

Richmond Sinnott & Delahunty

Chartered Accountants



10 Forest Street
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ABN 60 616 244 309

10 March 2006

The Directors
Gympie & District Financial Services Limited
90 Campbell Road
GYMPIE QLD 4570

Dear Directors

Auditor's Independence Declaration

In relation to our audit of the financial report of Gympie & District Financial Services Limited for the period ended 31 December 2005, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Warren Sinnott
Partner
Richmond Sinnott & Delahunty

Richmond Sinnott & Delahunty

Chartered Accountants



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Independent Review Report

To the members of Gympie & District Financial Services Ltd

Scope

The financial report comprises the condensed income statement, condensed balance sheet, condensed cash flow statement, condensed statement of changes in equity, accompanying notes to the financial statements and the directors' declaration for Gympie & District Financial Services Ltd for the period ended 31 December 2005.

The company's directors are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company and that complies with Accounting Standard AASB 134 "Interim Financial Reporting", 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 accounting policies and accounting estimates inherent in the financial report.

Review Approach

We conducted an independent review of the financial report in order to make a statement about it to the members of the company, and in order for the company to lodge the half year financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements, in order to state whether, on the basis of procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the Corporations Act 2001, Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with our understanding of the company's financial position and of their performance as represented by the results of their operations and their cash flows.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than that given in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Review Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Gympie & District Financial Services Ltd is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2005 and its performance for the period ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Regulations; and
- (b) other mandatory professional reporting requirements.

Richmond Sinnott & Delahunty

Richmond Sinnott & Delahunty
Chartered Accountants

Warren Sinnott

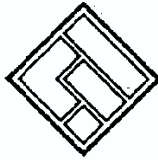
Warren Sinnott
Partner

Signed at Bendigo on 10 March 2006

ASIC registered agent number 1081
lodging party or agent name LAIRD M. PHILLIPS
office, level, building name or PO Box no. P.O. BOX 924
street number & name _____
suburb/city GYMPIE state/territory QLD postcode 4570
telephone (07) 5482 1533
facsimile (07) 5482 7289
DX number _____ suburb/city _____

7051 15 July 2001 1/1

ASS. ☐ REQ-A
CASH. ☐ REQ-P
PROC. ☐



Australian Securities & Investments Commission

notification of

• Half Yearly Reports

(to be lodged within 75 days of the end of the accounting period)

form **7051**

(ASX Form 1001)

Corporations Act 2001

285(2), 286(1), 320

Disclosing entity

Please complete A, B or C.

A a company

name GYMPIE + DISTRICT FINANCIAL SERVICES LIMITED
A.C.N. 113293173

B a body (other than a company)

name _____

A.R.B.N. (if applicable) _____

C a registered scheme

name _____

A.R.S.N. _____

Financial period

from 09/03/2005 to 31/12/2005

Certification

I certify that the attached documents comprise the half yearly reports together with every other document that is required to be lodged with the reports by a disclosing entity under the Corporations Act 2001.

Signature

This form is to be signed by:

if a company or a body a director or secretary or the equivalent

if a registered scheme a director or secretary of the responsible entity acting in that capacity

name of responsible entity GYMPIE + DISTRICT FINANCIAL SERVICES LIMITED
A.C.N. 113293173

name of person signing (print) _____ capacity DIRECTOR

sign here [Signature]date 16/03/2005

Small Business (less than 20 employees), please provide an estimate of the time taken to complete this form

Include

The time actually spent reading the instructions, working on the question and obtaining the information
The time spent by all employees in collecting and providing this information

hrs mins

HALF YEARLY REPORTS

Send to the
Australian Securities and
Investments Commission
PO Box 4000
Gippsland Mail Centre Vic 3841

Annexures to forms

To make any annexure conform to the regulations, you must

- 1 use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides
- 2 number the pages consecutively
- 3 print or type in dark blue or black ink, so that the document is clearly legible when copied

- 4 identify the annexure with a mark such as A, B, C, etc

- 5 endorse the annexure with the words:

This is annexure (mark) of (number) pages referred to in form (form number and title) signed by (insert "me" or "us") and dated

- 6 sign and date the annexure.

The annexure must be signed by the same person(s) who signed the form.

- 7 There must be written on the form: the identifying mark and the number of pages

Gympie & District Financial Services Limited
Financial Report
as at
31 December 2005

Gympie & District Financial Services Ltd
ABN 79 113 293 173
Directors Report

Your Directors submit their report of the company for the period ended 31 December 2005.

Directors

The names of directors who held office during the period and until the date of this report are:

Raymond John Bird Chairman Retired Manufacturing Business Operator (appointed 9 March 2005)	Rens John Poels Treasurer Retired Computer Engineer (appointed 9 March 2005)
Michael Ellis Thornley Director Community Bank Branch Manager (appointed 9 March 2005)	Vicki Shapcott Company Secretary Community Development Officer (appointed 9 March 2005)
John Clifford Joyce Director Solicitor (appointed 9 March 2005)	Elaine Gwen Thompson Director Shop Owner (appointed 9 March 2005)
Florence May Dennis Director Retired Shopkeeper and Farmer (appointed 9 March 2005)	Lesley Anne O'Hern Director Teacher and Primary Producer (appointed 9 March 2005)
Beven Roy Webb Director Furniture Retailer (appointed 23 March 2005)	Petra Schulz Director Coffee Shop Owner/Operator (appointed 23 March 2005, resigned 10 September 2005)

Directors were in office for this entire period unless otherwise stated.

Principal activities

The principal activities of the company during the course of the financial period were in providing community banking services under management rights to operate a franchised branch of Bendigo Bank Limited.

Review and results of operations

Operations have performed in line with expectations. The net loss of the company for the financial period was \$187,878.

Matters subsequent to the end of the reporting period

There are no matters or circumstances that have arisen since the end of the reporting period that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

Richmond Sinnott & Delahunty

Chartered Accountants



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10 March 2006

The Directors
Gympie & District Financial Services Limited
90 Campbell Road
GYMPIE QLD 4570

Dear Directors

Auditor's Independence Declaration

In relation to our audit of the financial report of Gympie & District Financial Services Limited for the period ended 31 December 2005, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Warren Sinnott
Partner
Richmond Sinnott & Delahunty

Gympie & District Financial Services Ltd
ABN 79 113 293 173
Directors Report

Auditor Independence Declaration

The directors received the following independence declaration from the auditor of the company:

Richmond Sinnott & Delahunty
Chartered Accountants



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Auditor's Independence Declaration

In relation to our review of the financial report of Gympie & District Financial Services Services Ltd for the period ended 31 December 2005, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Warren Sinnott
Partner
Richmond Sinnott & Delahunty
Bendigo
10 March 2006

Signed in accordance with a resolution of the Directors at Gympie on 10 March 2006.



Rens Poels, Director

Gympie & District Financial Services Ltd
ABN 79 113 293 173
Condensed Income Statement
for the period ended 31 December 2005

	2005
	\$
Revenue from ordinary activities	22,951
Other revenue	2,267
Salaries and employee benefit expense	(113,068)
Depreciation and amortisation expense	(33,107)
Other expenses from ordinary activities	<u>(135,900)</u>
Loss from ordinary activities before income tax expense	(256,857)
Income tax expense relating to ordinary activities	<u>(68,979)</u>
Net loss attributable to members of the entity	<u>(187,878)</u>
Total changes in equity other than those resulting from transactions with owners as owners	<u><u>(187,878)</u></u>
Earnings per share (cents per share)	
- basic for profit/(loss) for the half year	(23.48)
- diluted for profit/(loss) for the half year	(23.48)

Gympie & District Financial Services Ltd
ABN 79 113 293 173
Condensed Balance Sheet
as at 31 December 2005

	31-Dec 2005 \$
Current Assets	
Cash assets	251,730
Receivables	<u>2,882</u>
Total Current Assets	<u>254,612</u>
Non-Current Assets	
Property, plant and equipment	220,715
Deferred income tax asset	68,979
Intangibles	<u>84,385</u>
Total Non-Current Assets	<u>374,079</u>
Total Assets	<u>628,691</u>
Current Liabilities	
Payables	8,039
Provisions	<u>8,520</u>
Total Current Liabilities	<u>16,559</u>
Total Liabilities	<u>16,559</u>
Net Assets	<u>612,132</u>
Equity	
Issued capital	800,010
Accumulated losses	<u>(187,878)</u>
Total Equity	<u>612,132</u>

Gympie & District Financial Services Ltd
ABN 79 113 293 173
Condensed Cashflow Statement
for the period ended 31 December 2005

	2005
	\$
Cash Flows From Operating Activities	
Cash receipts in the course of operations	22,578
Cash payments in the course of operations	(234,918)
Interest received	<u>2,267</u>
Net cash flows used in operating activities	(210,073)
Cash Flows From Investing Activities	
Payments for intangibles	(109,098)
Payments for property, plant and equipment	<u>(229,109)</u>
Net cash flows used in investing activities	(338,207)
Cash Flows From Financing Activities	
Proceeds from issue of shares	<u>800,010</u>
Net cash flows from financing activities	<u>800,010</u>
Net increase in cash held	251,730
Opening cash brought forward	<u>-</u>
Closing cash carried forward	<u><u>251,730</u></u>

Gympie & District Financial Services Ltd
ABN 79 113 293 173
Condensed Statement of Changes in Equity
for the period ended 31 December 2005

	Issued Capital \$	Retained Earnings \$	Total Equity \$
Opening Balance	-	-	-
Net loss for the period	-	(187,878)	(187,878)
Issue of share capital	800,010	-	800,010
Equity dividends	-	-	-
As at 31 December 2005	<u>800,010</u>	<u>(187,878)</u>	<u>612,132</u>

Gympie & District Financial Services Ltd
ABN 79 113 293 173
Notes to Financial Statements
for the period ended 31 December 2005

1. Basis of preparation of the Half-Year Financial Report

(a) Basis of accounting

The financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

The financial report should be considered together with any public announcements made by Gympie & District Financial Services Ltd during the period ended 31 December 2005 in accordance with any continuous disclosure obligations arising under the Corporations Act 2001.

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

(b) Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

This is the first financial report based on AIFRS.

2. Events subsequent to Reporting Date

There have been no events subsequent to reporting date that would materially effect the financial statements at the reporting date.

3. Contingent Assets and Liabilities

There are no material contingent assets or contingent liabilities at 31 December 2005.

4. Segment Reporting

The economic entity operates in the financial services sector where it provides banking services to its clients. The economic entity operates in one geographic area being Gympie and District.

Gympie & District Financial Services Ltd
ABN 79 113 293 173
Notes to Financial Statements
for the period ended 31 December 2005

5. Director and Related Party Disclosures

The names of directors who have held office during the period ended 31 December 2005 are:

Raymond John Bird (appointed 9 March 2005)
Rens John Poels (appointed 9 March 2005)
Michael Ellis Thornley (appointed 9 March 2005)
Vicki Shapcott (appointed 9 March 2005)
John Clifford Joyce (appointed 9 March 2005)
Elaine Gwen Thompson (appointment 9 March 2005)
Florence May Dennis (appointed 9 March 2005)
Lesley Anne O'Hern (appointed 9 March 2005)
Beven Roy Webb (appointed 23 March 2005)
Petra Schulz (appointed 23 March 2005, resigned 10 September 2005)

No director or related entity has entered into a material contract with the company. Michael Ellis Thornley is employed by Gympie & District Financial Services Ltd as the Gympie Branch Manager. Other than wages to Michael Ellis Thornley, which have been paid under normal commercial terms, no director's fees have been paid as the positions are held on a voluntary basis.

Directors shareholdings

2005

Raymond John Bird (appointed 9 March 2005)	2,501
Rens John Poels (appointed 9 March 2005)	1,001
Michael Ellis Thornley (appointed 9 March 2005)	1,001
Vicki Shapcott (appointed 9 March 2005)	501
John Clifford Joyce (appointed 9 March 2005)	4,001
Elaine Gwen Thompson (appointment 9 March 2005)	4,001
Florence May Dennis (appointed 9 March 2005)	501
Lesley Anne O'Hern (appointed 9 March 2005)	2,001
Beven Roy Webb (appointed 23 March 2005)	501
Petra Schulz (appointed 23 March 2005, resigned 10 September 2005)	1

All shares were purchased during the period 21 April 2005 to 31 July 2005. Each share held has a paid up value of \$1 and is fully paid.

Gympie & District Financial Services Ltd
ABN 79 113 293 173
Directors Declaration
for the period ended 31 December 2005

In accordance with a resolution of the directors of Gympie & District Financial Services Ltd, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the company:
 - (i) give a true and fair view of the company's financial position as at 31 December 2005 and its performance for the period ended on that date; and
 - (ii) comply with Accounting Standard AASB 134, "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



.....
Rens Poels, Director

Signed in Gympie on this 10th day of March 2006