

# Tugun & District Finances Limited

ABN:57 102 056 306

Financial Statements

For the half-year ended 31 December 2018

# Tugun & District Finances Limited

## Directors' Report

Your directors submit the financial report of the company for the half-year ended 31 December 2018.

### Directors

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

Lisa Kathleen Fitzgerald  
Cameron Kenneth Window  
Robert William Marshall  
Colin Raymond Woodward  
Norbert Anthony Benton  
Christopher John Crawford  
Kerry May Shepherd  
Kelly Sawden (*Appointed 26 September 2018*)  
Andrea Maree Lewis (*Resigned 31 August 2018*)

### Principal activities

The principal activities of the company during the financial period were facilitating **Community Bank®** services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

### Review of operations

Operations have continued to perform in line with expectations. The net profit of the company for the financial period after the provision of income tax was:

Half-year ended 31 December 2018	Half-year ended 31 December 2017
\$ 71,982	\$ 42,720

### Events after the end of the reporting period

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

### Auditor's independence declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 2.

Signed in accordance with a resolution of the directors at Tugun, Queensland on 8 March 2019.

Co-Chair



Lisa Kathleen Fitzgerald

**Lead auditor's independence declaration under section 307C of the *Corporations Act 2001* to the directors of Tugun & District Finances Limited**

We declare that, to the best of our knowledge and belief, for the half-year ended 31 December 2018 there have been no contraventions of:

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



**Andrew Frewin Stewart**  
61 Bull Street, Bendigo Vic 3550  
Dated: 8 March 2019



**Joshua Griffin**  
Lead Auditor

# Tugun & District Finances Limited

## Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2018

	2018	2017
	\$	\$
Revenue from ordinary activities	511,931	467,061
Employee benefits expense	(253,541)	(241,856)
Sponsorship, advertising and promotion	(22,437)	(20,864)
Occupancy and associated costs	(50,228)	(48,427)
Systems costs	(10,508)	(7,805)
Depreciation and amortisation expense	(12,779)	(13,434)
General administration expenses	(63,155)	(75,735)
<b>Profit before income tax</b>	<b>99,283</b>	<b>58,940</b>
Income tax expense	(27,301)	(16,220)
<b>Profit after income tax</b>	<b>71,982</b>	<b>42,720</b>
<b>Total comprehensive income for the half-year attributable to the ordinary shareholders of the company:</b>	<b>71,982</b>	<b>42,720</b>
<b>Earnings per Share</b>	<b>¢</b>	<b>¢</b>
Basic earnings per share:	12.00	7.12

# Tugun & District Finances Limited

## Balance Sheet

As at 31 December 2018

	31-Dec-2018	30-Jun-2018
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	443,146	436,802
Trade and other receivables	51,614	53,289
Financial assets	130,482	100,404
Current tax asset	-	2,762
<b>Total current assets</b>	<b>625,242</b>	<b>593,257</b>
<b>Non-current assets</b>		
Property, plant and equipment	81,363	61,975
Intangible assets	55,093	61,704
<b>Total non-current assets</b>	<b>136,456</b>	<b>123,679</b>
<b>TOTAL ASSETS</b>	<b>761,698</b>	<b>716,936</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	49,701	53,445
Current tax liabilities	15,669	-
Provisions	8,362	7,394
<b>Total current liabilities</b>	<b>73,732</b>	<b>60,839</b>
<b>Non-current liabilities</b>		
Trade and other payables	45,327	45,327
Deferred tax liabilities	4,682	2,795
<b>Total non-current liabilities</b>	<b>50,009</b>	<b>48,122</b>
<b>TOTAL LIABILITIES</b>	<b>123,741</b>	<b>108,961</b>
<b>NET ASSETS</b>	<b>637,957</b>	<b>607,975</b>
<b>EQUITY</b>		
Issued capital	600,000	600,000
Retained earnings	37,957	7,975
<b>TOTAL EQUITY</b>	<b>637,957</b>	<b>607,975</b>

The accompanying notes form part of these financial statements

# Tugun & District Finances Limited

## Statement of Changes in Equity

For the half-year ended 31 December 2018

	Note	Issued capital \$	Retained earnings/ (Accumulated losses) \$	Total equity \$
<b>Balance at 1 July 2017</b>		600,000	(13,993)	586,007
Total comprehensive income for the half-year		-	42,720	42,720
<b>Transactions with owners in their capacity as owners:</b>				
Shares issued during period		-	-	-
Costs of issuing shares		-	-	-
Dividends provided for or paid	6	-	(42,000)	(42,000)
<b>Balance at 31 December 2017</b>		<b>600,000</b>	<b>(13,273)</b>	<b>586,727</b>
<b>Balance at 1 July 2018</b>		600,000	7,975	607,975
Total comprehensive income for the half-year		-	71,982	71,982
<b>Transactions with owners in their capacity as owners:</b>				
Shares issued during period		-	-	-
Costs of issuing shares		-	-	-
Dividends provided for or paid	6	-	(42,000)	(42,000)
<b>Balance at 31 December 2018</b>		<b>600,000</b>	<b>37,957</b>	<b>637,957</b>

# Tugun & District Finances Limited

## Statement of Cash Flows

For the half-year ended 31 December 2018

	Note	2018 \$	2017 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		561,270	524,820
Payments to suppliers and employees		(472,608)	(442,579)
Interest received		7,073	4,038
Income taxes paid		(6,983)	(21,444)
<b>Net cash provided by operating activities</b>		<b>88,752</b>	<b>64,835</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(10,408)	-
Purchase of investment assets		(30,000)	(99,689)
<b>Net cash used in investing activities</b>		<b>(40,408)</b>	<b>(99,689)</b>
<b>Cash flows from financing activities</b>			
Dividends paid	6	(42,000)	(42,000)
<b>Net cash used in financing activities</b>		<b>(42,000)</b>	<b>(42,000)</b>
<b>Net increase/(decrease) in cash held</b>		<b>6,344</b>	<b>(76,854)</b>
Cash and cash equivalents at the beginning of the financial year		436,802	490,288
<b>Cash and cash equivalents at the end of the half-year</b>		<b>443,146</b>	<b>413,434</b>

# Tugun & District Finances Limited

## Notes to the Financial Statements

For the half-year ended 31 December 2018

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### Note 1. Summary of significant accounting policies

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#### Statement of compliance

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard *AASB 134: Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard *IAS 34: Interim Financial Reporting*.

#### Basis of preparation

The half-year financial report is intended to provide users with an update on the latest annual financial statements and does not include all the notes of the type normally included in an annual financial report. Accordingly the report shall be read in conjunction with the annual financial report for the year ended 30 June 2018 and any public announcements made by the company during the period.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements and the previous corresponding interim period.

The half-year financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

There are no new and revised Accounting Standards or amendments thereof or interpretations effective for the current reporting period relevant to the company that were not disclosed in the annual financial report for the year ended 30 June 2018.

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### Note 2. Events subsequent to reporting date

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

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### Note 3. Contingent assets and liabilities

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

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### Note 4. Segment reporting

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The economic entity operates in a single service sector where it facilitates community banking services in Tugun, Queensland pursuant to a franchise agreement with Bendigo and Adelaide Bank Limited.

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### Note 5. Related parties

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Arrangements with related parties continue to be in place. For details on these arrangements, refer to the 30 June 2018 annual financial report.

Note 6. Dividends provided for or paid	2018		2017	
	Cents	\$	Cents	\$
Dividend declared and paid during the period:	7	42,000	7	42,000
100% fully franked (2017: 100%)				

The tax rate at which dividends have been franked is 27.5% (2017: 27.5%).



# Tugun & District Finances Limited

## Directors' Declaration

In the opinion of the directors of Tugun & District Finances Limited ("the company"):

1. The financial statements and notes thereto are in accordance with the *Corporations Act 2001* including:
  - a. giving a true and fair view of the financial position of the entity as at 31 December 2018 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date;
  - b. complying with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*; and
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Co-Chair



Lisa Kathleen Fitzgerald

Dated this

8th

day of

March

2019.

## **Independent auditor's review report to the members of Tugun & District Finances Limited**

### **Report on the half-year financial report**

We have reviewed the accompanying half-year financial report of Tugun & District Finances Limited, which comprises the balance sheet as at 31 December 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

### **Directors' responsibility for the half-year financial report**

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

As the auditor of Tugun & District Finances Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

## **Independence**

In conducting our review we have complied with the independence requirements of the *Corporations Act 2001*.

## **Auditor's opinion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Tugun & District Finances Limited is not in accordance with the *Corporations Act 2001* including:

- a. giving a true and fair view of the company's financial position at 31 December 2018 and of its performance for the half-year ended on that date
- b. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.



**Andrew Frewin Stewart**  
61 Bull Street, Bendigo Vic 3550  
Dated: 8 March 2019



**Joshua Griffin**  
Lead Auditor

Taxation

Business Services

Community Banking

Audit

Share Registry

Your partners  
**in success**



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