

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

ABN 41 114 925 174

Interim Financial Report

For the half-year ended 31 December 2008

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This is annexure A of 11 pages referred to in Form 7051: Notification of half-yearly reports


Director

Dated this *9th* day of *April* 2009

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

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Interim Financial Report

DIRECTORS' REPORT

Your Directors submit the financial report of the Company for the half-year ended 31 December 2008.

Directors

The names of Directors who held office during or since the end of the half-year are:

Arnold Bart Houwen

Michael Boyd Finn

Geoffrey Graeme Dunstan

Debra Anne Rule

Review of operations

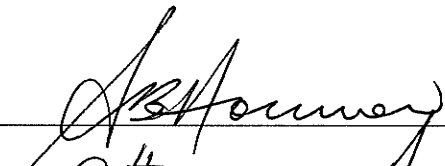
The focus of the Company's operations during the half-year was the operation of the Fremantle Community Bank[®] Branch of Bendigo Bank, pursuant to a franchise agreement.

Auditor's declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* for the half-year ended 31 December 2008 is attached to the financial report.

This report is signed in accordance with a resolution of the Board of Directors.

Director



Dated this

9th day of *April*

2009

RSM Bird Cameron Partners

Chartered Accountants

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Fremantle Community Financial Services Limited for the half year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

RSM Bird Cameron Partners.

RSM BIRD CAMERON PARTNERS
Chartered Accountants

D J Wall

D J WALL
Partner

Perth, WA

Dated: 9 April 2009

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**INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	31.12.2008	31.12.2007
	\$	\$
Revenue	212,006	137,042
Employee benefits expense	(130,821)	(117,597)
Depreciation and amortisation expense	(31,467)	(32,057)
Finance costs	(18,601)	(2,251)
Other expenses	(107,938)	(113,001)
Loss before income tax	(76,821)	(127,864)
Income tax expense	-	-
Loss attributable to members	(76,821)	(127,864)
Overall operations		
Basic loss per share (cents per share)	(10.4)	(17.4)
Diluted loss per share (cents per share)	(10.4)	(17.4)

The accompanying notes form part of these financial statements

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

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**BALANCE SHEET
AS AT 31 DECEMBER 2008**

	31.12.2008	30.06.2008
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	39	39
Trade and other receivables	43,568	34,010
Other current assets	5,468	5,278
TOTAL CURRENT ASSETS	<u>49,075</u>	<u>39,327</u>
NON-CURRENT ASSETS		
Property, plant and equipment	116,837	146,324
Intangible assets	3,896	4,896
Other non-current assets	1,896	2,896
TOTAL NON-CURRENT ASSETS	<u>122,629</u>	<u>154,116</u>
TOTAL ASSETS	<u>171,704</u>	<u>193,443</u>
CURRENT LIABILITIES		
Trade and other payables	32,886	44,244
Short-term financial liabilities	365,753	297,624
Short-term provisions	4,670	6,359
TOTAL CURRENT LIABILITIES	<u>403,309</u>	<u>348,227</u>
TOTAL LIABILITIES	<u>403,309</u>	<u>348,227</u>
NET ASSETS	<u>(231,605)</u>	<u>(154,784)</u>
EQUITY		
Issued capital	736,759	736,759
Accumulated losses	(968,364)	(891,543)
TOTAL EQUITY	<u>(231,605)</u>	<u>(154,784)</u>

The accompanying notes form part of these financial statements

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

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Interim Financial Report

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	Note	Issued Capital	Accumulated losses	Total
		\$	\$	\$
Balance at 1 July 2007		736,759	(695,727)	41,032
Loss attributable to the members of the Company		-	(127,864)	(127,864)
Balance at 31 December 2007		736,759	(823,591)	(86,832)
Balance at 1 July 2008		736,759	(891,543)	(154,784)
Loss attributable to the members of the Company		-	(76,821)	(76,821)
Balance at 31 December 2008		736,759	(968,364)	(231,605)

The accompanying notes form part of these financial statements

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

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Interim Financial Report

**CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	31.12.2008	31.12.2007
	\$	\$
Cash flows from operating activities		
Receipts from customers	202,447	132,711
Payments to suppliers and employees	(250,995)	(269,506)
Interest received	-	88
Finance costs	(18,601)	(2,251)
Net cash used in operating activities	<u>(67,149)</u>	<u>(138,958)</u>
Cash flows from investing activities		
Payments for plant and equipment	(980)	-
Net cash used in investing activities	<u>(980)</u>	<u>-</u>
Net decrease in cash held	(68,129)	(138,958)
Cash at beginning of period	(297,585)	(133,966)
Cash at end of period	<u>(365,714)</u>	<u>(272,924)</u>

The accompanying notes form part of these financial statements

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

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Interim Financial Report

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

NOTE 1: BASIS OF PREPARATION

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2008 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies are consistent with those in the June 2008 financial report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

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

- (i) The Company is budgeting to return a profit within the next 2 to 5 years; and
- (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 the next calendar year.

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

Reporting Basis and Conventions

The half-year 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.

NOTE 2: SEGMENT INFORMATION

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

NOTE 3: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 4: EVENTS SUBSEQUENT TO 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.

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

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DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial report comprising the balance sheet, income statement, statement of changes in equity, cash flow statement, notes to the financial statements and this declaration :
 - a. comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
 - b. give a true and fair view of the Company's financial position as at 31 December 2008 and of its performance for the half-year ended on that date.
2. 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.

Director



Dated this

9th day of April 2009

RSM Bird Cameron Partners

Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF

FREMANTLE COMMUNITY FINANCIAL SERVICES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Fremantle Community Financial Services Limited ("the company") which comprises the balance sheet as at 31 December 2008 and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, accompanying notes to the financial statements and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the company's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of Fremantle Community Financial Services Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Fremantle Community Financial Services Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM Bird Cameron Partners.

RSM BIRD CAMERON PARTNERS
Chartered Accountants

D J Wall.

D J WALL
Partner

Perth, WA
Dated: 9 April 2009