



Annexure 3A

BSX Listing Rules

Half yearly/Yearly Disclosure

References

Version 1, Operative 23/8/2000

Chapter 3, BSX Listing Rules

Canterbury Surrey Hills Community Finance Ltd

Name of entity

ABN 96 099 590 593

Half yearly (tick)

X

31 December 2007

ABN, ACN or ARBN

Annual (tick)

Half year/financial year ended
(Current period)

Summary

				\$A,000
Sales revenue or operating revenue	up	24.93%		680
Profit (loss) before abnormal items and after tax	up	59.92%	to	148
Abnormal items before tax		gain (loss) of		
Profit (loss) after tax but before outside equity interests	up/down	74.80%	to	102
Extraordinary items after tax attributable to members		gain (loss) of		
Profit (loss) for the period attributable to members	up/down	74.80%	to	102

Dividends (distributions)

Franking rate applicable

Current period

Final

Interim

Previous corresponding period

Final

Interim

Record date for determining entitlements to the dividend, (in the case of a trust distribution)

Date 23/8/2000

Page 1 of 17

Annexure 3A
Half Yearly/Yearly Disclosure

Short details of any bonus or cash issue or other items(s) of importance not previously released to BSX:

--

Consolidated profit and loss account

	Current period \$A'000	Previous corresponding period \$A'000
Sales revenue or operating revenue	680	544
Expenses from ordinary activities	532	451
Borrowing costs		
Share of net profit (loss) of associates and joint venture entities		
Profit (loss) from ordinary activities before tax	148	93
Income tax on ordinary activities	46	35
Profit (loss) from ordinary activities after tax	102	58
Outside equity interests		
Profit (loss) from ordinary activities after tax attributable to members	102	58
Profit (loss) from extraordinary activities after tax attributable to members		
Profit (loss) for the period attributable to members	102	58
Retained profits (accumulated losses) at the beginning of the financial period	(450)	(567)
Net transfers to and from reserves		
Net effect of changes in accounting policies		
Dividends paid or payable	22	22
Retained profits (accumulated losses) at end of financial period	(370)	(532)

Profit restated to exclude amortisation of goodwill

Annexure 3A
Half Yearly/Yearly Disclosure

	Current period \$A'000	Previous corresponding period \$A'000
Profit (loss) from ordinary activities after tax before outside equity interests and amortisation of goodwill	102	58
Less (plus) outside equity interests		
Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	102	58

Revenue and expenses from operating activities

	Current period \$A'000	Previous corresponding period \$A'000
Details of revenue and expenses		
Commission Revenue	669	543
Bank Interest Income	11	1

Intangible and extraordinary items

	Consolidated - current period		
	Before tax \$A'000	Related tax \$A'000	After tax \$A'000
Amortisation of goodwill			
Amortisation of other intangibles	13	4	9
Total amortisation of intangibles	13	4	9
Extraordinary items (details)			
Total extraordinary items			

Annexure 3A
Half Yearly/Yearly Disclosure

Comparison of half year profits
(Annual statement only)

	Current year - \$A'000	Previous year - \$A'000
Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year	102	58
Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year		

Consolidated balance sheet

	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly statement \$A'000
Current assets			
Cash	356	292	131
Receivable	141	121	111
Investments			
Inventories			
Other (provide details if material)			
Total current assets	497	413	242
Non-current assets			
Receivables			
Investments			
Inventories			
Other property, plant and equipment (net)	124	153	191
Intangibles (net)	15	28	50
Other (provide details if material)	96	142	173
Income tax benefit			
Total non-current assets	236	323	414
Total assets	733	736	656
Current liabilities			
Accounts payable	79	78	76
Borrowings			
Provisions	19	16	20
Other (provide details if material)			

Annexure 3A
Half Yearly/Yearly Disclosure

Total current liabilities	98	95	96
Non-current liabilities			
Accounts payable			
Borrowings			
Provisions			
Other (provide details if material)			
Total non-current liabilities	98	95	96
Total liabilities	98	95	96
Net assets	635	642	560
Equity			
Capital	1005	1092	1092
Reserves	(370)	(450)	(532)
Retained profits (accumulated losses)			
Equity attributable to members of the parent entity			
Outside equity interests in controlled entities			
Total equity	635	642	560
Preference capital and related premium included			

Consolidated statement of cash flows

Cash flows related to operating activities	Current period \$A'000	Previous corresponding period \$A'000
Receipts from customers	716	570
Payments to suppliers and employees	549	412
Dividends received		
Interest and other items of similar nature received	11	1
Interest and other costs of finance paid		
Income taxes paid		
Other (provide details if material)		
Net operating cash flows	178	159
Cash flows related to investing activities		
Payments for purchases of property, plant		

Annexure 3A
Half Yearly/Yearly Disclosure

and equipment		
Proceeds from sale of property, plant and equipment	4	1
Payment for purchases of equity investments		
Proceeds from sale of equity investments		
Loans to other entities		
Loans repaid by other entities		
Other (provide details if material)		
Net investing cash flows		
Cash flows related to financing activities		
Proceeds from issues of securities (shares, options, etc.)		
Proceeds from borrowings		
Repayment of borrowings		18
Dividends paid	22	22
Other (provide details if material)	87	
Return of capital 8 cents per share		
Net financing cash flows	109	40
Net increase (decrease) in cash held		
Cash at beginning of period (see Reconciliation of cash)	292	12
Exchange rate adjustments		
Cash at end of period (see Reconciliation of cash)	356	131

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

--

Annexure 3A
Half Yearly/Yearly Disclosure

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A'000	Previous corresponding period \$A'000
Cash on hand and at bank	356	292
Deposits at call		
Bank overdraft		
Other (provide details)		
Total cash at end of period	356	292

Ratios

	Current period	Previous corresponding period
Profit before tax/sales		
Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue	27.80	17.11
Profit after tax/equity interests		
Consolidated profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	16.11	9.11

Earnings per security (EPS)

	Current period	Previous corresponding period
Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share	10.17	5.36
(a) Basic EPS		
(b) Diluted EPS (if materially different from (a))		

NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$0.57	\$0.52

Annexure 3A
Half Yearly/Yearly Disclosure

Details of specific receipts/outlays, revenues/expenses

	Current period A\$'000	Previous corresponding period \$A'000
Interest revenue included	11	1
Interest revenue included but not yet received (if material)		
Interest costs excluded from borrowing costs capitalised in asset values		
Outlays (excepts those arising from the acquisition of an existing business) capitalised in intangibles (if material)		
Depreciation (excluding amortisation of intangibles)	33	47
Other specific relevant items		

Control gained over entities having material effect

Name of entity

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity since the date in the current period on which control was acquired

\$

Date from which such profit has been calculated

Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period

\$

Loss of control of entities having material effect

Name of entity

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity for the current period to the date of loss of control

\$

Date from which the profit (loss) has been calculated

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period

\$

Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control

\$

Annexure 3A Half Yearly/Yearly Disclosure

Reports for industry and geographical segments

Segments

Operating Revenue

Sales to customers outside the economic entity

Inter-segment sales

Unallocated revenue

Total revenue

Segment result

Unallocated expenses

Consolidated profit from ordinary activities after tax (before equity accounting)

Segment assets

Unallocated assets

Total assets

) Comparative data for segment assets should be as at the
) end of the previous corresponding period
)

Dividends

Date the dividend is payable

Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm)

Amount per security

		Franking rate applicable	%	%	%
<i>(annual report only)</i>					
Final dividend:	Current year	¢	N/A	¢	N/A
	Previous year	¢	¢	¢	¢
<i>(Half yearly and annual statements)</i>					
Interim dividend:	Current year	NIL¢	N/A	¢	N/A
	Previous year	¢	¢	¢	¢

Annexure 3A
Half Yearly/Yearly Disclosure

Total annual dividend (distribution) per security
(Annual statement only)

	Current year	Previous year
Ordinary securities	¢	¢
Preference securities	¢	¢

Total dividend (distribution)

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$	\$
Preference securities	\$	\$
Total	\$	\$

Half yearly report – interim dividend (distribution) on all securities or Annual report – final dividend (distribution) on all securities

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$	\$
Preference securities	\$	\$
Total	\$	\$

The dividend or distribution plans shown below are in operation.

The last date(s) for receipt of election notices to the dividend or distribution plans

Any other disclosures in relation to dividends (distributions)

Annexure 3A
Half Yearly/Yearly Disclosure

Equity accounted associated entities and other material interests

Equity accounting information attributable to the to the economic entity's share of investments in associated entities must be disclosed in a separate notice. See AASB 1016: Disclosure of Information about Investments in Associated Companies.

Entities share of:	Current period A\$'000	Previous corresponding period A\$'000
Profit (loss) from ordinary activities before tax.		
Income tax		
Profit (loss) from ordinary activities after tax		
Extraordinary items net of tax		
Net profit (loss)		
Outside equity interests		
Net profit (loss) attributable to members		

Material interests in entities which are not controlled entities

The entity has an interest (that is material to it) in the following entities.

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to profit (loss) from ordinary activities and extraordinary items after tax	
Equity accounted associates and joint venture entities	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
Total				
Other material interests				

Annexure 3A
Half Yearly/Yearly Disclosure

Total				

Issued and listed securities

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities

	Number issued	Number listed	Issue Price (cents)	Paid-up value (cents)
Preference securities <i>(description)</i>				
Changes during current period				
Ordinary securities	1,092,062	1,092,062	100	92
Changes during current period				(8)
8 cent Capital return				
Convertible debt securities <i>(description and conversion factor)</i>				
Changes during current period				

			Exercise price	Expiry date
Options <i>(description and conversion factor)</i>				
Changes during current period				
Exercised during current period				
Expired during current period				

Annexure 3A
Half Yearly/Yearly Disclosure

Debentures		
Unsecured Notes		

Discontinuing Operations

Consolidated profit and loss account

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Sales revenue or operation revenue	680	544			680	544
Other revenue						
Expenses from ordinary activities	532	451			532	451
Profit (loss) before tax	148	93			148	93
Less tax	46	35			46	35
Profit (loss) from ordinary activities after tax	102	58			102	58

Consolidated statement of cash flows

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Net operating cash flows	178	159			178	159
Net investing cash flows	4	1			4	1

Annexure 3A
Half Yearly/Yearly Disclosure

Net financing cash flows	(109)	(40)			(109)	(40)
--------------------------	-------	------	--	--	-------	------

Other disclosures

	Current period A\$'000	Previous corresponding period A\$'000
Carrying amount of items to be disposed of:		
- total assets		
- total liabilities		
Profit (loss) on disposal of assets or settlement of liabilities		
Related tax		
Net profit (loss) on discontinuance		

Description of disposals

Comments by directors

Basis of accounts preparation

If this statement is a half yearly statement it should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period.

Material factors affecting the revenues and expenses of the entity for the current period including seasonal or cyclical factors

Annexure 3A
Half Yearly/Yearly Disclosure

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

Changes in accounting policies since the last annual report and estimates of amounts reported in prior years are disclosed as follows.

Changes in the amounts of contingent liabilities or assets since the last annual report are disclosed as follows.

Additional disclosure for trusts

Number of units held by the management company or responsible entity to their related parties.

A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- Initial service charges
- Management fees
- Other fees

Annexure 3A
Half Yearly/Yearly Disclosure

A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- Initial service charges
- Management fees
- Other fees

--	--

Annual meeting

(Annual statement only)

The annual meeting will be held as follows:

Place

--

Date

--

Time

--

Approximate date the annual report will be available

--

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This statement, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 In the case of a half-yearly report the same accounting standards and methods of computation are/are not* (*delete one*) followed as compared with the most recent annual accounts.
- 4 This statement does/does not* (*delete one*) give a true and fair view of the matters disclosed.
- 5 This statement is based on financial statements to which one of the following applies:

(Tick one)

☒

The financial statements have been audited.

☐

The financial statements have been subject to review by a registered auditor (or overseas equivalent).

☐

The financial statements are in the process of being audited or subject to review.

☐

The financial statements have *not* yet been audited or reviewed.

- 6 If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*).

- 7 The entity ~~has~~/does not have* (*delete one*) a formally constituted audit committee.

Date 23/08/2000

Page 16 of 17

Annexure 3A
Half Yearly/Yearly Disclosure

Sign here: Derek Norman Date: 13/3/08
(Director/Company secretary)

Print name: DEREK FORBES NORMAN

Notes

True and fair view If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

Income tax If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

Additional information An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement.

lodging party or agent name

office, level, building name or PO Box no.

street number & name

suburb/city

state/territory

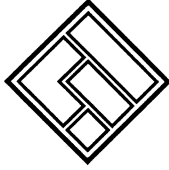
postcode

telephone ()

facsimile ()

DX number

suburb/city

ASS. ☐ REQ-A ☐
CASH. ☐ REQ-P ☐
PROC. ☐

Australian Securities & Investments Commission

notification of

form **7051****• Half Yearly Reports**

(to be lodged within 75 days of the end of the accounting period)

(ASX Form 1001)
Corporations Act 2001
285(2), 286(1), 320**Disclosing entity**

Please complete A, B or C.

A a companyname CANTERBURY SURREY HILLS COMMUNITY FINANCE LTD
A.C.N. 099 590 593**B a body (other than a company)**

name

A.R.B.N. (if applicable)

C a registered scheme

name

A.R.S.N.

Financial periodfrom 1/7/07 to 31/12/07**Certification***I certify that the attached documents comprise the half yearly reports together with every other document that is required to be lodged with the reports by a disclosing entity under the Corporations Act 2001.***Signature**

This form is to be signed by:

if a company or a body a director or secretary or the equivalent

if a registered scheme a director or secretary of the responsible entity acting in that capacity

name of responsible entity

A.C.N.

name of person signing (print)

DEREK FORBES NORTIMER capacity SECRETARY

sign here

Derek Nortimerdate 14/3/08

Small Business (less than 20 employees), please provide an estimate of the time taken to complete this form

Include

- The time actually spent reading the instructions, working on the question and obtaining the information
- The time spent by all employees in collecting and providing this information

hrs

mins

HALF YEARLY REPORTS

Send to the
Australian Securities and
Investments Commission
PO Box 4000
Gippsland Mail Centre Vic 3841

Annexures to forms

To make any annexure conform to the regulations, you must

- 1 use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides
- 2 number the pages consecutively
- 3 print or type in dark blue or black ink, so that the document is clearly legible when copied.
- 4 identify the annexure with a mark such as A, B, C, etc
- 5 endorse the annexure with the words:
This is annexure (mark) of (number) pages referred to in form (form number and title) signed by (insert "me" or "us") and dated
- 6 sign and date the annexure.
The annexure must be signed by the same person(s) who signed the form.
- 7 There must be written on the form: the identifying mark and the number of pages.

Canterbury Surrey Hills Community Finance Limited
ABN 96 099 590 593
Directors' Report

Your Directors submit their report of the company for the half year ended 31 December 2007.

Directors

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

Hans Diederick Menting

David Charles Orford

Elisabeth Kay Grant

Damien Leo Hudson

Robert Einar Stensholt

Juliann Ruth Byron

Trevor Ronald Kempton

Leigh Smith

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

Principal activities

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

Review and results of operations

Operations have continued to perform in line with expectations. The net profit of the company for the financial period was \$102,227 (2006: \$58,481).

During the half year Richmond Sinnott & Delahunty completed a valuation to assist the Directors in assessing the current market value of the company. The valuation was received on 12 October 2007 and was not reduced for the 8 cents per share return of capital completed during the half year. In the report the company was valued between \$1.54 million and \$2.44 million. With the shares on issue at the time of the report being 1,092,062 this is a range of \$1.41 to \$2.23 per share.

Matters subsequent to the end of the reporting period

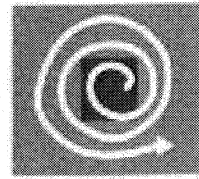
The company listed on the Bendigo Stock Exchange on 21 February 2008. There are no other matters or circumstances that have arisen since the end of the half year reporting period that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

Canterbury Surrey Hills Community Finance Limited
ABN 96 099 590 593
Directors' Report

Auditor Independence Declaration

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

Richmond Sinnott & Delahunty
Chartered Accountants



172 McIvor Rd
PO Box 30
Bendigo. 3552
Ph. 03 5443 1177
Fax. 03 5444 4344
E-mail: rsd@rsd advisors.com.au

Auditor's Independence Declaration

In relation to our review of the financial report of Canterbury Surrey Hills Community Finance Ltd for the half year ended 31 December 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.

Warren Sinnott
Partner
Richmond Sinnott & Delahunty
Bendigo
29 February 2008

Signed in accordance with a resolution of the Directors in Melbourne on 29 February 2008.

.....
Hans Menting, Director

Canterbury Surrey Hills Community Finance Limited

ABN 96 099 590 593

Condensed Income Statement
for the half-year ended 31 December 2007

	Note	2007 \$	2006 \$
Revenue from ordinary activities		680,182	544,467
Salaries and employee benefit expense		(287,246)	(221,004)
Depreciation and amortisation expense		(46,073)	(59,872)
Borrowing cost expense		-	(72)
Other expenses from ordinary activities		<u>(198,605)</u>	<u>(170,384)</u>
Profit from ordinary activities before income tax expense		148,258	93,135
Income tax expense relating to ordinary activities		<u>46,031</u>	<u>34,654</u>
Net profit attributable to members of the entity		<u><u>102,227</u></u>	<u><u>58,481</u></u>
Earnings per share (cents per share)			
- basic for profit for the half year		10.17	5.36
- diluted for profit for the half year		10.17	5.36
- dividends paid per share	5	2.00	2.00

Canterbury Surrey Hills Community Finance Limited

ABN 96 099 590 593

Condensed Balance Sheet

as at 31 December 2007

	Note	31-Dec 2007 \$	30-Jun 2007 \$
Current Assets			
Cash assets		356,210	291,794
Receivables		140,748	120,923
Total Current Assets		<u>496,958</u>	<u>412,717</u>
Non-Current Assets			
Property, plant and equipment		124,304	152,602
Deferred income tax asset		96,431	142,462
Intangibles		15,001	28,488
Total Non-Current Assets		<u>235,736</u>	<u>323,552</u>
Total Assets		<u>732,694</u>	<u>736,269</u>
Current Liabilities			
Payables		79,062	78,103
Provisions		18,893	16,448
Total Current Liabilities		<u>97,955</u>	<u>94,551</u>
Total Liabilities		<u>97,955</u>	<u>94,551</u>
Net Assets		<u>634,739</u>	<u>641,718</u>
Equity			
Issued capital	7	1,004,697	1,092,062
Accumulated losses		<u>(369,958)</u>	<u>(450,344)</u>
Total Equity		<u>634,739</u>	<u>641,718</u>

Canterbury Surrey Hills Community Finance Limited
ABN 96 099 590 593
Condensed Cash Flow Statement
for the half-year ended 31 December 2007

	2007	2006
	\$	\$
Cash Flows From Operating Activities		
Cash receipts in the course of operations	715,915	570,472
Cash payments in the course of operations	(549,333)	(412,396)
Interest received	11,328	1,180
Interest paid	<u>-</u>	<u>(72)</u>
Net cash flows from (used in) operating activities	177,910	159,184
Cash Flows From Investing Activities		
Payments for property, plant and equipment	<u>(4,288)</u>	<u>(882)</u>
Net cash flows from (used in) investing activities	(4,288)	(882)
Cash Flows From Financing Activities		
Dividends paid	(21,841)	(21,841)
Repayment of borrowings	-	(17,852)
Return of capital	<u>(87,365)</u>	<u>-</u>
Net cash flows used in financing activities	<u>(109,206)</u>	<u>(39,693)</u>
Net increase (decrease) in cash held	64,416	118,609
Opening cash brought forward	<u>291,794</u>	<u>12,036</u>
Closing cash carried forward	<u><u>356,210</u></u>	<u><u>130,645</u></u>

Canterbury Surrey Hills Community Finance Limited

ABN 96 099 590 593

Condensed Statement of Changes in Equity

for the half-year ended 31 December 2007

	Issued Capital \$	Retained Earnings \$	Total Equity \$
As at 1 July 2007	1,092,062	(450,344)	641,718
Net profit for the period	-	102,227	102,227
Return of share capital	(87,365)	-	(87,365)
Equity dividends	-	(21,841)	(21,841)
As at 31 December 2007	<u>1,004,697</u>	<u>(369,958)</u>	<u>634,739</u>

	Issued Capital \$	Retained Earnings \$	Total Equity \$
As at 1 July 2006	1,092,062	(568,708)	523,354
Net profit for the period	-	58,481	58,481
Return of share capital	-	-	-
Equity dividends	-	(21,841)	(21,841)
As at 31 December 2006	<u>1,092,062</u>	<u>(532,068)</u>	<u>559,994</u>

1. Basis of preparation of the Half-Year Financial Report

(a) Basis of accounting

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

The half year financial report should be read in conjunction with the annual financial report of Canterbury Surrey Hills Community Finance Ltd as at 30 June 2007. It is also recommended that this half year financial report be considered together with any public announcements made by Canterbury Surrey Hills Community Finance Ltd during the half year ended 31 December 2007 in accordance with any continuous disclosure obligations arising under the Corporations Act 2001.

The half year financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

For the purpose of preparing the half year financial statements the half year has been treated as a discrete reporting period.

(b) Statement of compliance

The half year financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the half year financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

(c) Summary of significant accounting policies

The accounting policies have been consistently applied and are consistent with those applied in the 30 June 2007 financial statements.

2. Events subsequent to Reporting Date

The company listed on the Bendigo Stock Exchange on 21 February 2008. There have been no other events subsequent to reporting date that would materially effect the financial statements at the reporting date.

3. Contingent Assets and Liabilities

Since the last annual reporting date there has been no material change of any contingent assets or contingent liabilities.

Canterbury Surrey Hills Community Finance Limited

ABN 96 099 590 593

Notes to the Financial Statements
for the half-year ended 31 December 2007

4. 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 Canterbury and Surrey Hills, Victoria.

5. Dividends Paid

	2007	2006
	\$	\$
<i>Dividends paid during the half year</i>		
Final unfranked dividend for the year ended 30 June 2007 of 2 cents per share (2006: 2 cents)	21,841	21,841
<i>Dividends proposed and not recognised as a liability</i>		
Interim unfranked dividend for the year ended 30 June 2008	-	-

6. Director and Related Party Disclosures

The names of directors who have held office during the half year ended 31 December 2007 are:

Hans Diederick Menting
David Charles Orford
Elisabeth Kay Grant
Damien Leo Hudson
Robert Einar Stensholt
Juliann Ruth Byron
Trevor Ronald Kempton
Leigh Smith

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
Hans Diederick Menting	2,501	2,501
David Charles Orford	5,001	5,001
Elisabeth Kay Grant	3,000	3,000
Damien Leo Hudson	6,401	4,401
Robert Einar Stensholt	5,001	5,001
Juliann Ruth Byron	4,000	1,000
Trevor Ronald Kempton	-	-
Leigh Smith	13,500	3,500

Other than the purchase of 10,000 shares by Leigh Smith, 3,000 shares by Juliann Byron, and 2,000 shares by Damien Hudson, there were no other movements in directors shareholdings. Each share is paid up to a value of 92 cents per share (2006: \$1) and is fully paid.

7. Share Capital

During the year it was resolved to make a return of capital of 8 cents per share.

Canterbury Surrey Hills Community Finance Limited

ABN 96 099 590 593

Directors Declaration

for the half-year ended 31 December 2007

In accordance with a resolution of the directors of Canterbury Surrey Hills Community Finance Ltd, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the company:
 - (i) give a true and fair view of the company's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and
 - (ii) comply with Accounting Standard AASB 134, "Interim Financial Reporting" and the 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.

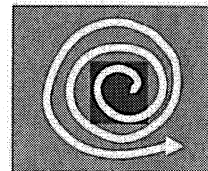
On behalf of the Board

.....
Hans Diederick Menting
Director

Signed in Melbourne on this 29th day of February 2008

Richmond Sinnott & Delahunty

Chartered Accountants



Partners:
Kenneth J Richmond
Warren J Sinnott
Philip P Delahunty
Brett A Andrews

29 February 2008

The Directors
Canterbury Surrey Hills Community Finance Limited
25 Chaucer Avenue
CANTERBURY VIC 3126

Dear Directors

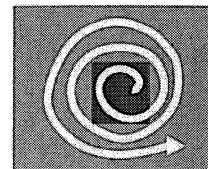
Auditor's Independence Declaration

In relation to our review of the financial report of Canterbury Surrey Hills Community Finance Limited for the half year ended 31 December 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.

Warren Sinnott
Partner
Richmond Sinnott & Delahunty

Richmond Sinnott & Delahunty

Chartered Accountants



Partners:
Kenneth J Richmond
Warren J Sinnott
Philip P Delahunty
Brett A Andrews

Independent Review Report

To the members of Canterbury Surrey Hills Community Finance Ltd

Scope

The financial report comprises the condensed income statement, condensed balance sheet, condensed cash flow statement, condensed statement of changes in equity, accompanying notes to the financial statements and the directors' declaration for Canterbury Surrey Hills Community Finance Ltd for the half-year ended 31 December 2007.

The company's directors 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 Standard AASB 134 "Interim Financial Reporting", 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 accounting policies and accounting estimates inherent in the financial report.

Review Approach

We conducted an independent review of the half year financial report in order to make a statement about it to the members of the company, and in order for the company to lodge the half year financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements, in order to state whether, on the basis or procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the Corporations Act 2001, Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia, so as to present 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 their cash flows.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than that given in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Review Statement

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 interim financial report of Canterbury Surrey Hills Community Finance Ltd is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2007 and its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Regulations; and
- (b) other mandatory professional reporting requirements.

Richmond Sinnott & Delahunty
Richmond Sinnott & Delahunty
Chartered Accountants

Warren Sinnott
Warren Sinnott
Partner

Signed at Bendigo on 29 February 2008