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Chairman's report

It is indeed pleasing to report in our first Annual Report that your Board achieved the milestone of reaching the minimum subscription needed to proceed with the opening of our Community Bank® branch and we are very confident that along with this opening is the birth of another successful business in Augusta.

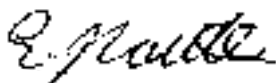
As well as this, Augusta was the first Community Bank® branch to launch and list simultaneously on the Bendigo Stock Exchange, which means that we will be providing an open and transparent mechanism for trading shares.

Whilst the community is now recognising the advantages of the Community Bank® concept, we do need greater support and look forward to additional business now that our branch is open.

There is a danger that we will all relax now that 'our branch' is open and we must not allow this to happen. Our target is to have every Shareholder open an account with our Community Bank® branch, and every lender and borrower to give our branch the opportunity of doing business.

As stated we have made solid progress and the future looks very bright for our branch. Shareholders can help create continual growth and profit by telling friends and associates of the branch's expertise and success.

Finally, I must thank my fellow Board Members and Associates for the time and effort they freely give and the work tirelessly undertaken on behalf of the Shareholders to ensure the Augusta & Districts Community Bank® Branch is a cornerstone of the community.



Ted Coulter
Chairman

Director's report 30 June 2005

Your Directors present their report together with the financial report of the Company for the year ended 30 June 2005.

Directors

The names and qualifications of Directors in office at any time during or since the end of the year are:

Edward John Coulter

Date of Birth: 21 March 1945

Occupation: Financial Controller

Background information: Financial Controller of a development company in the tourism industry. Former business proprietor

Kim Charles Basford

Date of Birth: 29 August 1949

Occupation: Business Proprietor

Background information: Operator of the local newsagency. Treasurer of the Augusta Chamber of Commerce, Member of the Volunteer Fire Brigade and Treasurer of the Augusta Chamber of Commerce.

Brendan James Evans

Date of Birth: 29 May 1968

Occupation: Business Proprietor

Background information: Currently working in family based tourism venture. Specialising in sales and marketing. Member of various Community projects.

Richard James Godley

Date of Birth: 27 August 1943

Occupation: Semi-retired Business Proprietor

Background information: Runs local tourist accommodation business. Former Teacher at Primary, Secondary and Tertiary Institutions.

Barry Francis Godley

Date of Birth: 26 November 1939

Occupation: Independent Retiree

Background information: President of Augusta Golf Club and Secretary of the Augusta Tennis Club. Former School Principal, Superintendent and Regional Director of the country South West as well as one year Director of Operations.

Director's report continued

Russell James Simpson

Date of Birth: 14 April 1943

Occupation: IT Consultant

Background Information: Telecentre Coordinator, Life member of Augusta Telecentre, Mt Newman Gliding Club and Past Shire Councillor of Augusta Margaret River.

David Kelly Watterson

Date of Birth: 29 March 1951

Occupation: Semi-retired

Background Information: Spent 28 years in Dairy/Beef farming industry and is involved in several community organisations.

Stephen Geoffrey Williams

Date of Birth: 17 September 1951

Occupation: Business Proprietor/Builder

Background Information: Current owner operator of local tourist accommodation since 1993; has been involved in the building industry for over 30 years.

Meetings of Directors

During the financial year, 35 meetings of Directors were held. Attendances by each Director during the year were:

	Directors' meetings	
	Number eligible to attend	Number attended
Edward John Coulter	35	29
Kim Charles Basford	35	16
Brendan James Evans	35	29
Richard James Godley	35	35
Barry Francis Godley	35	24
Russell James Simpson	35	35
David Kelly Watterson	35	29
Stephen Geoffrey Williams	35	31

Director's report continued

Remuneration report

Remuneration of Directors

No income was paid or was payable or otherwise made available to the specified Directors of the Company during the year ended 30 June 2005.

Options

No options over issued shares or interests in the Company were granted to specified Directors or Executive during or since the end of the financial year and there were no options outstanding at the date of this report.

The specified Directors and Executive do not own any options over issued shares or interests in the Company at the date of this report.

Remuneration practices

The Company's policy for determining the nature and amount of emoluments of Board members and Senior Executives of the Company is as follows:

It is current policy of the Company that Board members are not remunerated for the services performed.

Operational and financial review

The principal activity and focus of the Company's operations during the year was the operations of a branch of the Bendigo Bank at Augusta, Western Australia pursuant to a franchise agreement.

The amount of the loss from ordinary activities of the Company after income tax was \$43,671 for the year ended 30 June 2005. (The Company was incorporated on 13 September 2004.)

The Company will pursue its main objective of providing a core of banking products and services pursuant to its franchise agreement with Bendigo Bank.

Director's report continued

Dividends

No recommendation has been made for the payment of dividend.

Significant changes in 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 period under review, not otherwise disclosed in these financial statements.

Events subsequent to the end of the financial year

No matters or circumstances have arisen since the end of the financial period, that 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 subsequent financial years.

Future developments

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report, as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Indemnifying Officer or Auditor

Indemnities have been given, during and since the end of the financial period, for any persons who are or have been a Director or an Officer, but not an Auditor, of the Company. A Directors' and Officers' liability insurance policy for \$5,000,000 cover has been taken out for an annual premium cost of \$4,561.70.

Share options

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Director's report continued

Environmental regulation

The Company's operations are not regulated by any significant environmental regulation under a Law of the Commonwealth or of a State or Territory.

Proceedings on behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of Directors.



Director

Dated this 21st day of October 2005

Financial statements 30 June 2005

Statement of financial performance

For the period to the 30 June 2005

	Note	2005 \$
Revenue from ordinary activities	2	7,599
Employee benefits expense		(1,266)
Depreciation and amortisation expenses		(1,000)
Borrowing costs		(307)
Other expenses from ordinary activities	3	(48,697)
Loss from ordinary activities before income tax		(43,671)
Income tax expense relating to ordinary activities	4	-
Loss after income tax expense attributable to members		(43,671)
Total revenue expenses and valuation adjustments attributable to members and recognised directly in equity		-
Total change in equity other than those resulting from transactions with owners as owners		(43,671)
Basic earnings/(loss) per share (cents)		(7.2)
Diluted earnings/(loss) per share (cents)		(7.2)

The accompanying notes form part of the financial statements.

Financial statements 30 June 2005

Statement of financial position

As at 30 June 2005

	Note	2005 \$
CURRENT ASSETS		
Cash assets	13(a)	463,308
Receivables	5	13,334
Other	6	6,000
TOTAL CURRENT ASSETS		482,642
NON CURRENT ASSETS		
Intangible assets	7	59,000
Other	6	23,500
TOTAL NON CURRENT ASSETS		82,500
TOTAL ASSETS		565,142
CURRENT LIABILITIES		
Payables	8	2,500
TOTAL CURRENT LIABILITIES		2,500
TOTAL LIABILITIES		2,500
NET ASSETS		562,642
EQUITY		
Contributed equity	9	606,313
Accumulated losses	10	(43,671)
TOTAL EQUITY		562,642

The accompanying notes form part of the financial statements.

Financial statements 30 June 2005

Statement of cash flows

For the period to the 30 June 2005

	Note	2005 \$
Cash flows from operating activities		
Receipts from customers		1,000
Interest received		6,599
Payments to suppliers and employees		(90,297)
Borrowing costs		(307)
Net cash used in operating activities	11(b)	(83,005)
Cash flows from investing activities		
Payments for plant and equipment		
Payments for intangibles		(60,000)
Net cash used in investing activities		(60,000)
Cash flows from financing activities		
Proceeds from issue of shares		606,313
Net cash provided by financing activities		606,313
Net increase / (decrease) in cash held		463,308
Cash balance at the beginning of the financial Year		0
Cash balance at the end of the financial year	11(a)	463,308

The accompanying notes form part of the financial statements.

Notes to the financial statements

Note 1: Statement of accounting policies

a) Basis of preparation

The financial report is also a general purpose financial report that has been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

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 have been consistently applied, unless otherwise stated.

Augusta & Districts Community Financial Services Limited is a listed public Company, incorporated and domiciled in Australia.

b) Income tax

The Company adopts the liability method of tax effect accounting whereby the income tax expense shown in the statement of financial performance is based on the operating profit before income tax adjusted for any permanent differences.

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

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond any reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

The amount of these benefits is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the Company will derive sufficient future assessable income and comply with the conditions of deductibility imposed by the law to permit a future income tax benefit to be obtained.

Notes to the financial statements continued

Note 1: Statement of accounting policies continued

c) Property, plant and equipment

Property, plant and equipment are brought to account at cost, less, where applicable, any accumulated depreciation.

The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employed and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amount.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their useful lives commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

d) Intangible asset

The franchise fee paid by the Company pursuant to a Franchise Agreement with the Bendigo Bank (Note 8) is being amortised over the initial five (5) year period of the agreement, being the period of expected economic benefits of the franchise fee.

e) Statement of cash flows

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 overdraft.

f) Revenue

Revenue from the provision of banking services is recognised upon the delivery of the services to customers.

Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Notes to the financial statements continued

Note 1: Statement of accounting policies continued

g) Employee entitlements

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Company to the employee superannuation funds and are charged as expenses when incurred.

h) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

i) Comparative figures

Where required by Accounting Standards, comparative figures are adjusted to conform with changes in presentation in the current financial year.

Notes to the financial statements continued

2005
\$

Note 2: Revenue from ordinary activities

Operating activities

Interest revenue	6,599
Other revenue	1,000
	7,599

Note 3: Other expenses from ordinary activities

Other operating expenses	48,697
	48,697

Auditor's remuneration

Remuneration of the Auditor of the Company	
- Audit services	2,500

Notes to the financial statements continued

Note 4: Income tax expense

No income tax is payable by the Company as it incurred losses for the period for income tax purposes.

2005
\$

a) Reconciliation of income tax expense

The prime facie income tax benefit on the loss from ordinary activities is reconciled to the income tax expense as follows:

Prima facie tax benefit on the loss from ordinary activities before income tax at 30%	(13,101)
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Tax effect of :

- Permanent differences	300
- Tax loss not brought to account	12,801

Income tax expense	-
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b) Tax losses

Balance at the beginning of the year	0
Tax losses incurred in the financial year	42,671
	42,671

At balance date, the Company had tax losses of \$42,671 (2004: - NIL) which are available to offset future years' taxable income.

The future income tax benefit of these tax losses is \$12,801 (2004: NIL). This benefit has not been recognised as an asset in the statement of financial position as its realisation is not virtually certain. The benefits will only be obtained if:

- (a) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;
- (b) the Company continues to comply with the conditions for deductibility imposed by the law; and
- (c) no changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the losses.

Notes to the financial statements continued

2005
\$

Note 5: Receivables

GST receivable	13,334
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Note 6: Other

Current	
Prepayments	6,000

Non current	
Prepayments	23,500

Note 7: Intangible assets

Franchise fee	
Cost	60,000
Accumulated amortisation	(1,000)
	59,000

Pursuant to a five year franchise agreement with Bendigo Bank, the Company operates a Community Bank[®] branch of Bendigo Bank at Augusta, trading as “Augusta Community Bank[®] Branch – Bendigo Bank”, providing a core range of banking products and services. The Company entered into the franchise agreement at a cost of \$60,000 that is being amortised on the basis disclosed in Note 1(d).

Notes to the financial statements continued

2005
\$

Note 8: Payables

Trade creditors and accruals	2,500
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Note 9: Contributed equity

606,313 (2004: 0) fully paid ordinary shares	606,313
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Movement in share capital

Balance at the beginning of the year	0
Subscriber shares issued	–
Allotment of shares pursuant to prospectus	606,313

Balance at the end of the year	606,313
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Note 10: Accumulated losses

Balance at the beginning of the financial year	0
Loss attributable to members of the Company	(43,671)

Balance at the end of the financial year	(43,671)
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Notes to the financial statements continued

2005
\$

Note 11: Notes to the statement of cash flows

a) Reconciliation of cash

For the purpose 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 financial year 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	2,000
Cash at bank	461,308
	463,308

b) Reconciliation of net cash used in operating activities to operating loss

Loss from ordinary activities	(43,671)
Depreciation and amortisation	1,000
Movement in assets and liabilities	
Receivables	(13,334)
Other	(29,500)
Payables	2,500
Provisions	
Net cash used in operating activities	(83,005)

Notes to the financial statements continued

Note 12: Directors' and Executive's remuneration

a) The names and positions of Directors and Executive in office at any time during the financial year are:

Specified Directors:

Edward John Coulter	Chairman
Kim Charles Basford	Non-Executive Director
Brendan James Evans	Non-Executive Director
Richard James Godley	Non-Executive Director
Barry Francis Godley	Non-Executive Director
Russell James Simpson	Non-Executive Director
David Kelly Watterson	Non-Executive Director
Stephen Geoffrey Williams	Non-Executive Director

Specified Executive

No person met the definition of specified executive of the Company during the financial year ended 30 June 2005.

b) Remuneration of Directors

No income was paid or was payable or otherwise made available, to the specified Directors of the Company during the year ended 30 June 2005.

c) Options

No options over issued shares or interests in the Company were granted to specified Directors or Executive during or since the end of the financial period and there were no options outstanding at the date of this report

The specified Directors and Executive do not own any options over issued shares or interests in the Company at the date of this report.

Notes to the financial statements continued

Note 12: Directors' and Executive's remuneration continued

d) Shareholdings

	Balance 1 July 2004	Received as remuneration	Options exercised	Net change others *	Balance 30 June 2005
<i>Specified Directors</i>					
Edward John Coulter	0	-	-	1,001	1,001
Kim Charles Basford	0	-	-	2,501	2,501
Brendan James Evans	0	-	-	101	101
Richard James Godley	0	-	-	2,501	2,501
Barry Francis Godley	0	-	-	5,001	5,001
Russell James Simpson	0	-	-	501	501
David Kelley Watterson	0	-	-	1	1
Stephen Geoffrey Williams	0	-	-	5,001	5,001
TOTAL		-	-	16,608	16,608

* Net change other refers to return of capital and dividend reinvested during the financial year.

e) Remuneration practices

The Company's policy for determining the nature and amount of emoluments of Board members and Senior Executives of the Company is as follows:

It is current policy of the Company that Board members are not remunerated for the services performed.

Note 13: Related party transaction

The related parties have not entered into a transaction with the Company during the financial year ended 30 June 2005.

Notes to the financial statements continued

Note 14: Financial instruments

a) Interest rate risk

2005	Rates	Variable	Fixed 1 year	1 to 5 years	Non-interest	Total
Financial assets						
Cash	5.5%	402,726	-	-	60,582	463,308
Receivables		-	-	-	42,834	42,834
		402,726	-	-	103,416	506,142
Financial liabilities						
Payables		-	-	-	(2,500)	(2,500)
Provisions		-	-	-	-	-
		-	-	-	(2,500)	(2,500)
Net financial assets / (liabilities)		402,726	-	-	100,916	503,642

b) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

c) Net fair values

The net fair value of financial assets and liabilities of the Company approximates their carrying amount.

The Company has no financial assets and liabilities where the carrying amount exceeds the net fair value at balance date.

No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Notes to the financial statements continued

Note 15: Segment reporting

The Company operates in the financial services sector as a Community Bank® branch of Bendigo Bank at Augusta in Western Australia.

Note 16: Events subsequent to the reporting date

No matters or circumstances have arisen since the end of the financial period that 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 subsequent financial years.

Note 17: Contingent liabilities

There were no contingent liabilities at the reporting date.

Note 18: Impact of adopting Australian equivalents to IFRS

The Company is in the process of transitioning its accounting policies and financial reporting from current Australian Accounting Standards (AGAAP) to Australian equivalents of International Financial Reporting Standards (AIFRS) which will be applicable for the financial year ended 30 June 2006. During the year, the Directors of the Company conducted impact assessments to identify key areas that would be impacted by the transition to AIFRS.

The Directors have identified that the key differences in the Company's accounting policies which will arise from the adoption of IFRS to be:

Taxation

Currently, the Company adopts the liability method of tax-effect accounting whereby the income tax expense is based on the accounting profit adjusted for any permanent differences. Timing differences are currently brought to account as either a provision for deferred income tax or future income tax benefit. Under the Australian equivalent to IAS 12, the Company will be required to adopt a balance sheet approach under which temporary differences are identified for each asset and liability rather the effects of the timing and permanent differences between taxable income and accounting profit.

Notes to the financial statements continued

Note 18: Impact of adopting Australian equivalents to IFRS continued

Intangible assets

Under the Australian equivalent to IAS 38 “Intangible Assets”, formation costs and franchise fees must be expensed. This will result in a change in the Company’s current accounting policy which allows for the capitalisation of formation costs and franchise fees. Under the new policy, all formation costs and franchise fees will be written off as incurred. On transition, all currently recognised formation costs and franchise fees will be adjusted against opening accumulated profits/losses as they will not meet the recognition requirements under IFRS.

At the present time, the Company’s management is still completing its transition to AIFRS and will be fully compliant by 30 June 2006. No material differences in the Company’s accounting policies or balances on conversion to AIFRS are expected.

The actual effects of transition to AIFRS however may differ due to:

- a) on-going work being undertaken by the Directors of the Company;
- b) potential amendments to AIFRSs and Interpretations thereof being issued by the standard-setters and IFRIC; and
- c) emerging accepted practice in the interpretation and application of AIFRS and UIG Interpretations.

Note 19: Company details

The registered office of the Company is:

78 Blackwood Avenue
Augusta, WA 6290

The principal place of business of the Company is:

54 Blackwood Avenue
Augusta, WA 6290

Director's declaration 30 June 2005

In the Director's opinion:

1. The financial statements and notes, as set out on pages 8 to 23, are in accordance with the Corporations Act 2001, including:
 - a) complying with Accounting Standards and the Corporations Regulations 2001; and
 - b) giving a true and fair view of the financial position as at 30 June 2005 and of its' performance as represented by the results of the operations and the cash flows for the financial year ended on that date.
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.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer as required by S295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

E. Platte

Director

Dated this 21st day of October 2005

RSM Bird Cameron Partners

Chartered Accountants

8 St Georges Terrace Perth WA 6000
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www.rsm.com.au

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF

AUGUSTA & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and the Directors' declaration for Augusta & Districts Community Financial Services Limited (the Company) for the year ended 30 June 2005.

The Directors of the Company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the Company and that complies with Accounting Standards in Australia, in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards in Australia and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Company's financial position and of their performance as represented by the results of their operations and cash flows.

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International, an affiliation of independent
accounting and consulting firms.

RSM Bird Cameron Partners

Chartered Accountants

We formed our audit opinion on the basis of these procedures, which included:-

- ♦ examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- ♦ assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Directors.

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

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the Company.

Independence

We are independent of the Company and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. In addition to our audit of the financial report, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Audit Opinion

In our opinion, the financial report of Augusta & Districts Community Financial Services Limited is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of Augusta & Districts Community Financial Services Limited at 30 June 2005 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.

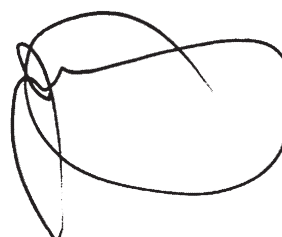
Perth, WA
Dated: 21 October 2005

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Chartered Accountants



JAMES KOMNINOS
Partner

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RSM Bird Cameron Partners

Chartered Accountants

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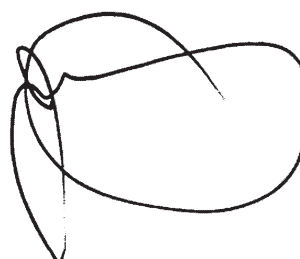
AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF

AUGUSTA & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED

In relation to our audit of the financial report of Augusta & Districts Community Financial Services Limited for the year ended 30 June 2005, 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.

RSM Bird Cameron Partners
RSM BIRD CAMERON PARTNERS
Chartered Accountants



JAMES KOMNINOS
Partner

Perth, WA
Dated: 21 October 2005

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