

Albany Community Financial Services Ltd
Financial Statements
as at
30 June 2007

Albany Community Financial Services Limited
ACN 119 012 510
Directors' Report

Your Directors submit the financial report of the company for the financial period ended 30 June 2007.
The company was incorporated on 28 March 2006.

Directors

The names and details of the company's directors who held office during or since the end of the financial year are:

Milton John Evans J. P. Chairman Retired	Toni Curtis Norment Director Sports Administrator
Guiseppe Lembo Director Business Proprietor	Peta Roslyn Spinks Director Administration Officer
Dilwyn David Cleak OAM CD Director Contract Manager	Antonius Hendricus Maria Demarteau Director-reigned June 2007 Retired
Helen Barnard Director-appointed September 2006	Graham Moncur Director-appointed September 2006
Rachel Thomas Director- appointed October 2007	John Beamon Director-appointed September 2006
John Bates Director- appointed October 2007	Casey Grogan Director- appointed September 2006, resigned January 2007
Simon Creek Director-appointed September 2006, resigned March 2007	

Directors were in office for this entire period unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the company.

Principal activities

The principal activities of the company during the course of the financial year were in providing community banking services under management rights to operate a franchised branch of Bendigo Bank Limited.

Operating Results

The profit/(loss) after tax for the period is (\$467,546).

Dividends	Year Ended 30 June 2007	
	Cents	\$'000
Final dividends recommended:	-	-
Dividends paid in the year:	-	-
- Interim for the year		

Albany Community Financial Services Limited
ACN 119 012 510
Directors' Report

Significant changes in the state of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report.

Significant events after the balance date

There are no matters or circumstances that have arisen since the end of the financial year 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, in future years.

Likely Developments

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

Directors' Benefits

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a Director, a firm which a Director is a member or an entity in which a Director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the company's accounts, or the salary of an employee of the company, controlled entity or related body corporate.

Indemnification and Insurance of Directors and Officers

The company has indemnified all Directors 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 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.

Directors Meetings

The number of Directors meetings attended by each of the Directors of the company during the year were:

Number of Meetings Held: 22

Number of Meetings Attended:

Milton John Evans J. P.	21
Guiseppe Lembo	19
Dilwyn David Cleak OAM CD	21
Toni Curtis Norment	22
Peta Roslyn Spinks	18
Antonius Hendricus Maria Demarteau	20
Helen Barnard	6
John Beamon	5
Simon Creek	6
Graham Moncur	5

Company Secretary

Tony Curtis Norment was the secretary of Albany Community Financial Services Ltd. for the financial year

Albany Community Financial Services Limited
ACN 119 012 510
Directors' Report

Auditor Independence Declaration

The directors received the following declaration from the auditor of the company:

Lincolns
Accountants and Business Advisers

In relation to our audit of the financial report of Albany Community Financial Services Ltd for the financial period ended 30 June 2007, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



Russell Harrison
Partner
LINCOLNS

2nd November 2007
Date

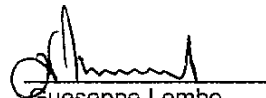
Signed in accordance with a resolution of the Board of Directors in Albany on

3RD NOVEMBER 2007
Date



Milton John Evans J. P.
CHAIRMAN

3-11-07
Date


Giuseppe Lembo
DIRECTOR

Albany Community Financial Services Limited
ACN 119 012 510
Income Statement
for the period ended 30 June 2007

	<u>Notes</u>	2007 \$	2006 \$
Revenues from ordinary activities		132,827	-
Interest Income		13,328	2,098
Sundry income		783	-
Salaries & employee benefits expense		(206,620)	(17,148)
Start up costs expensed	1	(100,000)	(12,848)
Depreciation and amortisation expense	2	(48,408)	-
Bank Charges		(281)	(63)
Accounting and auditing fees	4	(8,264)	(2,000)
Other expenses from ordinary activities		<u>(250,911)</u>	<u>(10,933)</u>
Profit/(loss) from ordinary activities before income tax expense		(467,546)	(40,894)
Income tax expense relating to ordinary activities		<u>-</u>	<u>-</u>
Profit/(loss) from ordinary activities after income tax expense		<u>(467,546)</u>	<u>(40,894)</u>

The accompanying notes form part of these financial statements

Albany Community Financial Services Limited
ACN 119 012 510
Balance Sheet
As at 30 June 2007

	<u>Notes</u>	2007 \$	2006 \$
Current Assets			
Cash assets	5	127,081	6
Receivables	6	27,168	6,886
Total Current Assets		<u>154,249</u>	<u>6,892</u>
Non-Current Assets			
Property, plant and equipment	7	210,111	1,411
Intangible assets		8,000	-
Total Non-Current Assets		<u>218,111</u>	<u>1,411</u>
Total Assets		<u>372,360</u>	<u>8,303</u>
Current Liabilities			
Payables	8	12,416	61,922
Provisions	10	13,595	4,920
Bank Overdraft	9	-	11,808
Total Current Liabilities		<u>26,011</u>	<u>66,842</u>
Non-Current Liabilities		-	-
Total Non-Current Liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>26,011</u>	<u>66,842</u>
Net Assets/(Liabilities)		<u>346,349</u>	<u>(58,539)</u>
Equity			
Contributed equity	11	854,789	(29,453)
Retained Profits/(Accumulated Losses)		(508,440)	(40,894)
Total Equity		<u>346,349</u>	<u>(70,347)</u>

The accompanying notes form part of these financial statements

Albany Community Financial Services Limited

ACN 119 012 510

Statement of Cash Flows

For the period ended 30 June 2007

	<u>Notes</u>	<u>2007</u> <u>\$</u>	<u>2006</u> <u>\$</u>
Cash Flows From Operating Activities			
Cash receipts from customers		113,328	-
Cash payments to suppliers and employees		(606,626)	(12,291)
Interest paid		13,328	-
Interest received		(281)	483
Net cash flows from/(used in) operating activities	12b	<u>(480,251)</u>	<u>(11,808)</u>
Cash Flows From Investing Activities			
Payment for property, plant and equipment		(255,108)	-
Payments for intangible assets		(10,000)	-
Net cash flows from/(used in) investing activities		<u>(265,108)</u>	<u>-</u>
Cash Flows From Financing Activities			
Proceeds from issue of shares		884,242	6
Net cash flows from/(used in) financing activities		<u>884,242</u>	<u>6</u>
Net increase/(decrease) in cash held		138,883	(11,802)
Add opening cash brought forward		(11,802)	-
Closing cash carried forward	12a	<u><u>127,081</u></u>	<u><u>(11,802)</u></u>

The accompanying notes form part of these financial statements

**Plantagenet Community
Financial Services Limited
ABN 89 096 387 816
Statement of Changes in Equity
for the period ended 30 June 2007**

	Issued Capital \$	Retained Earnings \$	Total Equity \$
As at 1 July 2006	(29,453)	(40,894)	(70,347)
Net profit/(loss) for the period		(467,546)	(467,546)
Issue of share capital	884,242		884,242
Equity dividends	-	-	-
As at 30 June 2007	<u>854,789</u>	<u>(508,440)</u>	<u>346,349</u>

	Issued Capital \$	Retained Earnings \$	Total Equity \$
As at 1 July 2005	-	-	-
Net profit/(loss) for the period	-	(40,894)	(40,894)
Capital Raising Costs	(29,459)	-	(29,459)
Issue of share capital	6	-	6
Equity dividends	-	-	-
As at 30 June 2006	<u>(29,453)</u>	<u>(40,894)</u>	<u>(70,347)</u>

The accompanying notes form part of these financial statements

Albany Community Financial Services Limited
ACN 119 012 510
Notes to the Financial Statements
for the period ended 30 June 2007

1. Summary of significant accounting policies

Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 including applicable Accounting Standards. Other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) have also been complied with.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The accounting policies are consistent with the previous year.

Income tax

Income tax has been brought to account using the liability method of tax effect accounting whereby income tax expense is based on the profit from ordinary activities adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expenses are included in the determination of accounting profit and taxable income are brought to account as either a provision for deferred tax liability or as a deferred tax asset at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Deferred tax asset is not brought to account unless realisation of the asset is assured beyond reasonable doubt. Deferred tax asset in relation to tax losses are not brought to account unless it is reasonably probable that it may be utilised against future profits.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised.

Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis.

The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Albany Community Financial Services Limited
ACN 119 012 510
Notes to the Financial Statements
for the period ended 30 June 2007

1. Summary of significant accounting policies (continued)

Employee Benefits

The provision for employee benefits to wages, salaries and annual leave represents the amount which the company has a present obligation to pay resulting from employees' services provided up to the balance date. The provision has been calculated on undiscounted amounts based on wage and salary rates expected to be paid and includes related on-costs.

The company contributes to a defined contribution plan. Contributions to employee superannuation funds are charged against income as incurred.

Cash

Cash on hand and in banks are stated at nominal value.

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.

Comparative Figures

The financial report is presented with prior period's comparative figures.

Revenue

Interest and fee revenue is recognised when earned. All revenue is stated net of the amount of goods and services tax (GST).

Property Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation to its residual value and impairment loss. Residual value is considered to be the consideration received for the asset at the end of its useful life. Depreciation on the assets is commenced from the date the assets are brought into use.

Receivables and Payables

Receivables and payables are non interest bearing and generally have payment terms of between 30 and 90 days. Receivables are recognised and carried at original invoice amount less a provision for any uncollected debts. Liabilities for trade creditors and other amounts are carried at cost that is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

Interest Bearing Liabilities

All loans are measured at the principal amount. Interest is recognised as an expense as it accrues.

Provisions

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

Albany Community Financial Services Limited
ACN 119 012 510
Notes to the Financial Statements
for the period ended 30 June 2007

1. Summary of significant accounting policies (continued)

Contributed Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Impact of Adoption of Australian Equivalents to International Reporting Standards (AIFRS)

These financial statements have been prepared in accordance with AIFRS. Since the AIFRS have been adopted from the entities first reporting period the AIFRS have not impacted on prior period's financial transactions.

Segment Information

The company operates in the financial services sector as a franchise of the Bendigo Bank in the City of Albany.

Intangible Assets and Start-up Costs

Under AASB 138: Intangible Assets, start up costs must be expensed. Under the new policy, all formation costs will be written off.

2. Expenses	2007	2006
	\$	\$
Borrowing expenses:		
- Interest paid	189	-
- Other	-	-
Depreciation of non-current assets:		
- plant and equipment	46,408	-
Amortisation of non-current assets:		
- intangibles	2,000	-

3. Income Tax Expense

Income tax	-	-
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Future income tax benefits arising from tax losses are not recognised at reporting date as there is currently no convincing evidence that future taxable profits will be available against which the future tax benefit will be used.

Albany Community Financial Services Limited
ACN 119 012 510
Notes to the Financial Statements
for the period ended 30 June 2007

	2007 \$	2006 \$
4. Auditors' Remuneration		
Amounts received or due and receivable by Lincolns for:		
- Audit or review of the financial report of the company	6,200	1,500
- Other services in relation to the company	<u>2,064</u>	<u>500</u>
	<u>8,264</u>	<u>2,000</u>

5. Cash Assets

Cash on hand	6	6
Bank	107,075	
Term deposit	<u>20,000</u>	
	<u>127,081</u>	<u>6</u>

6. Receivables

GST on payments	6,441	5,271
Bendigo profit share	20,173	
Interest receivable	<u>554</u>	<u>1,615</u>
	<u>27,168</u>	<u>6,886</u>

7. Property, Plant and Equipment

Plant and equipment

At cost	256,519	1,411
Less accumulated depreciation	<u>(46,408)</u>	<u>-</u>
Total written down amount	<u>210,111</u>	<u>1,411</u>

Movements in carrying amounts

Plant and equipment

Carrying amount at beginning of year	1,411	-
Additions	255,108	1,411
Depreciation expense	<u>(46,408)</u>	<u>-</u>
Carrying amount at end of year	<u>210,111</u>	<u>1,411</u>

Albany Community Financial Services Limited

ACN 119 012 510

Notes to the Financial Statements

for the period ended 30 June 2007

	2007	2006
	\$	\$
8. Payables		
Payables related to capital raising		29,459
Trade creditors	12,416	32,463
	<u>12,416</u>	<u>61,922</u>
9. Interest Bearing Liabilities		
Bank overdraft	-	11,808
	<u>-</u>	<u>11,808</u>
10. Provisions		
Employee benefits	13,595	4,920
	<u>13,595</u>	<u>4,920</u>
Number of employees at year end	5	5
	<u>5</u>	<u>5</u>
11. Contributed Equity		
Ordinary Shares fully paid of \$1 each	884,248	6
Capital raising costs	(29,459)	(29,459)
	<u>854,789</u>	<u>(29,453)</u>
12. Statement of Cashflows		
<i>(a) Reconciliation of cash</i>		
Cash assets		6
Bank overdraft	Note 5 127,081	(11,808)
	<u>127,081</u>	<u>(11,802)</u>
<i>(b) Reconciliation of profit from ordinary activities after tax to net cash provided from/(used in) operating activities</i>		
Profit/(Loss) from ordinary activities after income tax	(467,546)	(40,894)
Non cash items		
- Depreciation	46,408	-
- Amortisation	2,000	-
Changes in assets and liabilities		
- (Increase) decrease in receivables	(20,282)	(6,886)
- Increase (decrease) in payables excluding capital raising costs and fixed asset purchases	(49,506)	31,052
- Increase (decrease) in provisions	8,675	4,920
Net cashflows from/ (used in) operating activities	<u>(480,251)</u>	<u>(11,808)</u>

Albany Community Financial Services Limited

ACN 119 012 510

**Notes to the Financial Statements
for the period ended 30 June 2007**

13. Director and Related Party Disclosures

The names of directors who have held office during the financial period are:

Milton John Evans J. P.
Guiseppe Lembo
Dilwyn David Cleak OAM CD
Toni Curtis Norment
Peta Roslyn Spinks
Antonius Hendricus Maria Demarteau
Helen Barnard
Graham Moncur
Rachel Thomas
John Beamon
John Bates
Casey Grogan

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

Directors shareholdings	2007	2006
Milton John Evans J. P.	1	1
Tony Curtis Norment	1	1
Guiseppe Lembo	4,001	1
Dilwyn David Cleak OAM CD	1	1
Peta Roslyn Spinks	1	1
Helen Barnard	3,001	0
Antonius Hendricus Maria Demarteau	1	1

14. Subsequent Events

No significant events have occurred since balance sheet date.

15. Contingent Liabilities

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

16. Segment Reporting

The economic entity operates in the financial services sector where it provides banking services to its clients. The economic entity operates in one geographic area being Albany, WA.

17. Registered office/Principal place of business

The registered office 70-74 Fredrick Street, Albany 6330, WA.

The principal place of business is Shop 4, 78-82 Lockyer Avenue, Albany, 6330 WA

	2007	2006
18. Dividends paid or provided for on ordinary shares	<u>\$</u>	<u>\$</u>
(a) Dividends proposed and recognised as a liability		
Franked dividends	-	
(b) Dividends paid during the year		
(i) Current year interim	-	
Franked dividends	-	
(c) Dividends proposed and not recognised as a liability		
Franked dividends	-	
(d) Franking credit balance	-	

Albany Community Financial Services Limited
ACN 119 012 510
Notes to the Financial Statements
For the period ended 30 June 2007

18. Financial Instruments

Net Fair Values

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the Income Statement Position. The company does not have any unrecognised financial instruments at year end.

Credit Risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the Balance Sheet and notes to the financial statements.

There are no material credit risk exposures to any single debtor or group of debtors under financial instruments entered into by the economic entity.

Interest Rate Risk

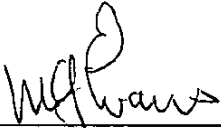
Financial Instrument	Floating Interest Rate		Fixed Interest Rate maturing in						Non Interest Bearing		Weighted average Effective interest rate	
	2007 \$	2006 \$	1 year or less		Over 1 to 5 years		Over 5 years					
	2007 \$	2006 \$	2007 \$	2006 \$	2007 \$	2006 \$	2007 \$	2006 \$	2007 \$	2006 \$	2007 %	2006 %
Financial												
Assets												
Cash assets	-	-	20,000	-	-	-	-	-	107,081	6	6.35	-
Receivables	-	-	-	-	-	-	-	-	6,886	-	-	-
Financial												
Liabilities												
Payables	-	-	-	-	-	-	-	-	12,416	61,922	-	-
Interest bearing liabilities			-	-	-	-	-	-	-	11,808	-	-

Albany Community Financial Services Limited
ACN 119 012 510
Directors' Declaration

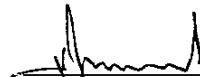
In accordance with a resolution of the directors of Albany Community Financial Services Limited, we state that:

In the opinion of the directors:

- (a) the financial statements and notes of the company are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2007 and of their performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and Corporations Regulations 2001; and
- (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.



Milton John Evans J. P.
CHAIRMAN



Giuseppe Lembo
DIRECTOR

3RD NOVEMBER 2007

Date

3-11-07

Date

Independent Auditor's Report

To the members of Albany Community Financial Services Limited

Directors' Responsibility for the Financial Report

The directors of the Albany Community Financial Services Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the 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 an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 judgement, 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 entity's preparation and fair presentation 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 entity'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*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Albany Community Financial Services Limited on 2 November 2007, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion the financial report of Albany Community 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 2007 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.

Signature: 

Name: RUSSELL HARRISON

Date: 5th November 2007

Address: 70-74 Frederick Street, Albany WA 6330.