
Property, plant and 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
Property, plant and equipment			
- Depreciation	46,789	(1,703)	45,086
Provisions	(33,351)	10,049	(23,302)
Other	(10,505)	8,985	(1,520)
Balance as at 30 June 2015	2,935	17,330	20,264

The amount of deductible temporary differences and unused tax losses for which no deferred tax assets ($) have been brought to account:
- temporary differences $Nil (2014: $Nil)
- tax losses: operating losses $Nil (2014: $Nil)
- tax losses: capital losses $Nil (2014: $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	2015	2014
Employee Benefits		
Opening balance at beginning of year	53,173	52,099
Additional provisions raised during year	-	27,418
Unused amounts reversed	(23,683)	(23,972)
Mudgeeraba Branch Employee Transfer (Refer to Note 9c)	-	(2,372)
Balance at end of the year	29,490	53,173
Other		
Opening balance at beginning of year	35,785	40,620
Unused amounts reversed	(29,951)	(4,835)
Balance at end of the year	5,834	35,785
Provision for Fringe Benefits Tax	3,027	(1,282)
Total	38,351	87,676

NON-CURRENT	2015	2014
Employee Benefits		
Opening balance at beginning of year	24,790	35,541
Additional provisions raised during year	12,847	37,104
Unused amounts reversed	(15,108)	(39,758)
Mudgeeraba Branch Employee Transfer (Refer to Note 9c)	-	(8,097)
Balance at end of the year	22,529	24,790
Total	22,529	24,790

Analysis of Total Provisions

	2015	2014
	$	$
Current	38,351	87,676
Non-current	22,529	24,790
	60,880	112,466

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

	2015	2014
	$	$
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 and financial liabilities, supported by financial assets.

The Company is not subject to any externally imposed capital requirements.

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 2015 and 30 June 2014 are as follows:

	Note	2015 $	2014 $
Total borrowings	12, 13	195,588	180,148
Less cash and cash equivalents	7	(900,356)	(616,658)
Net debt		-	-
Total equity		1,117,047	944,194
Total capital		1,117,047	944,194
Gearing ratio		0%	0%

Note 17 Capital and Leasing Commitments

	Note	2015 $	2014 $
(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		224,042	293,262
— between 12 months and 5 years		716,199	882,362
		940,241	1,175,624

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

	2015 $	2014 $
Estimates of the potential financial effect of contingent liabilities that may become payable:		

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

	2015 $	2014 $
(a) **Reconciliation of Cash Flow from Operating Activities with Profit after Income Tax**		
(Loss)/Profit after income tax	269,689	(8,354)
Non-cash flows in profit		
Amortisation	25,823	32,174
Depreciation	41,862	46,227
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	(13,281)	24,293
(Increase)/decrease in prepayments	(3)	(85)
(Increase)/decrease in inventories		
Increase/(decrease) in trade payables and accruals	(25,658)	(14,427)

Increase/(decrease) in taxes (Current & Deferred)	96,448	(48,578)
Increase/(decrease) in deferred taxes payable		
Increase/(decrease) in deferred taxes receivable		
Increase/(decrease) in provisions for Employee Entitlement	-	1,248
Cash flow from operating activities	394,880	159,131

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

(a) 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:

	2015	2014
	# Shares	# Shares
Paul Vertullo	50,500	50,500
Ewald Gerhard (Garry) Kuppe	15,000	15,000
Paul James Wraith	59,900	59,900
John Ronald Hooton	6,000	6,000
Lesley Woodford-Carr	500	500

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 $19,200.

	Gross Remuneration	
	2,015	2014
	$	$
Key Management Personnel	167,712	179,167

Note 22 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills, leases, preference shares, and derivatives.

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	2015 $	2014 $
Financial Assets			
Cash and cash equivalents	7	900,356	616,658
Loans and receivables	8b	187,970	204,643
Total Financial Assets		1,088,326	821,301
Financial Liabilities			
Financial liabilities at amortised cost			
— Trade and other payables	12	148,124	159,257
— Borrowings	13	47,464	20,891
Total Financial Liabilities		195,588	180,148

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**	
	2015	2014	2015	2014	2015	2014	2015	2014
	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Trade and other payables	148,124	159,257					148,124	159,257
Chattel Mortgage liabilities	19,724	9,239	27,740	11,652			47,464	20,891
Total contractual outflows	167,848	168,496	27,740	11,652	-	-	195,588	180,148
Less bank overdrafts							-	-
Total expected outflows	167,848	168,496	27,740	11,652	-	-	195,588	180,148

	Within 1 Year		**1 to 5 years**		**Over 5 years**		**Total**	
	2015	2014	2015	2014	2015	2014	2015	2014
	$	$	$	$	$	$	$	$
Financial Assets - cash flows realisable								
Cash and cash equivalents	900,356	616,658					900,356	616,658
Trade, term and loans receivables	186,970	203,643	1,000	1,000			187,970	204,643
Total anticipated inflows	1,087,326	820,301	1,000	1,000	-	-	1,088,326	821,301
Net (outflow) / inflow on financial instruments	919,478	651,804	(26,740)	(10,652)	-	-	892,738	641,152

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	**2015**		**2014**	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		$	$	$	$
Financial assets					
Cash and cash equivalents		900,356	900,356	616,658	616,658
Trade and other receivables:					
- unrelated parties - trade and term receivables		187,970	187,970	204,643	204,643
Total trade and other receivables		187,970	187,970	204,643	204,643
Total financial assets		1,088,326	1,088,326	821,301	821,301

Financial liabilities				
Trade and other payables	148,124	148,124	159,257	159,257
Chattel Mortgage	47,464	47,464	20,891	20,891
Total financial liabilities	195,588	195,588	180,148	180,148

(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 Company Details

The registered office of the company is:

Paradise Point Financial Services Ltd

Shops 3 & 4, 42 The Esplanade Paradise Point QLD 4216

The principal place of business is:

Paradise Point Financial Services Ltd

Shops 3 & 4,42 The 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 2015 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 2015

PARADISE POINT FINANCIAL SERVICES LIMITED
ABN 33 095 686 936

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS 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 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow for the year then 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 determine 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.

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e: info@wpias.com.au
w: www.wpias.com.au WPIAS a Limited Partnership

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

CPA
Liability limited by a scheme approved under Professional Standards Legislation

GOLD COAST | BRISBANE | SYDNEY | MELBOURNE | PERTH

PARADISE POINT FINANCIAL SERVICES LIMITED
ABN 33 095 686 936

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

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 2015 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

4 Helensvale Road
Helensvale Qld 4212

Dated this 30th day of September 2015

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
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