

Fleurieu Community Enterprises Ltd

ABN 72 116 550 157

Interim Financial Report

For the half-year ended 31 December 2006

C O N T E N T S

Directors' Report

Auditor's Independence Declaration

Income Statement

Balance Sheet

Statement of Changes in Equity

Cash Flow Statement

Notes to the Financial Statements

Directors' Declaration

Independent Review Report

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

Director

Dated this 15 day of March 2007

Fleurieu Community Enterprises Ltd

ABN 72 116 550 157

Interim Financial Report

DIRECTORS' REPORT

Your Directors submit the financial report of the Company for the half-year ended 31 December 2006.

Directors

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

George Apap

Adam Lucey

John Martin

Anthony Dutton

George Lucey

Narelle Looker

Stanley Beck

Graham Marshall

Peter Smith

Karen Suter

Review of operations

The focus of the Company's operations during the half-year was the operation of the Aldinga Beach 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 2006 is attached to the financial report.

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

Director

Dated this 15 day of March 2007

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

AUDITOR'S INDEPENDENCE DECLARATION

As lead audit partner for the review of the financial report of Fleurieu Community Enterprises Ltd for the half-year ended 31 December 2006, 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.

This declaration is in respect of Fleurieu Community Enterprises Ltd and the entities it controlled during the period.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants

D J Wall

D J WALL
Partner

Perth, WA
Dated: 15 MARCH 2007

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.



Fleurieu Community Enterprises Ltd

ABN 72 116 550 157

Interim Financial Report

**INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2006**

	31.12.2006
	\$
Revenue	55,340
Employee benefits expense	(94,477)
Depreciation and amortisation expense	(5,844)
Finance costs	-
Other expenses	(50,685)
Profit before income tax	(95,666)
Income tax expense	-
Profit from continuing operations	(95,666)
Profit attributable to members of the Company for the period	(95,666)
Overall operations	
Basic earnings per share (cents per share)	13.6
Diluted earnings per share (cents per share)	13.6

The accompanying notes form part of these financial statements

Fleurieu Community Enterprises Ltd

ABN 72 116 550 157

Interim Financial Report

**BALANCE SHEET
AS AT 31 DECEMBER 2006**

	31.12.2006	30.06.2006
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	211,454	344,176
Trade and other receivables	-	10,837
Other current assets	3,620	-
TOTAL CURRENT ASSETS	215,074	355,013
NON-CURRENT ASSETS		
Property, plant and equipment	205,768	147,104
Intangible assets	15,211	17,210
TOTAL NON-CURRENT ASSETS	220,979	164,314
TOTAL ASSETS	436,053	519,327
CURRENT LIABILITIES		
Trade and other payables	10,851	13,612
Short-term provisions	10,553	-
TOTAL CURRENT LIABILITIES	21,404	13,612
TOTAL LIABILITIES	21,404	13,612
NET ASSETS	414,649	505,715
EQUITY		
Issued capital	704,509	699,909
Retained earnings	(289,860)	(194,194)
TOTAL EQUITY	414,649	505,715

The accompanying notes form part of these financial statements

Fleurieu Community Enterprises Ltd

ABN 72 116 550 157

Interim Financial Report

	Note	Issued Capital Ordinary \$	Retained Earnings \$	Total \$
Balance at 1.7.2005				
Profit attributable to members of the Company				
Shares issued during the half-year				
Balance at 31.12.2005				
Balance at 1.7.2006		699,909	(194,194)	505,715
Shares issued during the half-year		4,600	-	4,600
Profit attributable to members of the Company		-	(95,666)	(95,666)
Dividends paid or provided for	2	-	-	-
Balance at 31.12.2006		704,509	(289,860)	414,649

The accompanying notes form part of these financial statements

Fleurieu Community Enterprises Ltd

ABN 72 116 550 157

Interim Financial Report

**CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2006**

	31.12.2006
	\$
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	51,336
Payments to suppliers and employees	(130,153)
Interest received	4,004
Net cash provided by (used in) operating activities	<u>(74,813)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of non-current assets	<u>(62,509)</u>
Net cash provided by (used in) investing activities	<u>(62,509)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of shares	<u>4,600</u>
Net cash provided by (used in) financing activities	<u>4,600</u>
Net increase in cash held	(132,722)
Cash at beginning of period	<u>344,176</u>
Cash at end of period	<u><u>211,454</u></u>

The accompanying notes form part of these financial statements

Fleurieu Community Enterprises Ltd

ABN 72 116 550 157

Interim Financial Report

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2006**

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, Urgent Issues Group 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 2006 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 half-year report does not include full disclosures of the type normally included in an annual 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.

The half-year 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 profit over the next twelve months; 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 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 half-year financial report.

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, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

a) Comparative figures

The company commenced operations on 20 April 2006 therefore no comparatives are available for the period prior to that date.

Fleurieu Community Enterprises Ltd

ABN 72 116 550 157

Interim Financial Report

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2006**

NOTE 2: DIVIDENDS

	31.12.2006	31.12.2005
Distributions paid		
NIL DISTRIBUTIONS PAID	-	-
	-	-

NOTE 3: SEGMENT INFORMATION

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

NOTE 4: CONTINGENT LIABILITIES

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

NOTE 5: 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.

Fleurieu Community Enterprises Ltd

ABN 72 116 550 157

Interim Financial Report

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial reports 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 2006 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 15 day of March 2007

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

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF FLEURIEU COMMUNITY ENTERPRISES LTD

The Financial Report

We have reviewed the accompanying half-year financial report which comprises the income statement, balance sheet, statement of changes in equity, cash flow statement, accompanying notes to the financial statements and directors' declaration for Fleurieu Community Enterprises Ltd (the company), for the half-year ended 31 December 2006.

Directors' Responsibility for the Half-Year Financial Report

The directors of Fleurieu Community Enterprises Ltd 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 designing, implementing and maintaining internal control 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 2006 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 Fleurieu Community Enterprises Ltd, 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.

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.



Independence

In conducting our review, we have followed applicable independence requirements of Australian professional ethical pronouncements and 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 Fleurieu Community Enterprises Ltd 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 2006 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: 15 MARCH 2007