

Financial Statements

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED

ABN 23 094 393 683

For the 6 months ended 31 December 2023

Prepared by JDFA Accountants

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Directors' Report

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED For the 6 months ended 31 December 2023

The Directors present their report, together with the financial statements, on Highett Community Financial Services Ltd for the half-year ended 31 December 2023.

Directors

The following persons were Directors of Highett Community Financial Services Ltd during or since the end of the half-year:

- Paul Reid (Chairperson)
- Heather Disher
- Chris Pettit
- Susan Smith
- Frank Warner (appointed November 2023)
- Bradley Price (appointed November 2023)
- Isobel Santos (appointed November 2023)
- Joseph McFadries (appointed November 2023)
- Rick Iversen (resigned 27 November 2023)
- Maria Koutsimpiris (resigned 28 July 2023)
- Amanda James (resigned 30 November 2023)

Principal activities

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

Review and results of operations

Operations have continued to perform in line with expectations. The net profit/(loss) of the company for the financial period was \$267,889 (2022 profit: \$403,754).

Matters subsequent to the end of the reporting period

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

Auditor's independence declaration

The auditor's independence declaration under Section 307C of the Corporations Act 2001 is included for the half year ended 31 December 2023.

Signed in accordance with a resolution of the Directors.



Paul Reid

Director

Dated:

Auditor's Independence Declaration

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED

For the 6 months ended 31 December 2023

Statement of Comprehensive Income

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED For the 6 months ended 31 December 2023

	NOTES	JUL-DEC 2023	JUL-DEC 2022
Revenue			
Revenue from Ordinary Activities		789,240	812,582
Total Revenue		789,240	812,582
Expenses			
Community Returns (Donations & Grants)		(10,053)	-
Sponsorship		(76,636)	(4,950)
Marketing Expenses		(9,971)	(1,224)
Employee and Associated Costs		(271,422)	(267,313)
Occupancy and Associated Costs		(28,121)	(14,023)
System Costs		(18,265)	(19,190)
Depreciation and Amortisation		(39,936)	(39,792)
General Administration Expenses		(45,946)	(40,416)
Interest Expense		(21,001)	(21,921)
Total Expenses		(521,351)	(408,828)
Profit/(Loss) before Taxation		267,889	403,754
Income Tax Expense			
Income Tax Expense		(65,591)	(96,586)
Total Income Tax Expense		(65,591)	(96,586)
Net Profit After Tax		202,299	307,168
Dividends Provided For or Paid			
Dividends Provided For or Paid	2	(46,418)	(23,209)
Total Dividends Provided For or Paid		(46,418)	(23,209)
Other Appropriations			
Other Appropriations		10,000	-
Total Other Appropriations		10,000	-
Net Profit After Tax & Dividends		165,881	283,959

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Balance Sheet

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED As at 31 December 2023

	NOTES	31 DEC 2023	31 DEC 2022
Assets			
Current Assets			
Cash and Cash Equivalents		586,704	521,011
Receivables		153,068	174,568
Financial Assets		1,134,171	623,340
Other Current Assets		4,406	4,676
Total Current Assets		1,878,349	1,323,595
Non-Current Assets			
Property, Plant and Equipment		145,303	150,254
Right-of-use Asset		693,568	750,573
Intangibles		31,684	46,165
Deferred Tax Asset		67,135	71,906
Total Non-Current Assets		937,690	1,018,898
Total Assets		2,816,039	2,342,493
Liabilities			
Current Liabilities			
Payables		34,691	25,455
Provisions		40,186	42,021
Accrued Expenses		16,013	15,005
Taxation		217,884	109,493
Financial Liabilities		-	10,000
Property Lease Liability		47,425	43,304
Total Current Liabilities		356,199	245,278
Non-Current Liabilities			
Payables		14,501	29,002
Provisions		7,406	7,994
Financial Liabilities		-	10,000
Property Lease Liability		890,647	938,072
Total Non-Current Liabilities		912,554	985,068
Total Liabilities		1,268,753	1,230,345
Net Assets		1,547,286	1,112,148
Equity			
Share Capital	3	464,175	464,175
Retained Earnings	4	1,083,111	647,973
Total Equity		1,547,286	1,112,148

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Statement of Changes in Equity

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED For the 6 months ended 31 December 2023

	ISSUED CAPITAL	ACCUMULATED PROFITS	TOTAL EQUITY
Transactions - July to December 2022			
Balance as at 1 July 2022	464,175	364,014	828,189
Total comprehensive income for the half year	-	307,168	307,168
Dividends provided for or paid	-	(23,209)	(23,209)
Balance as at 31 December 2022	464,175	647,973	1,112,148

	ISSUED CAPITAL	ACCUMULATED PROFITS	TOTAL EQUITY
Transactions - January to June 2023			
Balance as at 1 January 2023	464,175	647,973	1,112,148
Total comprehensive income for the half year	-	259,257	259,257
Transfer to Highett Youth Club Liability from Accumulated Profit	-	10,000	10,000
Balance as at 30 June 2023	464,175	917,230	1,381,405

	ISSUED CAPITAL	ACCUMULATED PROFITS	TOTAL EQUITY
Transactions - July to December 2023			
Balance as at 1 July 2023	464,175	917,230	1,381,405
Total comprehensive income for the half year	-	202,299	202,299
Transfer to Highett Youth Club Liability from Accumulated Profit	-	10,000	10,000
Dividends provided for or paid	-	(46,418)	(46,418)
Balance as at 31 December 2023	464,175	1,083,111	1,547,286

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Statement of Cash Flows

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED For the 6 months ended 31 December 2023

	JUL-DEC 2023	JUL-DEC 2022
Operating Activities		
Receipt from Customers	871,540	804,531
Payments to Suppliers and Employees	(498,110)	(404,627)
Interest Received	12,962	565
Interest and other costs of finance paid	(27,777)	(29,931)
Income Tax Refunded/(Paid)	(43,603)	-
Net Cash Flows from Operating Activities	315,013	370,538
Investing Activities		
Proceeds from Sale of Investments	8,110	565
Payment for Property, Plant and Equipment	(1,236)	(1,896)
Payment for Investments	(12,962)	(565)
Net Cash Flows from Investing Activities	(6,088)	(1,896)
Financing Activities		
Repayment of leases	(26,358)	(20,092)
Dividends provided for or paid	(46,418)	(23,209)
Net Cash Flows from Financing Activities	(72,776)	(43,301)
Net Cash Flows	236,150	325,341
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	350,555	195,670
Cash and cash equivalents at end of period	586,704	521,011
Net change in cash for period	236,150	325,341

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Statement of Cash Flows - Note 1

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED For the 6 months ended 31 December 2023

1. Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	JUL-DEC 2023	JUL-DEC 2022
Cash and Cash Equivalents		
1201 - General Cheque A/C	511,902	451,135
1202 - Market Development A/C	785	785
1203 - Manager's Visa A/C	250	1,178
1205 - Staff Expenses Account	89	153
1206 - Everyday Business A/C	72,824	66,824
1207 - Dividend Payments A/C	809	837
1208 - Chairperson's Expense Account	22	46
Petty Cash	23	53
Total Cash and Cash Equivalents	586,704	521,011

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Statement of Cash Flows - Note 2

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED For the 6 months ended 31 December 2023

2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

	JUL-DEC 2023	JUL-DEC 2022
Net cash provided by Operating Activities		
Profit from ordinary activities after tax	202,299	307,168
Non Cash Items:		
Depreciation	1,816	1,646
Amortisation	38,120	38,146
Changes in assets/(liabilities)		
Increase/(decrease) in Tax Liabilities	43,357	106,401
Other		
(Increase)/decrease in Receivables	19,252	(87,471)
(Increase)/decrease in Deferred Tax Asset	899	(1,358)
Increase/(decrease) in Payables	9,192	(1,583)
Increase/(decrease) in Employee Entitlements	(584)	-
Increase/(decrease) in Accrued Expenses	(78)	1,772
Increase/(decrease) in Provisions	740	5,818
Total Net cash provided by Operating Activities	315,013	370,538

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes to the Financial Statements

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED For the 6 months ended 31 December 2023

1. Statement of Significant Accounting Policies

A. Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Highett Community Financial Services Limited (the Company).

This 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 2023 and any public announcements made by the company during the period.

B. Accounting Policies

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

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

C. Critical Accounting Estimates and Judgements

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual financial statements for the year ended 30 June 2023.

	JUL-DEC 2023	2023	JUL-DEC 2022
2. Dividends Provided For or Paid			
Dividends Provided For or Paid	46,418	23,209	23,209
Total Dividends Provided For or Paid	46,418	23,209	23,209

A final fully franked dividend of 10 cents per share for the year ended 30 June 2023 was declared in the half year period to 31 December 2023 (Dec 2022: 5 cents).

These notes should be read in conjunction with the attached compilation report.

	JUL-DEC 2023	2023	JUL-DEC 2022
3. Contributed Capital			
Issued & Paid Up Capital	464,175	464,175	464,175
Total Contributed Capital	464,175	464,175	464,175

Ordinary shares at \$1.00 each fully paid

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

4. Accumulated Profits

Financial Year	31 December 2023	30 June 2023
Balance at beginning of reporting period	917,230	364,014
Transfer from/to Reserve from Accumulated Profits	0	0
Transfer from Accumulated Profit to Non Current Liability	10,000	10,000
Dividends Provided For or Paid	(46,418)	(23,209)
Net Profit after Tax	202,299	566,425
Balance at the reporting date	1,083,111	917,230

5. Events Occurring After the End of the Interim Period

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

6. Contingent Liabilities

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

7. Registered Office and Principal Place of Business

The entity is a company limited by shares, incorporated and domiciled in Australia. The registered office and principal place of business are:

Registered Office & Principal Place of Business
322-324 Highett Road
Highett VIC 3190

These notes should be read in conjunction with the attached compilation report.

Directors Declaration

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED For the 6 months ended 31 December 2023

In accordance with a resolution of the Directors of Highett Community Financial Services Ltd, the Directors of the Company declare that:

1. The financial statements and notes are in accordance with the *Corporations Act 2001*, including

(a) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

(b) giving a true and fair view of the entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and;

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Paul Reid

Director

Dated:

Independent Review Opinion

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED
For the 6 months ended 31 December 2023

Independent Review Opinion