

GOSNELLS FINANCIAL SERVICES LIMITED

ACN 095 764 533

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

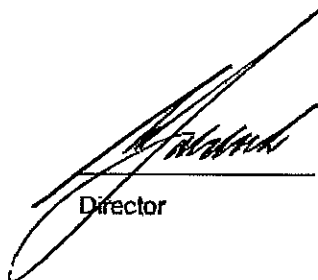
Cash Flow Statement

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 Mar 2007

GOSNELLS FINANCIAL SERVICES LIMITED**ACN 095 764 533****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:

*Stuart Brian Stanley Baldock**Lily Bahnum**Judith Van Der Linden**Angela Yates**Bill Walter**Graeme Watson**Susan Knight (Appointed 20 September 2006)**Michelle Lennox (Appointed 20 September 2006)**Michael David Devereux (Resigned 17 July 2006)**Vibeke (Vivi) Anstrom (8 November 2006 Resigned)***Review of operations**

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

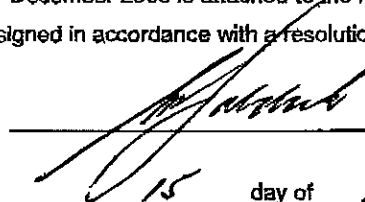
Auditor's declaration

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 Mar 2007

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 Gosnells Financial Services Limited 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 Gosnells Financial Services Limited.

Rsm Bird Cameron Partners.

RSM BIRD CAMERON PARTNERS
Chartered Accountants

D J Wall

D J WALL
Partner

Perth, WA

Dated: 15 MARCH 2007

GOSNELLS FINANCIAL SERVICES LIMITED

ACN 095 764 533

Interim Financial Report

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

	31.12.2006	31.12.2005
	\$	\$
Revenue	425,887	323,503
Employee benefits expense	(158,941)	(170,832)
Depreciation and amortisation expense	(24,008)	(23,341)
Finance costs	-	(613)
Other expenses	(130,805)	(103,073)
Profit before income tax	112,133	25,644
Income tax expense	(35,084)	-
Profit from continuing operations	77,049	25,644
Profit attributable to members of the Company for the period	77,049	25,644
Overall operations		
Basic earnings per share (cents per share)	13.1	4.4
Diluted earnings per share (cents per share)	13.1	4.4

The accompanying notes form part of this financial report

GOSNELLS FINANCIAL SERVICES LIMITED

ACN 095 764 533

Interim Financial Report

**BALANCE SHEET
AS AT 31 DECEMBER 2006**

	31.12.2006	30.06.2006
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	186,203	89,953
Trade and other receivables	83,184	60,903
Other current assets	2,500	8,223
TOTAL CURRENT ASSETS	271,887	159,079
NON-CURRENT ASSETS		
Property, plant and equipment	23,515	35,802
Deferred tax assets	80,670	115,754
Intangible assets	-	4,167
TOTAL NON-CURRENT ASSETS	104,185	155,723
TOTAL ASSETS	376,072	314,802
CURRENT LIABILITIES		
Trade and other payables	40,833	39,959
Short-term provisions	19,584	12,288
TOTAL CURRENT LIABILITIES	60,417	52,247
TOTAL LIABILITIES	60,416	52,247
NET ASSETS	315,655	262,555
EQUITY		
Issued capital	588,400	588,400
Retained earnings	(272,745)	(325,845)
TOTAL EQUITY	315,655	262,555

The accompanying notes form part of this financial report

GOSNELLS FINANCIAL SERVICES LIMITED

ACN 095 764 533

Interim Financial Report

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2006

	Note	Issued Capital Ordinary	Retained Earnings	Asset Revaluation Reserve	Total
		\$	\$	\$	\$
Balance at 1.7.2005		588,400	(506,068)	-	82,332
Profit attributable to members of the Company		-	25,644	-	25,644
Balance at 31.12.2005		588,400	(480,424)	-	107,976
Balance at 1.7.2006		588,400	(325,845)	-	262,555
Profit attributable to members of the Company		-	77,049	-	77,049
Dividends paid or provided for	2	-	(23,949)	-	(23,949)
Balance at 31.12.2006		588,400	(272,745)	-	315,655

The accompanying notes form part of this financial report

GOSNELLS FINANCIAL SERVICES LIMITED

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Interim Financial Report

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

	31.12.2006	31.12.2005
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	412,142	318,523
Payments to suppliers and employees	(285,734)	(268,630)
Interest received	266	56
Finance costs	-	(613)
Income tax paid	-	-
Net cash provided by (used in) operating activities	<u>126,674</u>	<u>49,336</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of non-current assets	-	(563)
Purchase of non-current assets	(6,475)	-
Net cash provided by (used in) investing activities	<u>(6,475)</u>	<u>(563)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(23,949)	-
Net cash provided by (used in) financing activities	<u>(23,949)</u>	<u>-</u>
Net increase in cash held	96,250	48,773
Cash at beginning of period	89,953	(11,382)
Cash at end of period	<u>186,203</u>	<u>37,391</u>

The accompanying notes form part of this financial report

GOSNELLS FINANCIAL SERVICES LIMITED

ACN 095 764 533

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.

NOTE 2: DIVIDENDS

	31.12.2006	31.12.2005
Distributions paid		
Unranked dividend declared on 19 July 2006 of 5 cents per share.	23,949	-

NOTE 3: SEGMENT INFORMATION

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

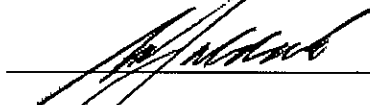
GOSNELLS FINANCIAL SERVICES LIMITED**ACN 095 764 533****Interim Financial Report****DIRECTORS' DECLARATION**

The Directors of the Company declare that:

1. The financial statements 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 Mar 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 GOSNELLS FINANCIAL SERVICES LIMITED

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 Gosnells Financial Services Limited (the company), for the half-year ended 31 December 2006.

Directors' Responsibility for the Half-Year Financial Report

The directors of Gosnells Financial Services Limited 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 Gosnells 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.

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 Gosnells 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 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