

23 February 2017



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**Goldfields Money Limited – Half Year Report  
(Appendix 4D) for the half year ended 31 December 2016**

The Directors of Goldfields Money Limited (the “Company”) are pleased to announce the results of the Company for the half year ended 31 December 2016 as follows:

**Results for announcement to the market**

<b>Extracted from the Financial Statements for the half year ended</b>	<b>Change</b>	<b>\$ 31 December 2016</b>	<b>\$ 31 December 2015</b>
Revenue from operations	2%	3,728,807	3,643,091
Profit/(loss) after tax attributable to members	-644%	(632,021)	(84,982)

No dividend was paid or declared by the Company in the period and up to the date of this report. No dividends were paid or declared by the Company in respect of the previous year.

	<b>\$ 31 December 2016</b>	<b>\$ 31 December 2015</b>
Net Tangible Assets per share	0.88	0.93

The remainder of the information requiring disclosure to comply with Listing Rule 4.3A is contained in the attached copy of the Financial Statements and comments on performance of the Company included in the Investor Presentation dated 23 February 2017.

Further information regarding Goldfields Money Limited and its business activities can be obtained by visiting the Company’s website at [www.goldfieldsmoney.com.au](http://www.goldfieldsmoney.com.au).

Yours faithfully

Michael Verkuylen  
Company Secretary  
Phone (08) 9438 8888

**WWW.GOLDFIELDSMONEY.COM.AU | TOLL FREE 1300 GO 4 GOLD**

**Goldfields Money Limited**  
ABN 63 087 651 849  
AFSL 246884

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PO Box 10155 Kalgoorlie, WA 6433  
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90 Dempster Street, WA 6450  
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goldfields

M O N E Y

**Goldfields Money Limited**  
**ACN 087 651 849**

**Interim Financial Report**  
**For the six months ended 31 December 2016**

## Corporate Information

ACN: 087 651 849

### Directors

Mr. Peter Wallace	(Chairman and Non-executive Director)
Mr. Derek La Ferla	(Deputy Chairman and Non-executive Director)
Mr. Peter Hall	(Non-executive Director)
Mr. James Austin	(Non-executive Director)
Mr. Keith John	(Non-executive Director)

### Chief Executive Officer

Mr. Simon Lyons

### Company Secretary

Mr. Michael Verkuylen

### The registered office and principal place of business of the Company is:

120 Egan Street  
KALGOORLIE WA 6430  
Phone: 08 9021 6444

### Other Locations:

Esperance Branch 90 Dempster Street Esperance WA 6450	Corporate Office Suite 30, 118 Royal Street East Perth WA 6004
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### Share Registry:

Advanced Share Registry  
110 Stirling Hwy  
Nedlands WA 6009  
Tel:(618) 9389 8033  
Fax:( 618) 9262 3723

### Exchange Listing

Australian Securities Exchange Limited  
Exchange Plaza  
2 The Esplanade  
Perth, Western Australia 6000  
ASX Code: GMY

### Auditors:

RSM Australia Partners  
8 St Georges Terrace  
Perth WA 6000

### Website Address:

[www.goldfieldsmoney.com.au](http://www.goldfieldsmoney.com.au)

### Corporate Governance:

A copy of the Corporate Governance Policy Statement can be located using the following website address:  
[http://www.goldfieldsmoney.com.au/about\\_us/investors/corporate-governance](http://www.goldfieldsmoney.com.au/about_us/investors/corporate-governance)

The material in this report has been prepared by Goldfields Money Limited ABN 63 087 651 849 (Goldfields Money or the Company) and is current at the date of this report. It is general background information about Goldfields Money's activities, is given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered with professional advice when deciding if an investment is appropriate.

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## DIRECTORS' REPORT

Your Directors present their report of Goldfields Money Limited (the "Company") for the six months ended 31 December 2016.

### DIRECTORS

The names of the Company's Directors in office during the half-year and until the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

Mr. Peter Wallace	Chairman and Non-executive Director
Mr. Derek La Ferla	Deputy Chairman and Non-executive Director
Mr. Peter Hall	Non-executive Director
Mr. James Austin	Non-executive Director
Mr. Keith John	Non-executive Director

### PRINCIPAL ACTIVITY

The principal activities of the Company were the provision of a range of banking products and services to existing and new customers. Goldfields Money Limited is an authorised deposit taking institution. There was no significant change in these activities throughout the half-year.

### OPERATING AND FINANCIAL REVIEW

Key operating and financial metrics for the period are as follows:

Key Metric	31 December 2016	30 June 2016	Movement
<b>Total assets</b>	179,896,973	156,579,653	15%
<b>Loans</b>	136,158,411	128,798,590	6%
<b>Loans held in off balance sheet facility</b>	24,341,519	26,035,307	-7%
<b>Total loans under management</b>	160,499,930	154,833,897	4%
<b>Deposits</b>	162,407,129	138,665,272	17%
<b>Ave. Net Interest Margin</b>	1.71%	1.98%	-0.27%*
<b>Capital adequacy ratio</b>	17.87%	20.92%	-3.05%*
	<b>31 December 2016</b>	<b>31 December 2015</b>	
<b>Net statutory loss after tax</b>	(632,021)	(84,982)	x6.4

\*Expressed as absolute change

Goldfields Money continued to grow its asset base in the six-month period while pursuing a strategy to build on its status as an Authorised Deposit-Taking Institution and ultimately aims to become a leading digital bank. Central to this strategy is the transition to a new core banking system which the Company expects to go live in the first quarter of FY2018.

The Company is pioneering deployment of the world's 'leading' retail banking platform<sup>1</sup> in Australia and considers this a transformational leap forward. The decision to replace the current core banking system was made following a robust feasibility study.

The new core banking system, provided by Rubik Financial Services in partnership with the Temenos Group, is specifically designed for the Australian market. More than 2000 banks and financial institutions across the globe (including 38 of the top 50 banks) utilise core software from Temenos.

Goldfields Money is completing the move to the SaaS model of the Temenos platform on favourable terms in comparison to the costs of our legacy technology. Furthermore the SaaS solution will allow the Company to pursue growth in scale and revenue at an affordable cost in a "pay as you grow" model. Replacing the existing

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<sup>1</sup> Source: Gartner - 'Magic Quadrant for International Retail Core Banking', Don Free and Ethan Wang, November 2014.

## **DIRECTORS' REPORT (Continued)**

platform means Goldfields Money is ending the current contract, with a \$475,000 provision made for this in the 1HY2017 results. The impact of this provision and increases in other operating costs to upscale the business resulted in a net loss after tax of \$632,021 during the period.

A total of \$11.7 million in new loans were settled during 1HY2017, while loans under management increased \$5.6 million. Use of the off-balance funding facility was limited as available regulatory capital was utilised to originate on-balance sheet loans, resulting in an increase in on-balance sheet lending of \$7.4 million. New lending continues to be sourced through a combination of direct and mortgage broker based origination.

Use of the off-balance sheet funding facility is expected to continue in the second half of FY2017 as the Company approaches its minimum capital requirement. Fee income derived from loans held in the off-balance sheet lending facility for the period was \$107,539 (1HY2016: \$54,811).

During the period, the Company entered into a Cash Convenience Agreement with Star Payments Systems to supply the cash for Star Payment System's nationwide ATM network. Goldfields Money receives Cash Convenience fees for this service with a weighted average return of around 5.5%. The Cash Convenience Agreement commenced in September 2016 and a total fee of \$133,464 was recognised for the six months ended 31 December 2016. The business also received \$140,000 for the setup of the services. A total of \$9.9 million of cash was being supplied under the Cash Convenience Agreement as at 31 December 2016. Goldfields Money hopes to grow this service with Star Payments Systems during 2017.

Funding of new lending as well as the Cash Convenience arrangement has seen an increase in deposit funding of \$23.7 million. A number of new initiatives were put in place to ensure the Company's ability to source new term deposit funding in particular remains strong.

Loans in arrears greater than 30 and 90 days as at 31 December 2016 were 1.11% and 0.67% respectively of loans and advances (30 June 2016: 1.02% and 0.53% respectively). Loans in arrears have increased slightly over the period while the provision for impaired loans has also increased to \$181,149. During the period, \$110,000 was recognised through the profit and loss reflecting an increase in impaired loans.

Interest revenue decreased due to the interest rate reductions in May and August 2016 as well as continued strong competition for new and existing business requiring competitive pricing. Interest expense also decreased slightly. The decrease in interest expense was primarily due to the re-pricing of the term deposit book downwards following the interest rate reductions in 2016, partially offset by the increase in the value of term deposits. As a result, net interest margin was 1.71%.

Goldfields Money's regulatory capital ratio was 17.87% as at 31 December 2016. This remains above the Board approved minimum of 17.5%. Loans will continue to be sold into the off-balance sheet lending facility to recycle regulatory capital for new lending. Up to \$35 million remains available as at 31 December 2016 in the off-balance sheet lending facility.

In keeping with its growth strategy, and in anticipation of the transition to the core banking platform, the Company has progressed a number of new distribution agreements with strategic parties.

Goldfields Money started an unsecured personal loan distribution arrangement with Pioneer Credit. Under this arrangement, Goldfields Money issues Pioneer Credit branded loans to Pioneer sourced customers. The arrangement was initiated late in 1HY2017 and higher volumes are targeted for the second half of FY2017.

The business also worked with other shareholders, including Aura Funds Management, to distribute other lending products, including mortgages and strata lending facilities. These distribution arrangements are in addition to existing sources of white labelled distribution, including the Firstmac term deposit offering.

Lending volumes are expected to improve in the second half of FY2017 as the key initiatives employed by Goldfields Money in growing distribution capability start to bear fruit.

## **DIRECTORS' REPORT (Continued)**

Goldfields Money will continue to focus on building the distribution and origination capability of the business, and the transition to the new core banking platform in the second half of FY2017. Delivery of the system, known as the Rubik Model Bank and leveraging off Temenos's award-winning T24 platform and edgeConnect solution, will allow Goldfields Money to deliver on its strategic objectives more efficiently and ultimately more profitably.

Implementing of the new platform will allow Goldfields Money to dramatically improve the digital services offered to our customers. It will also allow the Company to automate a number of back office processes as well as loan and deposit product origination. This will significantly reduce the costs per customer as the business grows.

The SaaS solution being deployed is an "open architecture" system and will allow the Company to personalise the customer experience. This will significantly enhance the Company's ability to white label products for strategic partners as well as let us develop our own IP for customer engagement.

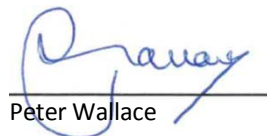
### **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

There were no significant changes in the state of affairs of the Company during the financial half-year.

### **AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.



Peter Wallace

Chairman and Non-executive Director

Dated this 23<sup>rd</sup> day of February 2017



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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Goldfields Money Limited for the half year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM  
RSM AUSTRALIA PARTNERS

*A Whyte*  
ALASDAIR WHYTE  
Partner

Perth, WA  
Dated: 23 February 2017

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**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

	Note	31 Dec 2016	31 Dec 2015
		\$	\$
Interest revenue	5	3,172,484	3,404,624
Interest expense	5	(1,792,128)	(1,866,345)
Net interest revenue		1,380,356	1,538,279
Non-interest revenue	6	556,323	238,467
Impairment loss on loans and advances		(110,201)	(10,957)
Other expenses	7	(2,720,318)	(1,928,494)
<b>(Loss) before income tax</b>		<b>(893,840)</b>	<b>(162,705)</b>
Income tax benefit	8	261,819	77,723
<b>(Loss) for the period</b>		<b>(632,021)</b>	<b>(84,982)</b>
<b>Other comprehensive income</b>			
Items that may be reclassified subsequently to profit and loss		-	-
<b>Total comprehensive income for the period</b>		<b>(632,021)</b>	<b>(84,982)</b>
Basic earnings per share	18	(0.035)	(0.005)
Diluted earnings per share	18	(0.035)	(0.005)

The accompanying notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2016**

	Note	31 Dec 2016 \$	30 Jun 2016 \$
<b>ASSETS</b>			
Cash and cash equivalents	9	14,499,677	2,433,831
Due from other financial institutions		17,951,741	14,460,639
Loans and advances	11	136,158,411	128,798,590
Other financial assets	10	9,201,037	9,207,785
Other assets		247,426	305,844
Property, plant and equipment		883,158	716,718
Intangible assets		264,335	225,524
Deferred tax assets		691,188	430,722
<b>TOTAL ASSETS</b>		<u>179,896,973</u>	<u>156,579,653</u>
<b>LIABILITIES</b>			
Deposits		162,407,129	138,665,272
Creditors and other payables		364,466	655,914
Provisions		725,438	255,154
Deferred tax liabilities		163,860	165,212
<b>TOTAL LIABILITIES</b>		<u>163,660,893</u>	<u>139,711,552</u>
<b>NET ASSETS</b>		<u>16,236,080</u>	<u>16,868,101</u>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS</b>			
<b>Contributed equity</b>			
Issued capital		15,062,064	15,062,064
Other contributed equity		1,830,600	1,830,600
Equity raising costs		(1,208,329)	(1,208,329)
<b>Total contributed equity</b>		<u>15,684,335</u>	<u>15,684,335</u>
Property, plant and equipment revaluation reserve		190,549	190,549
General reserve for credit losses		319,551	319,551
Retained earnings		41,645	673,666
		<u>16,236,080</u>	<u>16,868,101</u>

The accompanying notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY**  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016  
Attributable to equity holders

	Issued capital	Other contributed equity	Equity raising costs	Property, plant and equipment revaluation reserve	General reserve for credit losses	Retained earnings	Total equity
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2015</b>	<b>12,955,824</b>	<b>1,830,600</b>	<b>(1,159,602)</b>	<b>190,549</b>	<b>319,551</b>	<b>768,853</b>	<b>14,905,775</b>
Loss for the period	-	-	-	-	-	(84,982)	(84,982)
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(84,982)</b>	<b>(84,982)</b>
Equity raising costs – reversal of deferred tax	-	-	(25,417)	-	-	-	(25,417)
<b>Balance at 31 December 2015</b>	<b>12,955,824</b>	<b>1,830,600</b>	<b>(1,185,019)</b>	<b>190,549</b>	<b>319,551</b>	<b>683,871</b>	<b>14,795,376</b>
<b>Balance at 1 July 2016</b>	<b>15,062,064</b>	<b>1,830,600</b>	<b>(1,208,329)</b>	<b>190,549</b>	<b>319,551</b>	<b>673,666</b>	<b>16,868,101</b>
Loss for the period	-	-	-	-	-	(632,021)	(632,021)
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(632,021)</b>	<b>(632,021)</b>
Equity raising costs –reversal of deferred tax	-	-	-	-	-	-	-
<b>Balance at 31 December 2016</b>	<b>15,062,064</b>	<b>1,830,600</b>	<b>(1,208,329)</b>	<b>190,549</b>	<b>319,551</b>	<b>41,645</b>	<b>16,236,080</b>

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2016**

	Note	31 Dec 2016	31 Dec 2015
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest received		3,333,498	3,547,150
Fees and commissions received		402,916	221,829
Dividends received		11,830	11,830
Other income		141,577	4,808
Interest and other costs of finance costs paid		(1,870,060)	(2,089,752)
Payments to suppliers and employees		(2,479,894)	(2,039,725)
Income tax refunded		-	25,836
		<hr/>	<hr/>
<b>Net cash used in operating activities</b>		(460,133)	(318,024)
		<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net increase in loans, advances and other receivables		(7,463,355)	(4,500,125)
Net (payments)/ receipts for investments		(3,504,366)	3,450,087
Payments for property, plant and equipment		(198,862)	(13,492)
Payments for intangible assets		(127,275)	(77,896)
		<hr/>	<hr/>
<b>Net cash used in investing activities</b>		(11,293,858)	(1,141,426)
		<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net increase in deposits and other borrowings		23,819,837	1,544,780
		<hr/>	<hr/>
<b>Net cash provided by financing activities</b>		23,819,837	1,544,780
		<hr/>	<hr/>
Net increase in cash held		12,065,846	85,330
Cash and cash equivalents at beginning of the period		2,433,831	2,170,697
		<hr/>	<hr/>
Cash and cash equivalents at the end of the period	9	14,499,677	2,256,027
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. CORPORATE INFORMATION**

The interim financial statements of the Company for the six months ended 31 December 2016 were authorised for issue in accordance with a resolution of the directors on 23 February 2017.

Goldfields Money Limited is a limited company incorporated and domiciled in Australia whose shares are publically traded. The principal activities of the company are the provision of financial products and services.

### **2. BASIS OF PREPARATION AND CHANGES TO THE COMPANY'S ACCOUNTING POLICIES**

The interim financial statements for the six months ended 31 December 2016 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 30 June 2016.

### **3. CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT JUDGEMENTS**

The preparation of the financial report in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. In preparing this half-year financial report, the significant judgements made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those that applied to the annual financial report for the year ended 30 June 2016.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

Management believes the estimates used in preparing the financial report are reasonable. Actual results in the future may differ from those reported and therefore it is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from our assumptions and estimates could require an adjustment to the carrying amounts of the assets and liabilities reported.

### **4. CHANGES IN ACCOUNTING POLICY, ACCOUNTING STANDARDS AND INTERPRETATIONS**

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 and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

**NOTES TO THE FINANCIAL STATEMENTS**

	<b>31 Dec 2016</b>	<b>31 Dec 2015</b>
	<b>\$</b>	<b>\$</b>
<b>5. INTEREST REVENUE AND INTEREST EXPENSE</b>		
<b>INTEREST REVENUE</b>		
Loans and advances	2,841,470	3,038,315
Deposits with other institutions	331,014	366,309
	3,172,484	3,404,624
<b>INTEREST EXPENSE</b>		
Interest on deposits	1,792,128	1,866,345
<b>6. NON-INTEREST REVENUE AND INCOME</b>		
Lending fees	22,668	22,187
Commissions and other fees	246,784	199,642
Cash convenience fee income	133,464	-
Dividends received	11,830	11,830
Other	141,577	4,808
	556,323	238,467
<b>7. OTHER EXPENSES</b>		
Staff related costs		
Salaries and wages	837,938	836,248
Superannuation	90,649	83,359
Contractors	108,886	-
Other	67,716	85,543
Depreciation	32,421	41,065
Amortisation	88,464	35,679
Provision for termination of contract (i)	475,000	-
Advertising and promotions	55,472	18,384
Directors' fees	106,763	67,249
Computer system and software costs	136,956	120,743
Communication and website costs	127,443	98,445
Insurance costs	46,374	46,212
Accounting, Audit and Legal costs	133,274	109,589
Products and services delivery costs	185,510	192,760
Occupancy costs	79,992	74,010
ASX and registry fees	22,363	22,144
General administrative costs	125,097	97,064
Total other expenses	2,720,318	1,928,494

- (i) Included in provisions on the statement of financial position of \$725,438 is a \$475,000 provision for the termination of the contractual arrangements with the Company's core banking system provider. The Company is implementing a new core banking system which will replace the current system in July 2017.

**NOTES TO THE FINANCIAL STATEMENTS**

	<b>31 Dec</b>	<b>30 Jun</b>
	<b>2016</b>	<b>2016</b>
<b>8. INCOME TAX</b>	<b>\$</b>	<b>\$</b>
The major components of income tax benefit in the interim income statement are:		
Current income tax expense	-	-
Deferred income tax benefit related to current tax losses	91,884	102,326
Deferred income tax benefit related to timing differences	169,935	(24,603)
<b>Income tax benefit</b>	<b>261,819</b>	<b>77,723</b>
<b>9. CASH AND CASH EQUIVALENTS</b>		
Reconciliation of cash:		
Cash at the end of the period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash on hand	284,091	293,165
Cash in ATM (ii)	9,936,800	-
Cash at bank	4,278,786	2,140,666
	<b>14,499,677</b>	<b>2,433,831</b>
(ii)	During the period the Company announced a 3 year ATM Cash Convenience Agreement with Star Payments Systems. Under this agreement the Company supplies cash held in the ATM's of Star Payments Systems. Star Payments Systems pays Goldfields Money fee income for the supply of this cash.	
<b>10. OTHER FINANCIAL ASSETS</b>		
Investments in securities (measured at amortised cost)	9,059,068	9,065,816
Shares in unlisted corporations (measured at cost)	141,969	141,969
	<b>9,201,037</b>	<b>9,207,785</b>
<b>11. LOANS AND ADVANCES</b>		
<b>(a) Classification</b>		
Overdrafts	668,206	851,356
Residential	124,173,024	120,161,502
Commercial	9,919,778	6,228,343
Personal	1,578,552	1,628,337
Total gross loans and advances	<b>136,339,560</b>	<b>128,869,538</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**11. LOANS AND ADVANCES (CONTINUED)**

	<b>31 Dec 2016</b>	<b>30 Jun 2016</b>
	<b>\$</b>	<b>\$</b>
<b>(b) Provision for doubtful debts</b>		
Specific provisions	100,948	70,948
Collective provisions	80,201	-
	181,149	70,948
<b>Specific provision</b>		
Opening balance	70,948	21,781
Bad and doubtful debts provided for	30,000	50,124
Unused amounts reversed	-	-
Bad debts written off during the period	-	(957)
Closing balance	100,948	70,948
<b>Collective provision</b>		
Opening balance	-	-
Bad and doubtful debts provided for	80,201	-
Unused amounts reversed	-	-
Bad debts written off during the period	-	-
Closing balance	80,201	-
Net loans and advances	136,158,411	128,798,590
<b>(c) Credit quality – loans and advances</b>		
Past due but not impaired		
30 days & less than 90 days	671,419	635,404
90 days & less than 182 days	162,502	17,632
182 days or more	-	-
	833,921	653,36
Impaired - mortgage loans		
Up to 90 days	-	-
Greater than 90 days	668,387	663,013
	668,387	663,013
Impaired – personal loans		
30 days & less than 60 days	-	-
60 days & less than 90 days	-	-
90 days & less than 182 days	-	-
182 days & less than 273 days	-	-
	-	-



**NOTES TO THE FINANCIAL STATEMENTS**

**31 Dec**      **30 Jun**  
**2016**      **2016**

**11. LOANS AND ADVANCES (CONTINUED)**

**(c) Credit quality – loans and advances (continued)**

Overdrawn/over-limit		
Less than 14 days	5,112	6,539
14 days & less than 90 days	760	438
90 days & less than 182 days	858	962
182 days & over	6,046	4,447
	<hr/>	<hr/>
	12,777	12,416
Total past due and impaired		
Collective provision	80,201	-
Specific provision	100,948	(70,948)
Total provision	<hr/>	<hr/>
	181,149	(70,948)
Neither past due nor impaired	134,462,177	127,538,073
	<hr/>	<hr/>
	136,158,411	128,798,590

**12. COMMITMENTS AND CONTINGENT LIABILITIES**

At the reporting date, the company had the following loan and overdraft commitments outstanding:

(i) Outstanding loan commitments		
Loans approved but not advanced	3,888,185	4,826,249
Loan funds available for redraw	7,204,902	5,918,934
	<hr/>	<hr/>
	11,093,087	10,745,183
(ii) Outstanding overdraft commitments		
Customer overdraft facilities approved but not disbursed	924,833	656,676
	<hr/>	<hr/>
(iii) Lease commitments		
The Company has obligations under the terms of the leases of its office premises for terms of up to 3 years, there are contractual options to extend the leases. Lease payments are payable in advance by equal monthly instalments due on the 1st day of each month.		
Due not later than one year	68,555	47,420
Due later than one year and not later than five years	47,053	167,628
	<hr/>	<hr/>
	115,608	215,048
(iv) Capital commitments		

At 31 December 2016, the Company had capital commitments of \$336,282 (31 December 2015: nil) principally relating to the implementation of a new core banking system and new enterprise accounting system.

Other than above there were no capital expenditure commitments at reporting date.

There were no other commitments or contingent liabilities at the reporting date.

## NOTES TO THE FINANCIAL STATEMENTS

### 13. FINANCIAL INSTRUMENTS

Set out below is an overview of financial instruments, other than cash, as at 31 December 2016:

<b>Financial assets:</b>	<b>Loans &amp; receivables</b>	<b>Available-for-sale</b>	<b>Fair value profit or loss</b>	<b>Fair value other comprehensive income</b>
Due from other financial institutions	17,951,741	-	-	-
Investment securities	9,059,068	-	-	-
Equity instruments	-	141,969	-	-
Loans and advances	136,158,411	-	-	-
Other receivables	48,884	-	-	-
<b>Total</b>	<b>163,218,104</b>	<b>141,969</b>	<b>-</b>	<b>-</b>

<b>Financial liabilities:</b>	<b>Financial liabilities at amortised cost</b>	<b>Available-for-sale</b>	<b>Fair value profit or loss</b>	<b>Fair value other comprehensive income</b>
Call deposits	35,005,475	-	-	-
Fixed term deposits	127,401,654	-	-	-
Other payables	364,466	-	-	-
<b>Total</b>	<b>162,771,595</b>	<b>-</b>	<b>-</b>	<b>-</b>

Set out below is an overview of financial instruments, other than cash, as at 30 June 2016:

<b>Financial assets:</b>	<b>Loans &amp; receivables</b>	<b>Available-for-sale</b>	<b>Fair value profit or loss</b>	<b>Fair value other comprehensive income</b>
Due from other financial institutions	14,460,639	-	-	-
Investment securities	9,065,816	-	-	-
Equity instruments	-	141,969	-	-
Loans and advances	128,798,590	-	-	-
Other receivables	98,615	-	-	-
<b>Total</b>	<b>152,423,660</b>	<b>141,969</b>	<b>-</b>	<b>-</b>

<b>Financial liabilities:</b>	<b>Financial liabilities at amortised cost</b>	<b>Available-for-sale</b>	<b>Fair value profit or loss</b>	<b>Fair value other comprehensive income</b>
Call deposits	29,517,521	-	-	-
Fixed term deposits	109,147,751	-	-	-
Other payables	655,914	-	-	-
<b>Total</b>	<b>139,321,186</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 14. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is determined on the basis of the present value of expected future cash flows under the terms and conditions of each financial asset or liability. Significant assumptions used in determining the cash flows are that the cash flows will be consistent with the contracted cash flows under the respective contracts. The information is only relevant to circumstances at the reporting date and will vary depending on the contractual rates applied to each asset or liability, relative to market rates and conditions at the time. No assets held are regularly traded by the Company. With the exception of financial assets due from other financial institutions and investment securities there is no active market to assess the value of the financial assets and liabilities. Amounts due from other financial institutions and investment securities can be traded in a secondary market.

	Aggregate net fair value		Amount per the statement of financial position	
	31 Dec 2016	30 Jun 2016	31 Dec 2016	30 Jun 2016
	\$	\$	\$	\$
<b>Financial assets:</b>				
Cash and liquid assets	14,499,677	2,433,831	14,499,677	2,433,831
Due from other financial institutions	17,951,741	14,460,639	17,951,741	14,460,639
Loans and advances	134,655,289	127,567,400	136,158,411	128,798,590
Investment securities	9,044,190	9,025,410	9,059,068	9,065,816
Other financial assets	141,969	141,969	141,969	141,969
<b>Total financial assets</b>	<b>176,292,866</b>	<b>153,629,249</b>	<b>177,810,866</b>	<b>154,900,845</b>
<b>Financial liabilities:</b>				
Deposits	162,407,129	138,655,272	162,407,129	138,655,272
Creditors and other payables	364,466	655,914	364,466	655,914
<b>Total financial liabilities</b>	<b>162,771,595</b>	<b>139,311,186</b>	<b>162,771,595</b>	<b>139,321,186</b>

The fair value estimates were determined by the following methodologies and assumptions:

#### *Cash and amounts due from other financial institutions*

The carrying values of cash and liquid assets and receivables due from other financial institutions redeemable within 12 months approximate their fair value as they are short term in nature or are receivable on demand.

#### *Loans and advances*

The carrying value of loans and advances is net of provisions for doubtful debts. For variable rate loans, (excluding impaired loans) the amount shown in the statement of financial position is considered to be a reasonable estimate of fair value. For fixed rate loans the fair values are based on cash flows discounted at a rate reflecting current market rates adjusted for counter party credit risk. The fair value of impaired loans was calculated by discounting expected cash flows using a rate which includes a premium for the uncertainty of the flows.

#### *Investment securities*

Investment Securities comprise floating rate notes issued by Australian banks. These securities can be traded in secondary markets and fair value has been determined by indicative prices as quoted on Bloomberg.

## NOTES TO THE FINANCIAL STATEMENTS

### 14. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

#### *Other financial assets*

Other financial assets comprises the shareholding in CUSCAL Ltd ("CUSCAL") which is classified as available for sale and is measured at cost as its fair value could not be measured reliably. The shares are not able to be traded and are not redeemable in an open market. They can be sold back to CUSCAL during certain periods at cost. The latest financial reports of CUSCAL record net tangible asset backing of these shares exceeding their cost value. Based on the net assets of CUSCAL, any fair value determination on these shares is likely to be greater than their cost value, but due to the absence of a ready market, a market value is not able to be determined. The Company is not intending to dispose of these shares.

#### *Deposits*

The fair value of call and variable rate deposits, and fixed rate deposits repricing within 12 months, is the amount shown in the statement of financial position. Discounted cash flows were used to calculate the fair value of other term deposits, based upon the deposit type and the rate applicable to its related period maturity.

#### *Creditors and other payables*

The carrying values of payables approximate fair value as they are short term in nature and reprice frequently.

### 15. DIVIDENDS

No dividends have been paid or declared during the period or subsequently to the date of this report.

### 16. EVENTS AFTER THE END OF THE INTERIM PERIOD

No matters or circumstances of a material nature have arisen since the end of the reporting period which in the opinion of the Directors significantly affected or may significantly affect the operations of the Company, the results of the operations or the state of affairs of the Company in future financial years.

### 17. SEGMENT INFORMATION

For management purposes, the Company is organised into one main business segment, which is the provision of financial products and services predominately in Western Australia. All of the Company's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole. The company operated in one geographical segment being Australia.

### 18. EARNINGS PER SHARE

The following reflects the net income and share data used in the calculation of basic and diluted earnings per share:

	<b>31 Dec 2016 \$</b>	<b>31 Dec 2015 \$</b>
Loss for the period	(632,021)	(84,982)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in the calculation of Basic and diluted earnings per share:	18,106,853	15,666,829
Basic and diluted earnings per share	(0.035)	(0.005)

## DIRECTORS' DECLARATION

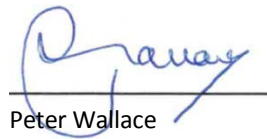
In accordance with a resolution of directors of Goldfields Money Limited, I state that:

In the opinion of the directors

- (a) The financial statements and notes of Goldfields Money Limited for the half-year ended 31 December 2016 are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date.
  - (ii) complying with Accounting Standards Australian Accounting Standard AASB 134 'Interim Financial Reporting' the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the board



Peter Wallace

Chairman and Non-executive Director

Dated this 23<sup>rd</sup> day of February 2017

Perth



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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
GOLDFIELDS MONEY LIMITED**

We have reviewed the accompanying half-year financial report of Goldfields Money Limited which comprises the statement of financial position as at 31 December 2016, the statement of 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 and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

*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 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 2016 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 Goldfields Money 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 other 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.

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*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Goldfields Money Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

*Conclusion*

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 Goldfields Money Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Perth, WA  
Dated: 23 February 2017

RSM  
RSM AUSTRALIA PARTNERS

  
ALASDAIR WHYTE  
Partner