

2006 annualreport

Fremantle Community
Financial Services Limited
ABN 41 114 925 174

Fremantle **Community Bank**[®] Branch
9 Adelaide Street, Fremantle, WA 6160
Phone: (08) 9433 4969 Fax: (08) 9433 5272

Franchisee: Fremantle Community Financial Services Limited
PO Box 1469, Fremantle, WA 6959
Phone: (08) 9433 4969 Fax: (08) 9433 5272
ABN 41 114 925 174

www.bendigobank.com.au
Bendigo Bank Limited, Fountain Court, Bendigo, VIC 3550
ABN 11 068 049 178. (AFSL 237879) (PSW1016) (09/06)

Fremantle
Community Bank[®] Branch  **Bendigo Bank**

Contents

Chairman's report	2
Manager's report	3
Directors' report	4 - 8
Financial statements	9 - 12
Notes to financial statements	13 - 29
Directors' declaration	30
Independent audit report	31 - 32
Auditor independence declaration	33
BSX report	34 - 35

Chairman's report

For the year ended 30 June 2006

The Fremantle **Community Bank®** Branch of Bendigo Bank has grown steadily since it's opening on 13 March 2006.

The first few months have been months of consolidation and building the business.

The growth has exceeded our expectations with new accounts being opened at a rate of approximately 100 per month and total business within the branch has passed the \$7 million milestone.

These figures are extremely pleasing and we thank our shareholders, our customers and the community of Fremantle for giving us such strong support.

Our staff has been our greatest asset.

Along with the rest of the Board I would like to extend our appreciation to Kelly Kennedy and her team. It is only with such hard work and dedication that such results are achieved.

As Directors, we take our responsibilities seriously and continually review our corporate governance practices.

The Board has set plans in place for developing long term strategies for business growth and the fulfillment of our charter.

We are developing these plans further, and over time they will become evident.

As part of a greater set of community engagement strategies and activities, the Board is continuing to explore partnerships with various community-based groups that will ultimately benefit the Company and the community.

The Board continues to remain confident in the long-term future and growth prospects of the Company and looks forward to the continued support of the shareholders and the community at large.

On a personal note, I would like to thank my fellow directors and the **Community Bank®** staff. With their support and assistance, these past few months have been very exciting and rewarding.



Kevin Campbell
Chairman

Manager's report

For the year ended 30 June 2006

Who can forget the 13 March 2006 - a day that is significant in the history of the Fremantle **Community Bank®** Branch? This was of course the day we opened our doors and introduced a new way of banking to people and businesses of Fremantle.

Our first four months of trading have seen us reach some significant milestones. Thanks to the support from our shareholders and new clients, I can present the below figures:

New accounts: More than 450

Total portfolio: \$ 7,436,000

It is important to note that this portfolio is made up of an even split of lending and deposit accounts.

Whilst I reflect on our own performance, I thought you may be interested to know how Bendigo Bank has grown.

Nationally we now have 337 locations, including 186 **Community Bank®** branches.

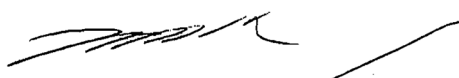
Yes both locally and nationally we are making a difference by offering 'face to face' banking.

I would like to thank Henri Scholz, Ellen Seaby, Laura Ramirez and Norrey Brown for their fantastic support. I am very proud of their efforts and the high standard of customer service they deliver.

I am also very appreciative of the Board, who through their underlying support make our job a lot easier.

However, we would not be in this strong position we now find ourselves in without the support of our shareholders. You are the people who had the faith and belief to make this all happen, thank you.

I personally look forward to another year of solid growth as we continue our journey together.



Kelly Kennedy
Branch Manager

Directors' report

For the year ended 30 June 2006

Your Directors present their report together with the financial report of the Company for the year ended 30 June 2006.

Directors

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

Kevin Arthur Campbell

Occupation: Company Director

Background information: A director of Public and Private companies for the past 30 years in Advertising, Marketing and Technology. Kevin has been involved in taking companies from start up to Australian Stock Exchange Listing.

Geoffrey Graeme Dunstan

Occupation: Self Employed

Background information: Geoff owns and operates a small family business in Fremantle. He embraces the Fremantle spirit and believes a **Community Bank®** will benefit the whole Fremantle Community.

Michael Boyd Finn

Occupation: Company Director / Retailer

Background information: Scotch College graduate, Denmark Agricultural College, Wesfarmers Midland/Katanning, 20 years business proprietor in retail. Currently, director of family stores Kakulas Sister Fremantle (10 years) and Nollamara.

Arnold Bartholomew Houwen (appointed 4 July 2006)

Occupation: Business Development Consultant

Background information: Bart is active in local community groups in the south west metropolitan region.

Kevin Colin Staffa (appointed 25 August 2006)

Occupation: Lawyer

Background information: Principal of Staffa Lawyers.

Debra Anne Rule (appointed 5 September 2006)

Occupation: Public Servant

Background information: Debra is President of Fremantle Education Centre and is Chairperson of Board of Directors for Learning Network Australia.

Patrick James Gardner (resigned 21 April 2006)

Occupation: Student

Background information: Patrick is a student at Notre Dame University. He is studying a Bachelor of Commerce/Arts, majoring in Accounting, Finance and History. Patrick has completed several social justice units as part of this degree.

Glenda Marye Bye, BA, MBA (resigned 6 April 2006)

Occupation: General Manager

Background information: 30 years experience in commercial management, senior government administration, tourism, innovation and entrepreneurship development. Cockburn resident and office bearer with community groups and advisory boards including Rotary and Curtin and Murdoch Universities.

Karel Pier Eringa (resigned 11 April 2006)

Occupation: Executive Officer

Background information: Karel is an economist with an extensive background working with community organisations. He is currently Executive Officer of Shelter WA, Western Australia's peak community body for housing consumers.

Lally Major (resigned 21 February 2006)

Occupation: Consultant – Health & Aged Care Services

Background information: Fremantle business proprietor, North Fremantle resident and past board member with WA Chinese Chamber of Commerce, Disability Services Commission, Chung Wah Association and Advisory Council to the Minister for Youth, Family and Aged.

Directors' report continued

For the year ended 30 June 2006

Colleen Marie McKenney (resigned 6 December 2005)

Occupation: Lecturer

Background information: Since 1989 Colleen has lectured at TAFE in the area of Information Technology. She has been a resident of South Fremantle for over 20 years.

David Paul Thurbon (resigned 26 April 2006)

Occupation: Business Manager

Background information: Following several years in his own businesses, David is now the Business Manager for a group of not-for-profit organisations in Fremantle.

Company Secretary

Lally Major (resigned 16 August 2005)

Patrick James Gardner (appointed 16 August 2005, resigned 9 June 2006)

Geoffrey Graeme Dunstan (appointed 9 June 2006)

Directors meetings attended

During the financial year, 33 meetings of Directors were held. Attendances by each Director during the year were:

Names of Directors	Directors' Meetings	
	Number eligible to attend	Number attended
Kevin Arthur Campbell	33	33
Glenda Marye Bye	29	23
Geoffrey Graeme Dunstan	33	32
Karel Pier Eringa	29	14
Michael Boyd Finn	33	21
Patrick James Gardner	29	23
Colleen Marie McKenney	22	6
David Paul Thurbon	29	22
Lally Major	27	20

Principal Activity and Review of Operations

The principal activity and focus of the Company's operations during the period was the operation of, Fremantle Bank Branch of Bendigo Bank, pursuant to a franchise agreement.

Operating Results

The amount of the loss from ordinary activities of the Company after income tax was \$362,916 for the year ended 30 June 2006.

Dividends Paid or Recommended

The Company did not pay or declare dividends during the year.

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.

After Balance Date Events

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.

Directors' report continued

For the year ended 30 June 2006

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.

REMUNERATION REPORT

This report details the nature and amount of remuneration for each director of the company, and for the executives receiving the highest remuneration.

Remuneration policy

All directors of the Company are on a voluntary basis therefore no remuneration policy is currently relevant

The remuneration policy of the Company has been designed to align executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the company's financial results. The board of the Company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives to run and manage the company, as well as create goal congruence between executives and shareholders.

The board's policy for determining the nature and amount of remuneration for senior executives of the Company is as follows:

- The remuneration policy, setting the terms and conditions for the senior executives, was developed by the remuneration committee and approved by the board after seeking professional advice from independent external consultants.
- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, and performance incentives.
- The remuneration committee reviews executive packages annually by reference to the company's performance, executive performance and comparable information from industry sectors.

The performance of executives is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the company's profits and shareholders' value. All bonuses and incentives must be linked to predetermined performance criteria. The board may, however, exercise its discretion in relation to approving incentives and bonuses, and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

The executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to executives is valued at the cost to the Company and expensed.

Performance-based remuneration

As part of each executive's remuneration package there is a performance-based component, consisting of key performance indicators (KPIs). The intention of this program is to facilitate goal congruence between executives with that of the business and shareholders. The KPIs are set annually, with a certain level of consultation with executives to ensure buy-in. The measures are specifically tailored to the areas each executive is involved in and has a level of control over. The KPIs target areas the board believes hold greater potential for Company expansion and profit, covering financial and non-financial as well as short- and long-term goals. The level set for each KPI is based on budgeted figures for the Company and respective industry standards.

Directors' report continued

For the year ended 30 June 2006

Performance-based remuneration (continued)

Performance in relation to the KPIs is assessed annually, with bonuses being awarded depending on the number and deemed difficulty of the KPIs achieved. Following the assessment, the KPIs are reviewed by the remuneration committee in light of the desired and actual outcomes, and their efficiency is assessed in relation to the company's goals and shareholder wealth, before the KPIs are set for the following year.

In determining whether or not a KPI has been achieved, the Company bases the assessment on audited figures, however, where the KPI involves comparison of the Company to the market, independent reports are obtained from organisations such as Standard & Poors.

Company performance, shareholder wealth and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders and executives. The method applied in achieving this aim is a performance based bonus based on key performance indicators. The Company believes this policy to have been effective in increasing shareholder wealth over the past years.

Details of remuneration for year ended 30 June 2006

The remuneration for each executive officer of the Company receiving the highest remuneration during the year was as follows:

	Salary, Fees and Commissions \$	Super- annuation Contribution \$	Cash Bonus \$	Non-cash Benefits \$	Total \$	Performance related %
Kelly Kennedy	30,656	2,759			33,415	
	30,656	2,759			33,415	

Performance income as a proportion of total remuneration

Executives are paid performance based bonuses based on set monetary figures, rather than proportions of their salary. This has led to the proportions of remuneration related to performance varying between individuals. The remuneration committee has set these bonuses to encourage achievement of specific goals that have been given a high level of importance in relation to the future growth and profitability of the company.

The remuneration committee will review the performance bonuses to gauge their effectiveness against achievement of the set goals, and adjust future years' incentives as they see fit, to ensure use of the most cost effective and efficient methods.

Employment contracts of senior executives

The employment conditions of the executives are formalised in contracts of employment. All executives are permanent employees of the company.

The employment contracts stipulate a range of one- to three-month resignation periods. The Company may terminate an employment contract without cause by providing 1 months written notice or making payment in lieu of notice, based on the individual's annual salary component together with a redundancy payment. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate employment at any time.

Directors' report continued

For the year ended 30 June 2006

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. The insurance contract prohibits disclosure of any details of the cover.

Non-audit Services

The board of directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence as set out in the Institute of Chartered Accountants in Australia and CPA Australia's Professional Statement F1: Professional Independence.

The following fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2006:

	\$
Taxation & other services	5,440
Due Diligence	18,600
	24,040

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.

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.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included within the financial statements.

Adoption of Australian equivalents to International Financial Reporting Standards

As a result of the introduction of Australian equivalents to International Financial Reporting Standards (IFRS), the company's financial report has been prepared in accordance with those standards.

Signed in accordance with a resolution of Directors



Director

Dated this 19 day of OCTOBER 2006

Financial statements

Income statement

For the year ended 30 June 2006

	Notes	2006 \$
Revenue	2	12,919
Employee benefits expense		(79,434)
Depreciation and amortisation expense		(22,291)
Finance costs		(517)
Other expenses	3	(273,593)
Loss before income tax expense		(362,916)
Income tax expense	4	-
Loss attributable to members		(362,916)
Overall Operations		
Basic earnings per share (cents per share)	17	(49.7)
Diluted earnings per share (cents per share)	17	(49.7)

The accompanying notes form part of these financial statements.

Financial statements continued

Balance sheet As at 30 June 2006

	Notes	2006 \$
CURRENT ASSETS		
Cash assets	13(a)	145,088
Receivables	5	0
Other	6	7,017
TOTAL CURRENT ASSETS		152,105
NON CURRENT ASSETS		
Property, plant and equipment	7	268,383
Intangible assets	8	8,899
Other	6	8,899
TOTAL NON CURRENT ASSETS		286,181
TOTAL ASSETS		438,286
CURRENT LIABILITIES		
Trade and other payables	9	68,228
Provisions	10	3,215
TOTAL CURRENT LIABILITIES		71,443
TOTAL LIABILITIES		71,443
NET ASSETS		366,843
EQUITY		
Contributed equity	11	729,759
Accumulated losses	12	(362,916)
TOTAL EQUITY		366,843

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of changes in equity As at 30 June 2006

	Share Capital (Ordinary shares) \$	Retained losses \$	Total \$
Balance at 1 July 2005	0	0	0
Loss attributable to the members of the Company		(362,916)	(362,916)
Shares issued during the year	729,759	-	729,759
Balance at 30 June 2006	729,759	(362,916)	366,843

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of cash flows

As at 30 June 2006

	Notes	2006 \$
Cash flows from operating activities		
Receipts from customers		12,863
Payments to suppliers and employees		(297,518)
Interest Received		57
Borrowing costs paid		(517)
Net cash provided by/(used in) operating activities	13(b)	(285,115)
Cash flows from investing activities		
Payments for plant and equipment		(289,556)
Other		(10,000)
Net cash used in investing activities		(299,556)
Cash flows from financing activities		
Proceeds from issue of securities		729,759
Net cash provided by/(used in) financing activities		729,759
Net increase/(decrease) in cash held		145,088
Cash held at the beginning of the financial year		0
Cash held at the end of the financial year	13(a)	145,088

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2006

1. STATEMENT OF ACCOUNTING POLICIES

(a) Basis of preparation

The financial report has been prepared on a going concern basis after consideration by the Directors of the following matters:

- (i) The Company is budgeting to return a loss for the year ended 30 June 2007
- (ii) Bendigo Bank has confirmed that it will support the Company such that it will be in a position to meet its financial obligations for a period of twelve months from the date of this report.

In consideration of the above matters, the Directors believe that it is appropriate to adopt the going concern basis of accounting in the preparation of this financial report.

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

The financial report covers Fremantle Community Financial Services Limited as an individual entity. Fremantle Community Financial Services Limited is a Company limited by shares, incorporated and domiciled in Australia.

The financial report of Fremantle Community Financial Services Limited complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

First-time Adoption of Australian Equivalents to International Financial Reporting Standards

Fremantle Community Financial Services Limited has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (AIFRS) from 1 July 2005.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments to the Company accounts resulting from the introduction of IFRS have been applied retrospectively to 2005 comparative figures excluding cases where optional exemptions available under AASB 1 have been applied. These accounts are the first financial statements of Fremantle Community Financial Services Limited to be prepared in accordance with AIFRS.

The accounting policies set out below have been consistently applied to all years presented. The Company has however elected to adopt the exemptions available under AASB 1 relating to AASB 132: Financial Instruments: Disclosure and Presentation.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Notes to the financial statements continued

For the year ended 30 June 2006

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(b) Income Tax

The change for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

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 and comply with the conditions of deductibility imposed by the law.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Notes to the financial statements continued

For the year ended 30 June 2006

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(c) Property, Plant and Equipment (continued)

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the economic entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Notes to the financial statements continued

For the year ended 30 June 2006

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(e) Financial Instruments (continued)

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the group's intention to hold these investments to maturity. Any held-to-maturity investments held by the group are stated at amortised cost using the effective interest rate method.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(f) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(g) Intangibles

Franchise fee

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

Notes to the financial statements continued

For the year ended 30 June 2006

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(h) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(i) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(k) Revenue

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

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(m) 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 Taxation 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 balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Notes to the financial statements continued

For the year ended 30 June 2006

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(n) Comparative Figures

The Company was incorporated on 24 June 2005 and this is the first reporting period. There are no comparative figures.

Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates — Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised in respect of intangibles for the year ended 30 June 2006. Should the projected turnover figures be materially outside of budgeted figures incorporated in value-in-use calculations, an impairment loss would be recognised up to the maximum carrying value of intangibles at 30 June 2006 amounting to \$8,899

2006
\$

2. REVENUE

Operating activities

Franchise margin income	12,863
Interest received	56
	12,919

3. OTHER EXPENSES

(a) Expenses

Start up costs	155,150
Rental on operating lease	34,592
IT leasing and running costs	10,123
Other operating expenses	73,728

Notes to the financial statements continued

For the year ended 30 June 2006

	2006 \$
--	------------

3. OTHER EXPENSES (continued)

(b) Auditor's Remuneration

- Audit services	1,750
- Other services	5,440
	7,190

4. INCOME TAX EXPENSE

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

a. The components of tax expense comprise:

Current tax	
Deferred tax (Note 24)	
Recoupment of prior year tax losses	
Under/(over) provision in respect of prior years	

-

(b) The prima facie tax on profit before income tax is reconciled to the income tax as follows:

Prima facie tax payable on profit from ordinary activities before income tax at 30%	(108,875)
Add:	
Tax effect of:	
- non-deductible depreciation and amortization	330
- other non-allowable items	42,544
Less:	
Tax effect of:	
- tax losses not brought to account	66,001
Income tax attributable to entity	0

Notes to the financial statements continued

For the year ended 30 June 2006

2006
\$

4. INCOME TAX EXPENSE (continued)

At balance date, the Company had tax losses of \$220,004 which are available to offset future years' taxable income.

The future income tax benefit of these tax losses is \$66,001. This benefit has not been recognised as an asset in the balance sheet 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.

5. RECEIVABLES

Trade debtors	-
---------------	---

6. OTHER

Current Prepayment	7,017
Non current Prepayment	8,899

7. PROPERTY, PLANT AND EQUIPMENT

Plant and equipment

Cost	289,573
Accumulated depreciation	(21,190)
	268,383

Movement in carrying amount

Balance at the beginning of the year	0
Additions	289,573
Depreciation expense	(21,190)
Carrying amount at the end of the year	268,383

Notes to the financial statements continued

For the year ended 30 June 2006

	2006 \$
--	------------

8. INTANGIBLE ASSETS

Franchise fee

Cost	10,000
Accumulated amortisation	(1,101)
	8,899

Pursuant to a five year franchise agreement with Bendigo Bank, the Company operates a branch of Bendigo Bank at Fremantle, trading as "Fremantle Community Branch – Bendigo Bank", providing a core range of banking products and services. The Company entered into the franchise agreement at a cost of \$10,000 in respect of the franchise fee.

9. PAYABLES

Trade creditors and accruals	68,228
	68,228

10. PROVISIONS

Provision for employee entitlements	3,215
Number of employees at year end	8

11. CONTRIBUTED EQUITY

729,759 ordinary shares fully paid	729,759
------------------------------------	---------

12. ACCUMULATED LOSSES

Balance at the beginning of the financial year	0
Loss attributable to members of the Company	(362,916)
Dividends paid or provided for	-
Balance at the end of the financial year	(362,916)

Notes to the financial statements continued

For the year ended 30 June 2006

2006
\$

13. NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of cash

For the purpose of the cash flow statement, 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 cash flow statement is reconciled to the related items in the Balance Sheet as follows:

Cash at bank and on hand	145,088
Bank overdraft	-
	145,088

(b) Reconciliation of net cash provided by operating activities to profit after tax

Loss after tax	(362,916)
Depreciation and amortisation	22,291
<i>Movement in assets and liabilities</i>	
Receivables	-
Other assets	1,101
Payables	51,194
Deferred tax asset	-
Provisions	3,215
Net cash provided by/(used in) operating activities	(285,115)

(c) Credit Standby Arrangement and Loan Facilities

The Company does not operate a bank overdraft facility or have any loan facilities at present.

Notes to the financial statements continued

For the year ended 30 June 2006

14. KEY MANAGEMENT PERSONNEL COMPENSATION

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

Directors	Position
Kevin Arthur Campbell	Chairman
Michael Boyd Finn	Non-Executive Director
Lally Major	Non-Executive Director
Geoffrey Graeme Dunstan	Non-Executive Director
Colleen Marie McKenney	Non-Executive Director
David Paul Thurbon	Non-Executive Director
Glenda Marye Bye	Non-Executive Director
Patrick James Gardner	Non-Executive Director
Karel Pier Eringa	Non-Executive Director
Executive	
Kelly Kennedy	Bank Manager

- (b) Compensation Practices

The Board's policy for determining the nature and amount of compensation of key management for the group is as follows:

The compensation structure for key management personnel is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement key management personnel are paid employee benefit entitlements accrued to date of retirement. Key management personnel are paid a percentage of their salary in the event of redundancy.

The employment conditions of the key management personnel are formalised in contracts of employment. All key management personnel are permanent employees of the Company.

The employment contract stipulates a range of resignation periods. The Company may terminate an employment contract without cause by providing written notice or making payment in lieu of notice, based on the individual's annual salary component together with a redundancy payment. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate employment at any time.

The Remuneration Committee determines the proportion of fixed and variable compensation for each key management personnel.

- (c) Remuneration of Directors

No income was paid or was payable or otherwise made available, to the Directors of the Company during the year ended 30 June 2006.

Notes to the financial statements continued

For the year ended 30 June 2006

14. KEY MANAGEMENT PERSONNEL COMPENSATION

(d) Remuneration of Executives

	Salary, Fees and Commissions	Superannuation Contribution	Cash Bonus	Non-cash Benefits	Total	Performance related
	\$	\$	\$	\$\$	%	
<i>Kelly Kennedy</i>	30,656	2,759			33,415	
	30,656	2,759			33,415	

(e) Options

No options over issued shares or interests in the Company were granted to 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 Directors and Executive do not own any options over issued shares or interests in the Company at the date of this report.

(f) Shareholdings

Directors	Shareholder	Balance 1 July 2005	Balance 30 June 2006
Kevin Arthur Campbell	Self	501	501
	Related parties	4,500	4,500
Michael Boyd Finn	Self	1	1
	Related parties	20,000	20,000
Lally Major	Self	5,001	5,001
Geoffrey Graeme Dunstan	Self	1	1
Colleen Marie McKenney	Self	-	-
David Paul Thurbon	Self	1	1
Glenda Marye Bye	Self	5,001	5,001
Patrick James Gardner	Self	501	501
Karel Pier Eringa	Self	501	501
Arnold Bartholomew Houwen	Self	-	-
Kevin Colin Staffa	Related parties	3,000	3,000
Debra Anne Rule	Related parties	71,000	71,000
Kelly Kennedy	Self	-	-
TOTAL		110,008	110,008

Notes to the financial statements continued

For the year ended 30 June 2006

2006
\$

15. RELATED PARTY TRANSACTIONS

During the financial year, Kevin Campbell provided consulting services through his business – Saint Germain Group amounting to \$9,105 (GST Included) under normal commercial terms and conditions.

Director, Geoffrey Dunstan also provided printing services through his Minute Man Press business amounting to \$6,772 also under normal commercial terms and conditions.

Director, Michael Finn also provided amenities through his business Kakulas Sister amounting to \$220 also under normal commercial terms and conditions.

No other related parties have entered into a transaction with the Company during the financial year ended 30 June 2005 and 30 June 2006.

16. LEASING COMMITMENT

Non cancellable operating lease commitment
contracted for but not capitalised in the financial statements

Payable

- Not longer than 1 year	65,000
--------------------------	--------

- Longer than 1 year but not longer than 5 years	245,000
--	---------

	310,000
--	----------------

17. EARNINGS PER SHARE

a. Reconciliation of earnings to profit or loss

Profit	(362,916)
--------	-----------

Earnings used to calculate basic EPS	(362,916)
--------------------------------------	-----------

Earnings used in the calculation of dilutive EPS	(362,916)
--	-----------

No.

b. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	729,759
--	----------------

Weighted average number of ordinary shares
outstanding during the year used in calculating
dilutive EPS

	729,759
--	----------------

Notes to the financial statements continued

For the year ended 30 June 2006

18. FINANCIAL INSTRUMENTS

(a) Interest rate risk

2006	Rates	Variable	Fixed 1 year	Fixed 1 to 5 years	Non- interest	Total
Financial Assets						
Cash assets		43,537	-	-	101,551	145,088
Receivables		-	-	-	-	-
		43,537	-	-	101,551	145,088
Financial Liabilities						
Payables		-	-	-	(68,228)	(68,228)
Provisions		-	-	-	(3,215)	(3,215)
					(71,443)	(71,443)
Net financial liabilities					30,108	73,645

(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.

19. SEGMENT REPORTING

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

Notes to the financial statements continued

For the year ended 30 June 2006

20. 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.

21. CONTINGENT LIABILITIES

There were no contingent liabilities at the reporting date.

Notes to the financial statements continued

For the year ended 30 June 2006

22. CHANGE IN ACCOUNTING POLICY

The following Australian Accounting Standards issued or amended and are applicable to the Company but not yet effective and have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	AASB Standard Affected	Nature of change in Accounting Policy and Impact	Application Date of the Standard	Application Date for the company
2004–3	AASB 1: First-time Adoption of AIFRS	No change, no impact	1 January 2006	1 July 2006
	AASB 101: Presentation of Financial Statements	No change, no impact	1 January 2006	1 July 2006
	AASB 124: Related Party Disclosures	No change, no impact	1 January 2006	1 July 2006
2005–1	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2006	1 July 2006
2005–5	AASB 1: First-time Adoption of AIFRS	No change, no impact	1 January 2006	1 July 2006
	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2006	1 July 2006
2005–6	AASB 3: Business Combinations	No change, no impact	1 January 2006	1 July 2006
2005–9	AASB 132: Financial Instruments: Recognition and Measurement	No change	1 January 2006	1 July 2006
	AASB 139: Financial Instruments: Disclosure and Presentation	No change	1 January 2006	1 July 2006
2005–10	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2007	1 July 2007
	AASB 101: Presentation of Financial Statements	No change, no impact	1 January 2007	1 July 2007
	AASB 114: Segment Reporting	No change, no impact	1 January 2007	1 July 2007
	AASB 117: Leases	No change, no impact	1 January 2007	1 July 2007
	AASB 133: Earnings per share	No change, no impact	1 January 2007	1 July 2007

Notes to the financial statements continued

For the year ended 30 June 2006

22. CHANGE IN ACCOUNTING POLICY (continued)

All other pending Standards issued between the previous financial report and the current reporting dates have no application to the Company.

AASB Amendment	AASB Standard Affected
2005-2	AASB 1023: General Insurance Contracts
2005-4	AASB 139: Financial Instruments: Recognition and Measurement AASB 132: Financial Instruments: Disclosure and Presentation
2005-9	AASB 4: Insurance Contracts AASB 1023: General Insurance Contracts AASB 139: Financial Instruments: Recognition and Measurement AASB 132: Financial Instruments: Disclosure and Presentation

23. COMPANY DETAILS

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

9 Adelaide Street
FREMANTLE WA 6160

24 TAX

	2006 \$
Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(b) occur:	
— provisions	965
— tax losses: operating losses	66,001
	66,966

Directors' declaration

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2006 and of the performance for the year ended on that date of the Company.
2. the Chief Executive Officer and Chief Finance Officer have each declared that:
 - (a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.
3. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Dated this 19 day of OCTOBER 2006

Independent audit report

RSM Bird Cameron Partners

Chartered Accountants

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

Scope

The financial report, remuneration disclosures and directors' responsibility

The financial report comprises the income statement, balance sheet, statement of changes in equity, cash flow statement, accompanying notes to the financial statements and the directors' declaration for Fremantle Community Financial Services Limited (the company) for the year ended 30 June 2006.

The Company has disclosed information about the remuneration of key management personnel (remuneration disclosures) as required by Accounting Standards AASB 124 Related Party Disclosures (AASB 124), under the heading "remuneration report" in the directors' report, as permitted by the Corporations Regulations 2001.

The directors of the Company are responsible for the preparation and true and fair presentation of the financial report 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. The directors are also responsible for the remuneration disclosures contained in the directors' report.

Audit approach

We conducted an independent audit in order to express an opinion 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 and the remuneration disclosures comply with AASB 124 and the Corporations Regulations 2001. 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 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 its operations, changes in equity and cash flows. We also performed procedures to assess whether the remuneration disclosures comply with AASB 124 and the Corporations Regulations 2001.

'Liability limited by a scheme approved under Professional Standards Legislation'

Major Offices in:
Perth, Sydney, Melbourne,
Adelaide and Canberra
ABN 36 965 185 036

RSM Bird Cameron Partners is an independent member firm of RSM International, an affiliation of independent accounting and consulting firms.

Independent audit report continued

RSM Bird Cameron Partners

Chartered Accountants

8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844
T +61 8 9261 9100 F +61 8 9261 9101
www.rsmi.com.au

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 remuneration disclosures; 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.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Audit Opinion

In our opinion,

1. the financial report of Fremantle Community Financial Services Limited is in accordance with:
 - (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position at 30 June 2006 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.
2. the remuneration disclosures that are contained in the directors' report comply with AASB 124 and the Corporations Regulations 2001.

RSM BIRD CAMERON PARTNERS
Chartered Accountants

Perth, WA
Dated this day of 2006

DAVID WALL
Partner

'Liability limited by a scheme approved under Professional Standards Legislation'

Major Offices in:
Perth, Sydney, Melbourne,
Adelaide and Canberra
ABN 36 965 185 036

RSM Bird Cameron Partners is an
independent member firm of RSM
International, an affiliation of independent
accounting and consulting firms.

Auditor's independence declaration

RSM Bird Cameron Partners

Chartered Accountants

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2006 there have been:

- (a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

RSM BIRD CAMERON PARTNERS
Chartered Accountants

Perth, WA
Dated this day of 2006

DAVID WALL
Partner

'Liability limited by a scheme approved under Professional Standards Legislation'

Major Offices in:
Perth, Sydney, Melbourne,
Adelaide and Canberra
ABN 36 965 185 036

RSM Bird Cameron Partners is an independent member firm of RSM International, an affiliation of independent accounting and consulting firms.

BSX report

BSX Listing Disclosures

3.17(c)

The prime function of our board is to ensure that the operational and strategic management of the company is aligned with the expectation of its shareholders.

In order to achieve this function, the board recognises the importance of setting and maintaining strong corporate governance policies and procedures.

The board's corporate governance policies include the following:

- The establishment of a corporate governance sub committee, this sub committee is charged with the responsibility of continually reviewing the policies of the board and providing any recommendations that may improve them.
- The ongoing provision of professional development being made available to all directors at the expense of the company.
- The listing of the shares of Fremantle Community Financial Services Ltd on the BSX, this action provides transparency to our shareholders in relation to the decisions of the board and the operation of the company.
- The continual provision of information to our shareholders to ensure that they are fully informed of all relevant information affecting their investment in Fremantle Community Financial Services Ltd.

This ongoing provision of information is communicated to our shareholders by various means including:

- Annual report.
- Annual General Meeting and if required Special General Meeting.
- Regular shareholder newsletter.
- The board conducts monthly directors meetings to ensure that all directors are made aware of all relevant information affecting the operation of the company and allowing them to make fully informed decisions.
- The preparation and monthly monitoring of our operational budget to ensure that the company is meeting its financial objectives.

BSX report continued

3.17 (d) & (i)

SHAREHOLDER	No. of Shares	No of Ordinary Shares	Percentage of Capital
FREMANTLE EDUCATION CENTRE INC.	71,000	71,000	9.66%
MS GUART K. HOO <PROSPERITY SUPER FUND A/C>	70,000	70,000	9.52%
Dreamtea Pty Ltd <The Klenowski Super Fund A/C>	70,000	70,000	9.52%
DIETMAR MAZANETZ PTY LTD	20,000	20,000	2.72%
MR RUSSELL BARKER <GEMINI PTY LTD SUPER FUND A/C>	20,000	20,000	2.72%
MR MICHAEL FINN < KUKULAS FINN SUPER FUND A/C>	20,000	20,000	2.72%
Ms Judith Marie ALLISON	20,000	20,000	2.72%
Jan Burton SUPERANNUATION FUND PTY. LTD. <FREO SUPER FUND A/C>	20,000	20,000	2.72%
Mr Thomas E FAY and Mrs Valerie E FAY	15,000	15,000	2.04%
Mr Lindsay James HILL and Mrs Judith Ann HILL	10,000	10,000	1.36%
MRS CECILY CROPLEY <CROPLEY SUPERANNUATION FUND A/C>	10,000	10,000	1.36%
Mrs Naomi ZEFFERTT and Mr Edward Aaron ZEFFERTT	10,000	10,000	1.36%
Mr Kevin COLLINS and Mrs Virginia COLLINS	10,000	10,000	1.36%
Mr Thomas E WATSON and Mrs Jeanette WATSON	10,000	10,000	1.36%
Mr Geoffrey CLARKE	10,000	10,000	1.36%
MR ALBERT TER HORST <ROUND -HOUSE SUPER FUND A/C>	10,000	10,000	1.36%
MR RIC GLOVER & SILVANA ABBRUZZESE <FOREVERMOREUP SUPER FUND A/C>	10,000	10,000	1.36%
Mr Salvatore GUMINA	10,000	10,000	1.36%
AMORE MIA PTY LTD	10,000	10,000	1.36%

3.17 (f)

Each Shareholder has one vote

BSX report continued

3.17 (g)

Distribution of Equity Securities

Shareholder Categories	No. of Holders	No. of Shares
1-1000	187	116,757
1001-5000	66	175,500
5001-10000	13	117,002
10001-100000	10	326,000
TOTAL	276	735,259

3.17 (h)

There are currently 13 parcels less than 500 shares. Their holdings total 1,754 shares.

3.17 (j)

The company secretary is Ms Debra Anne Rule.

3.17 (l)

The company securities register is kept at RSM Bird Cameron, 8 St George's Terrace, Perth WA 6000. The telephone number is (08) 9261 9100.

The principal administration office is 9 Adelaide Street, Fremantle WA 6160. The telephone number is (08) 9433 4969.

3.17 (m)

Not applicable

3.17 (n)

Not applicable