

GOSNELLS FINANCIAL SERVICES LIMITED

ABN 11 095 764 533

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 5 day of March 2009

GOSNELLS FINANCIAL SERVICES LIMITED

ABN 11 095 764 533

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:

William Walter

Angela Yates

Michelle Lennox

Linda Trouchet

Ray Norvill

Jacqui Stewart (Appointed 21 January 2009)

Lily Bahnam (Appointed 21 January 2009)

Judith van der Linden (Resigned 24 September 2008)

Review of operations

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

Due to the current economic environment of rapidly falling interest rates, Gosnells Community Bank has experienced a significant decline in the income received from Bendigo and Adelaide Bank Limited. This reduction of income is expected to materially and adversely effect the overall profit / loss for the financial year ended the 30 June 2009

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

5

day of

March

2009

RSM Bird Cameron Partners

Chartered Accountants

8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844
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www.rsmi.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Gosnells 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: 5 March 2009

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GOSNELLS FINANCIAL SERVICES LIMITED

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

	31.12.2008	31.12.2007
	\$	\$
Revenue	500,917	499,130
Employee benefits expense	(209,551)	(198,748)
Depreciation and amortisation expense	(10,286)	(9,491)
Other expenses	(164,258)	(152,958)
	<hr/>	<hr/>
Profit before income tax	116,822	137,933
Income tax expense	(35,405)	(42,880)
	<hr/>	<hr/>
Profit attributable to members	81,417	95,053
	<hr/>	<hr/>
Overall operations		
Basic earnings per share (cents per share)	13.8	16.1
Diluted earnings per share (cents per share)	13.8	16.1

The accompanying notes form part of these financial statements

GOSNELLS FINANCIAL SERVICES LIMITED**ABN 11 095 764 533****Interim Financial Report****BALANCE SHEET
AS AT 31 DECEMBER 2008**

	31.12.2008	30.06.2008
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	521,710	547,937
Trade and other receivables	70,962	100,418
Other current assets	10,814	1,684
TOTAL CURRENT ASSETS	603,486	650,039
NON-CURRENT ASSETS		
Property, plant and equipment	27,086	29,770
Intangible assets	31,822	36,822
Deferred tax asset	9,744	8,546
TOTAL NON-CURRENT ASSETS	68,652	75,138
TOTAL ASSETS	672,138	725,177
CURRENT LIABILITIES		
Trade and other payables	39,022	75,991
Current tax liability	4,500	61,319
Short-term provisions	32,480	28,486
TOTAL CURRENT LIABILITIES	76,002	165,796
TOTAL LIABILITIES	76,002	165,796
NET ASSETS	596,136	559,381
EQUITY		
Issued capital	588,400	588,400
Retained earnings/(Accumulated losses)	7,736	(29,019)
TOTAL EQUITY	596,136	559,381

The accompanying notes form part of these financial statements

GOSNELLS FINANCIAL SERVICES LIMITED

ABN 11 095 764 533

Interim Financial Report

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

	Note	Issued Capital	Retained earnings/ (Accumulated losses)	Total
		\$	\$	\$
Balance at 1 July 2007		588,400	(199,525)	388,875
Profit attributable to the members of the Company		-	95,053	95,053
Dividends paid or provided	2	-	(48,052)	(48,052)
Balance at 31 December 2007		588,400	(152,524)	435,876
Balance at 1 July 2008		588,400	(29,019)	559,381
Profit attributable to the members of the Company		-	81,417	81,417
Dividends paid or provided	2	-	(44,662)	(44,662)
Balance at 31 December 2008		588,400	7,736	596,136

The accompanying notes form part of these financial statements

GOSNELLS FINANCIAL SERVICES LIMITED**ABN 11 095 764 533****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 Bendigo and Adelaide Bank profit share income	517,990	470,006
Payments to suppliers and employees	(415,916)	(333,354)
Interest received	12,383	5,716
Income tax paid	(93,422)	-
Net cash provided by operating activities	<u>21,035</u>	<u>142,368</u>
Cash flows from investing activities		
Payments for plant and equipment	<u>(2,601)</u>	<u>(5,715)</u>
Net cash used in investing activities	<u>(2,601)</u>	<u>(5,715)</u>
Cash flows from financing activities		
Dividends paid	<u>(44,662)</u>	<u>(38,779)</u>
Net cash used in financing activities	<u>(44,662)</u>	<u>(38,779)</u>
Net increase/(decrease) in cash held	(26,228)	97,874
Cash at beginning of period	<u>547,937</u>	<u>251,656</u>
Cash at end of period	<u>521,710</u>	<u>349,530</u>

The accompanying notes form part of these financial statements

GOSNELLS FINANCIAL SERVICES LIMITED

ABN 11 095 764 533

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.

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

Distributions paid

Final dividend was paid on **14 November 2008 of 7.5** (2007: 7.5) cents per share franked at the tax rate of 30% (2007: 0%). The dividend declared on 19 July 2006 was under provided for by \$5,657. The \$3,639 of unrepresented dividend payments for this dividend has been included in the 31 December 2007 dividend payment on the Statement of changes in Equity.

31.12.2008

31.12.2007

44,662

44,413

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.

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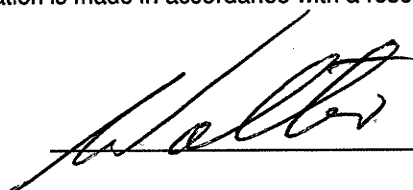
DIRECTORS' DECLARATION

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

5

day of

March

2009

RSM Bird Cameron Partners

Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF

GOSNELLS FINANCIAL SERVICES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Gosnells 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 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.

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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 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 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
Partner

Perth, WA
Dated: 5 March 2009