

# **Community Financial Services**

## **Victoria Limited**

### **Financial Statements**

**as at**

**30 June 2005**

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Directors' Report**

**Directors**

The names and details of the company's directors who held office during or since the end of the financial year:

**Maxwell William Papley**  
**Chairman**  
**Age: 65**  
**Occupation: Retail Rural Merchandise Propriator**  
**Experience and expertise:**  
 - Chairman CFSV Ltd since inception  
 - Trustee Cardinia Foundation  
**Special responsibilities:**  
 - Chairman of the Board  
**Interests in shares: 5,250 Ordinary Shares**

**Michael John Duff**  
**Director**  
**Age: 41**  
**Occupation: Owner Operator**  
**Experience and expertise:**  
 - KooWeeRup CFA Captain  
 - President KooWeeRup Business Association  
**Special responsibilities:**  
 - Finance & Budget Sub Committee  
 - Marketing & Promotions Sub Committee  
**Interests in shares: 30,000 Ordinary Shares**

**Douglas Hugh Hamilton**  
**Deputy Chairman**  
**Age: 68**  
**Occupation: Grazier**  
**Experience and expertise:**  
 - Councillor Westport Ward Cardinia Shire  
**Special responsibilities:**  
 - Chairman of Human Resources Sub Committee  
 - Audit & Governance Sub Committee  
**Interests in shares: 9,100 Ordinary Shares**

**Tania Lyn Hansen**  
**Secretary**  
**Age: 35**  
**Occupation: Student**  
**Experience and expertise:**  
 - Former Secretary of Lang Lang Town Committee  
 - Lang Lang School Council Member  
**Special responsibilities:**  
 - Finance & Budget Sub Committee  
 - Human Resources Sub Committee  
**Interests in shares: 500 Ordinary Shares**

**Maxwell Arthur John Kneebone**  
**Director**  
**Age: 68**  
**Occupation: Grazier**  
**Experience and expertise:**  
**Special responsibilities:**  
 - Chairman of Asset Management Sub Committee  
 - Marketing & Promotions Sub Committee  
**Interests in shares: 52,500 Ordinary Shares**

**John Munro Lyle**  
**Director**  
**Age: 54**  
**Occupation: Self Employed Retail Propriator**  
**Experience and expertise:**  
 - Finance and Banking Background  
**Special responsibilities:**  
 - Chairman of Marketing & Promotions Sub Committee  
**Interests in shares: 15,850 Ordinary Shares**

**Glenister Malcolm McGregor**  
**Director**  
**Age: 64**  
**Occupation: Owner Operator, Grazier**  
**Experience and expertise:**  
 - Former Chairman of Lang Lang Town Committee  
**Special responsibilities:**  
 - Chairman of Audit & Governance Committee  
 - Asset Management Committee  
**Interests in shares: 56,000 Ordinary Shares**

**Gordon Lovell Sampson**  
**Director**  
**Age: 69**  
**Occupation: Semi Retired Self Employed Electrician**  
**Experience and expertise:**  
 - Chairman of Lang Lang Town Committee  
 - Chairman of Lang Lang PA&H Society  
**Special responsibilities:**  
 - Asset Management Committee  
 - Audit & Governance Committee  
**Interests in shares: 5,700 Ordinary Shares**

**Community Financial Services Victoria Limited**  
**ABN 51 092 758 351**  
**Directors' Report**

**Directors (continued)**

Ronald James Witney

Director

Age: 46

Occupation: Pharmacist

Experience and expertise:

- 15 years Pharmacist in Pearcedale

Special responsibilities:

- Audit & Governance Sub Committee

- Human resources Sub Committee

Interests in shares: 17,200 Ordinary Shares

Russell Peter Jenkins

Director

Age: 43

Occupation: Bank Executive

Experience and expertise:

- Bendigo Bank employee with many years experience in banking sector

Special responsibilities:

- Bendigo Bank Ltd consultation

Interests in shares: Nil Shareholding

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

No Directors have material interests in contracts or proposed contracts with the company.

**Company Secretary**

The company secretary is Tania Hansen. Tania was appointed to the position of Secretary on 16 September 2003. She holds a Bachelor degree in linguistics. Previously Tania held the position of treasurer and has a history in the banking sector. She has gained experience whilst being involved at committee level on several local community committees.

**Principal activities**

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

There has been no significant changes in the nature of these activities during the year.

**Operating Results**

Operations have continued to perform in line with expectations. The profit by the company for the financial year was:

Year ended 30 June 2005	Year ended 30 June 2004
\$	\$
69,531	1,296

**Remuneration Report**

No Director of the company receives remuneration for services as a company director or Committee member.

The Senior Manager of the Bank receives a gross remuneration of \$78,000. Performance incentives do not form any part of the Manager's remuneration. He also receives employer superannuation support.

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Directors' Report**

**Dividends**

No dividends were declared or paid for the previous year and the directors recommend that no dividend be paid for the current year.

**Return of capital**

The Directors propose a seven cents per share return of capital which will need to be passed at the upcoming Annual General Meeting.

**Significant changes in the state of affairs**

In the opinion of the directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report or the financial report.

**Likely Developments**

The company will continue its policy of providing banking services to the community.

**Significant events after the balance date**

There are no matters or circumstances that have arisen since the end of the financial year 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, in future years.

**Environmental Regulation**

The company is not subject to any significant environmental regulation.

**Directors' Benefits**

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a Director, a firm which a Director is a member of, or an entity in which a Director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate other than interests and benefits disclosed at Note 19 to the Financial Report.

**Indemnification and Insurance of Directors and Officers**

The company has indemnified all Directors and the Manager in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as Directors or Managers of the company except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for an auditor of the company or a related body corporate.

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Directors' Report**

**Directors Meetings**

The number of Directors meetings attended by each of the Directors of the company during the year were:

	<u>Number of Board Meetings eligible to attend</u>	<u>Number attended</u>
Maxwell William Papley	11	10
Michael John Duff	11	7
Douglas Hugh Hamilton	11	10
Tania Lyn Hansen	11	11
Maxwell Arther John Kneebone	11	9
John Munro Lyle	11	9
Glenister Malcolm McGregor	11	9
Gordon Lovell Sampson	11	11
Ronald James Witney	11	8
Russell Peter Jenkins	11	1
Wilhelmus Antonius Den Hartog (Alternate for Russell Peter Jenkins)	11	4

**Non Audit Services**

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the Auditor (Andrew Frewin & Stewart) for audit and non audit services provided during the year are set out in the notes to the accounts.

The board of directors has considered the position, in accordance with the advice received from the audit committee and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are satisfied that the provision of non-audit services by the auditor, as set out in the notes did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

all non-audit services have been reviewed by the audit committee to ensure they do not impact on the impartiality and objectivity of the auditor;

none of the services undermine the general principles relating to auditor independence as set out in Professional Statement F1, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risk and rewards.

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

Signed in accordance with a resolution of the Board of Directors at Lang Lang on 4 October 2005.

  
 Maxwell W. Papley, Chairman

  
 Douglas H. Hamilton, Director

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Auditor's Declaration**



PO Box 454  
Bendigo VIC 3552  
61-65 Bull Street  
Bendigo VIC 3550  
Phone (03) 5443 0344  
Fax (03) 5443 5304  
afs@afsbendigo.com.au  
www.afsbendigo.com.au  
ABN 51 061 795 337

13 October 2005

**Auditor's Independence Declaration**

As lead auditor for the audit of Community Financial Services Victoria Limited for the year ended 30 June 2005, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Community Financial Services Victoria Limited.

A handwritten signature in black ink, appearing to read "D Hutchings".

David Hutchings  
Auditor

Andrew Frewin & Stewart  
Bendigo VIC 3550

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Statement of Financial Performance**  
**for the year ended 30 June 2005**

	<u>Notes</u>	2005 \$	2004 \$
Revenue from ordinary activities	2	1,392,789	1,104,138
Salaries and employee benefit expense		(683,995)	(612,687)
Depreciation and amortisation expense	3	(61,856)	(60,801)
Occupancy and associated costs		(114,725)	-
General administration expenses		(430,663)	(429,354)
<b>Profit from ordinary activities before income tax expense</b>		<b>101,550</b>	<b>1,296</b>
Income tax expense relating to ordinary activities	4	32,019	-
<b>Profit from ordinary activities after income tax expense</b>		<b>69,531</b>	<b>1,296</b>
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<b>69,531</b>	<b>1,296</b>

The accompanying notes form part of these financial statements

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Statement of Financial Position**  
**as at 30 June 2005**

	<u>Notes</u>	2005 \$	2004 \$
<b>Current Assets</b>			
Cash assets	5	354,373	238,334
Receivables	6	114,155	112,188
<b>Total Current Assets</b>		<u><b>468,528</b></u>	<u><b>350,522</b></u>
<b>Non-Current Assets</b>			
Property, plant and equipment	7	222,236	248,038
Intangibles	8	180,078	212,130
<b>Total Non-Current Assets</b>		<u><b>402,314</b></u>	<u><b>460,168</b></u>
<b>Total Assets</b>		<u><b>870,842</b></u>	<u><b>810,690</b></u>
<b>Current Liabilities</b>			
Payables	9	90,403	82,526
Interest bearing liabilities	10	-	8,689
Tax liability	11	29,458	-
Provisions	12	39,228	40,634
<b>Total Current Liabilities</b>		<u><b>159,089</b></u>	<u><b>131,849</b></u>
<b>Non Current Liabilities</b>			
Interest bearing liabilities	13	145,030	145,030
<b>Total Non Current Liabilities</b>		<u><b>145,030</b></u>	<u><b>145,030</b></u>
<b>Total Liabilities</b>		<u><b>304,119</b></u>	<u><b>276,879</b></u>
<b>Net Assets</b>		<u><b>566,723</b></u>	<u><b>533,811</b></u>
<b>Equity</b>			
Contributed equity	14	659,137	695,756
Accumulated losses	15	(92,414)	(161,945)
<b>Total Equity</b>		<u><b>566,723</b></u>	<u><b>533,811</b></u>

The accompanying notes form part of these financial statements



**Community Financial Services Limited**  
**ABN 51 092 756 351**  
**Statement of Cashflows**  
**for the year ended 30 June 2005**

	<u>Notes</u>	2005 \$	2004 \$
<b>Cash Flows From Operating Activities</b>			
Cash receipts in the course of operations		1,376,635	1,069,899
Other receipts		-	6,500
Cash payments in the course of operations		(1,218,368)	(1,063,612)
Interest received		9,833	7,158
<b>Net cash flows provided by operating activities</b>	16 (b)	<u>168,100</u>	<u>19,945</u>
<b>Cash Flows From Investing Activities</b>			
Payments for property, plant and equipment		(6,474)	(135,040)
<b>Net cash flows used in investing activities</b>		<u>(6,474)</u>	<u>(135,040)</u>
<b>Cash Flows From Financing Activities</b>			
Capital return (5c/share)		(36,619)	(36,619)
Repayment of borrowings		(8,968)	(10,761)
Proceeds from borrowings		-	145,030
<b>Net cash provided by/used in financing activities</b>		<u>(45,587)</u>	<u>97,650</u>
<b>Net increase in cash held</b>		<b>116,039</b>	<b>(17,445)</b>
Cash at the beginning of the financial year		238,334	255,779
<b>Cash at the end of the financial year</b>	16 (a)	<u><u>354,373</u></u>	<u><u>238,334</u></u>

The accompanying notes form part of these financial statements

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2005**

**1. Summary of significant accounting policies**

**Basis of preparation**

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* including applicable Accounting Standards. Other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) have also been complied with.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

**Income tax**

Income tax has been brought to account using the liability method of tax effect accounting whereby income tax expense is based on the profit from ordinary activities adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expenses are included in the determination of accounting profit and taxable income are brought to account as either a provision for deferred income tax or as a future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised.

**Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis.

The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**Employee entitlements**

The provision for employee entitlements to wages, salaries and annual leave represents the amount which the company has a present obligation to pay resulting from employees' services provided up to the balance date. The provision has been calculated at nominal amounts based on current wage and salary rates and includes related on-costs.

The company contributes to a defined contribution plan. Contributions to employee superannuation funds are charged against income as incurred.

**Intangibles**

The cost of the company's franchise fee has been recorded at cost and is amortised on a straight line basis at a rate of 20% per annum.

**Community Financial Services Victoria Limited**

ABN 51 092 756 351

**Notes to the Financial Statements  
for the year ended 30 June 2005****1. Summary of significant accounting policies (continued)****Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

**Property, plant and equipment**

Property, plant and equipment are carried at cost or at independent or directors' valuation, less where applicable any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of expected net cash flows that will be received from the assets employment and subsequent disposal.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on a straight line basis over their estimated useful lives to the entity commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

<u>Class of fixed assets</u>	<u>Depreciation rate (%)</u>
Leasehold improvements	2.5 - 15
Motor vehicle	22.5
Plant and equipment	2.5 - 25

**Comparative figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**Revenue**

Interest and fee revenue is recognised when earned. All revenue is stated net of the amount of Goods and Services Tax (GST).

**Payment terms**

Receivables and payables are non interest bearing and generally have payment terms of between 30 and 90 days.

**Receivables and Payables**

Receivables are carried at their amounts due. The collectability of debts is assessed at balance date and specific provision is made for any doubtful accounts. Liabilities for trade creditors and other amounts are carried at cost that is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

**Provisions**

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

**Goodwill**

Goodwill is initially recorded at the amount by which the purchase price for a business exceeds the fair value attributed to its net assets at the date of acquisition. Purchased goodwill is amortised on a straight line basis over the period of 13 years based on the options for continued support via franchise agreements from Bendigo Bank Limited. The balance is reviewed annually and any balance representing future benefits for which the realisation is considered to be no longer probable is written off.

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2005**

**2. Revenue from ordinary activities**

	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
Operating activities:		
- services commissions	1,382,956	1,091,231
- other revenues	-	6,500
Total revenue from operating activities	<u>1,382,956</u>	<u>1,097,731</u>
Non-operating activities:		
- interest received	9,833	6,407
Total revenue from non-operating activities	<u>9,833</u>	<u>6,407</u>
Total revenues from ordinary activities	<u><u>1,392,789</u></u>	<u><u>1,104,138</u></u>

**3. Expenses**

Depreciation of non-current assets:		
- plant & equipment	27,313	18,929
- motor vehicle	4,963	6,403
Amortisation of non-current assets:		
- intangibles	12,000	10,910
- goodwill	17,040	17,040
- other	540	7,519
	<u>61,856</u>	<u>60,801</u>

**4. Income tax expense**

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

Operating profit	101,550	1,296
Prima facie tax on profit from ordinary activities at 30%	30,465	389
Add tax effect of:		
- non-deductible expenses	9,995	6,101
Less:		
- prior year losses brought to account	8,441	6,490
Income tax credit on operating profit	<u>32,019</u>	<u>-</u>

**5. Cash assets**

Cash at bank and on hand	254,373	138,334
Term deposits	100,000	100,000
	<u>354,373</u>	<u>238,334</u>

**6. Receivables**

Trade debtors	105,841	108,842
Prepayments	4,320	1,620
Accrued interest	3,994	1,726
	<u>114,155</u>	<u>112,188</u>

**2005**

**2004**

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2005**

**7. Property, plant and equipment**

	\$	\$
<i>Motor vehicle @ cost</i>		
At cost	29,289	29,289
Less: accumulated depreciation	(12,196)	(7,233)
Total written down amount	<u>17,093</u>	<u>22,056</u>
<i>Plant &amp; equipment @ cost</i>		
At cost	305,803	299,329
Less: accumulated depreciation	(100,660)	(73,347)
Total written down amount	<u>205,143</u>	<u>225,982</u>
	<u><u>222,236</u></u>	<u><u>248,038</u></u>

**Movements in carrying amounts:**

<i>Motor vehicle @ cost</i>		
Carrying amount at beginning	22,056	28,459
Additions	-	-
Disposals	-	-
Less: depreciation expense	(4,963)	(6,403)
Carrying amount at end	<u>17,093</u>	<u>22,056</u>
<i>Plant &amp; equipment @ cost</i>		
Carrying amount at beginning	225,985	109,874
Additions	6,472	135,040
Disposals	-	-
Less: depreciation expense	(27,313)	(18,929)
Carrying amount at end	<u>205,143</u>	<u>225,985</u>
	<u><u>222,236</u></u>	<u><u>248,041</u></u>

**8. Intangible assets**

<i>Franchise Fee (Lang Lang)</i>		
At cost	10,000	10,000
Less: accumulated amortisation	(3,152)	(1,152)
	<u>6,848</u>	<u>8,848</u>
<i>Franchise Fee (Pearcedale)</i>		
At cost	50,000	50,000
Less: accumulated amortisation	(15,758)	(5,758)
	<u>34,242</u>	<u>44,242</u>
<i>Goodwill</i>		
At valuation	218,508	221,520
Less: accumulated amortisation	(79,520)	(62,480)
	<u>138,988</u>	<u>159,040</u>
	<u><u>180,078</u></u>	<u><u>212,130</u></u>

**9. Payables**

Trade creditors and accruals	85,260	82,526
Superannuation payable	5,143	-
	<u>90,403</u>	<u>82,526</u>

**10. Interest bearing liabilities**

<b>2005</b>	<b>2004</b>
<b>\$</b>	<b>\$</b>

**Community Financial Services Victoria Limited**

**ABN 51 092 756 351**

**Notes to the Financial Statements  
for the year ended 30 June 2005**

**Current**

Hire purchase liabilities	<u>-</u>	<u>8,968</u>
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**11. Tax liabilities**

Income tax payable	<u>29,458</u>	<u>-</u>
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**12. Provisions**

Employee provisions	<u>39,228</u>	<u>40,634</u>
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Number of employees at year end	<u>13</u>	<u>14</u>
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**13. Loans**

Non-interest bearing liabilities	<u>145,030</u>	<u>145,030</u>
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The cost of fitting out the Narre Warren South branch was funded by the landlords of the building. The company has a private agreement to repay the fit out costs once the branch is profitable. Interest is not payable on the loan until profitability is achieved.

**14. Contributed equity**

Ordinary share issued beginning of year	695,756	732,375
Ordinary share capital returned during the year	<u>(36,619)</u>	<u>(36,619)</u>
	<u>659,137</u>	<u>695,756</u>

**15. Accumulated Losses**

Balance at the beginning of the financial year	(161,945)	(163,241)
Net profit from ordinary activities after income tax	69,531	1,296
Balance at the end of the financial year	<u>(92,414)</u>	<u>(161,945)</u>

**16. Statement of cashflows**

**(a) Reconciliation of cash**

Cash at bank and on hand	<u>354,373</u>	<u>238,334</u>
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**(b) Reconciliation of profit from ordinary activities after tax to net cash provided by/(used in) operating activities**

Profit from ordinary activities after income tax	69,531	1,296
Non cash items:		
- amortisation	29,580	17,040
- depreciation	32,276	25,332
- hire purchase charges	156	1,005
Changes in assets and liabilities:		
- (increase)/decrease in receivables	(1,967)	(9,315)
- (Increase)/decrease in other assets	32,052	(40,723)
- increase/(decrease) in payables	7,878	20,294
- increase/(decrease) in other liabilities	(1,406)	5,016
Net cashflows provided by operating activities	<u>168,100</u>	<u>19,945</u>

**18. Auditors' remuneration**

	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
Amounts received or due and receivable by the		

## Community Financial Services Victoria Limited

ABN 51 092 756 351

Notes to the Financial Statements  
for the year ended 30 June 2005

auditor of the company for:

- audit services (Andrew Frewin & Stewart)	2,400	-
- audit and review services (Duncan F Smith)	3,500	3,830
- other services in relation to the entity	-	-
	<u>5,900</u>	<u>3,830</u>

Duncan F Smith resigned as auditors, and the Directors appointed Andrew Frewin &amp; Stewart.

**19. Director and related party disclosures**

The names of directors who have held office during the financial year are:

Maxwell William Papley  
Michael John Duff  
Douglas Hugh Hamilton  
Tania Lyn Hansen  
Maxwell Arther John Kneebone  
John Munro Lyle  
Glenister Malcolm McGregor  
Gordon Lovell Sampson  
Ronald James Witney

The Company made payments of \$19,084 to Maxwell Arthur Kneebone for rental of the branch premises at Lang Lang. The terms and conditions of this rental arrangement are on a commercial basis.

The Company made payments of \$2,400 to Tania Hansen for services performed as Secretary, including but not limited to, bookkeeping, corporate affairs administration, accounts liaison, and other Company Secretarial duties.

In the normal course of business operations, Community Financial Services Victoria Ltd utilised services offered by local community business. Some of these transactions included businesses which some Directors have direct or indirect interest. These transactions are not material, are considered to be on arms length basis and on normal commercial terms.

<b>Directors shareholdings</b>	<b><u>2005</u></b>	<b><u>2004</u></b>
Maxwell William Papley	5,250	5,250
Michael John Duff	30,000	30,000
Douglas Hugh Hamilton	9,100	9,100
Tania Lyn Hansen	500	500
Maxwell Arther John Kneebone	52,500	52,500
John Munro Lyle	15,850	15,850
Glenister Malcolm McGregor	56,000	56,000
Gordon Lovell Sampson	5,700	5,700
Ronald James Witney	17,200	11,200

<b>20. Earnings per Share</b>	<b><u>2005</u></b>	<b><u>2004</u></b>
	<u>¢</u>	<u>¢</u>
Profit per share for the financial year were:	9.5	0.18

**21. International Financial Reporting Standards - Impact of adopting Australian equivalents to IFRS**

Entities complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period. Most adjustments required on transition to AIFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

The Company has established a project team to manage the transition to AIFRS, including training of staff and internal control changes necessary to gather all the required financial information. The transition is currently on schedule.

**21. Impacts of adopting Australian equivalents to IFRS (continued)****21 (a) Goodwill**

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2005**

Under AASB 3: *Business Combinations*, goodwill is capitalised to the Statement of Financial Position and subject to an annual impairment test. Amortisation of goodwill is prohibited. Current accounting policy of the company is to amortise goodwill on a straight-line basis over a period of 20 years.

Impairment testing as at 1 July 2005 confirmed no impairment of the \$218,508 goodwill less accumulated amortisation of \$79,520 as disclosed in the financial statements of 30 June 2005. The goodwill of \$79,520 previously amortised will therefore be reversed, resulting in a corresponding increase in profit to amounting to \$79,520 for the year ended 30 June 2005.

**21 (b) Income tax**

Under AASB 112 *Income Taxes*, deferred tax balances are determined using the balance sheet method which calculates temporary differences based on the carrying amounts of an entity's assets and liabilities in the statement of financial position and their associated tax bases. In addition, current and deferred taxes attributable to amounts recognised directly in equity are also recognised directly in equity.

This will result in a change to the current accounting policy, under which deferred tax balances are determined using the income statement method, items are only tax-effected if they are included in the determination of pre-tax accounting profit or loss and/or taxable income or loss and current and deferred taxes cannot be recognised directly in equity.

If the policy required by AASB 112 had been applied during the year ended 30 June 2005, there would have been no impact on the value of deferred tax assets or liabilities.

**22. Subsequent events**

There have been no events after the end of the financial year that would materially affect the financial statements.

**23. Contingent liabilities**

There were no contingent liabilities at the date of this report to affect the financial statements.

**24. Registered office/Principal place of business**

The registered office and principal place of business is:

<u>Registered office</u>	<u>Principal place of business</u>
29 Westernport Road Lang Lang VIC 3984	29 Westernport Road Lang Lang VIC 3984



**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Notes to Financial Statements**  
**for the year ended 30 June 2005**

**25. Segment Reporting**

	Total Revenue		Profit/(Loss) from ordinary activities after income tax		Total Assets	
	2005	2004	2005	2004	2005	2004
Geographic Segments	\$	\$	\$	\$	\$	\$
Lang Lang	569,619	584,531	148,192	142,988	531,532	486,738
Pearcedale	480,017	358,773	131,616	63,330	169,884	146,951
Koo Wee Rup	206,745	134,598	(60,747)	(87,456)	35,941	42,233
Narre Warren South	136,408	26,236	(149,530)	(117,566)	133,485	134,768
Total	1,392,789	1,104,138	69,531	1,296	870,842	810,690

The economic entity operates in the financial services sector where it provides banking services to its clients. The economic entity primarily operates in the geographic areas of Lang Lang, Pearcedale, Koo Wee Rup, Narre Warren South & their surrounding districts of Victoria.

## 26. Financial Instruments

### Net fair values

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the Statement of Financial Position. The company does not have any unrecognised financial instruments at the year end.

### Credit risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the Statement of Financial Position and notes to the financial statements.

There are no material credit risk exposures to any single debtor or group of debtors under financial instruments entered into by the economic entity.

### Interest rate risk

Financial instrument	Floating interest rate	Fixed interest rate maturing in						Non interest bearing		Weighted average effective interest rate	
		1 year or less		Over 1 to 5 years		Over 5 years					
		2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 %	2004 %
Financial assets											
Cash assets	109,117	25,038	-	-	-	-	-	-	-	.05	.05
Ethical investment	145,256	113,296	-	-	-	-	-	-	-	4.76	4.76
Term deposit	-	-	100,000	100,000	-	-	-	-	-	5.35	5.25
Receivables	-	-	-	-	-	-	-	114,155	165,278	N/A	N/A
Financial liabilities											
Payables	-	-	-	-	-	-	-	90,404	82,526	N/A	N/A
Hire purchase liabilities	-	-	8,968	-	-	-	-	-	-	N/A	3.11
Loan - private	-	-	-	-	-	-	-	145,030	145,030	Nil	Nil

**Community Financial Services Victoria Limited**  
**ABN 51 092 756 351**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2005**

In the Directors opinion:

- (1) the financial statements and notes of the company are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards the Corporations Regulations 2001; and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the company's financial position as at 30 June 2005 and of its performance as represented by the results of its operations and its cash flows for the financial year ended on that date; and
- (2) 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:

  
Maxwell W. Papley, Chairman

  
Douglas H. Hamilton, Director

Signed on the 4th of October 2005.



## **INDEPENDENT AUDIT REPORT**

PO Box 454  
Bendigo VIC 3552  
61-65 Bull Street  
Bendigo VIC 3550  
Phone (03) 5443 0344  
Fax (03) 5443 5304  
afs@afsbendigo.com.au  
www.afsbendigo.com.au  
ABN 51 061 795 337

To the members of Community Financial Services Victoria Limited

### **Scope**

We have audited the financial report of Community Financial Services Victoria Limited for the financial year ended 30 June 2005 including the Directors' Declaration. The company's Directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements in Australia, so as to present a view which is consistent with our understanding of the company's financial position and performance as presented by the results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

### **AUDIT OPINION**

In our opinion the financial report of Community Financial Services Victoria Limited is in accordance with:

- (a) the Corporations Act 2001 including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2005 and of its performance for the year ended on that date; and
  - (ii) complying with Accounting Standards and the Corporations Regulations; and
- (b) other mandatory professional reporting requirements.

**DAVID HUTCHINGS**  
**ANDREW FREWIN & STEWART**  
61-65 Bull Street, Bendigo, 3550

Dated 13 October 2005



## Annexure 3A

### BSX Listing Rules

### Half yearly/Yearly Disclosure

#### References

Version 1, Operative 23/8/2000

Chapter 3, BSX Listing Rules

#### COMMUNITY FINANCIAL SERVICES VICTORIA LIMITED

Name of entity

51 092 756 351

Half yearly (tick)

☐

ABN, ACN or ARBN

Annual (tick)

☒

30 JUNE 2005

Half year/financial year ended  
(Current period)

#### Summary

				\$A,000
Sales revenue or operating revenue	up/down	26.1%	to	1,393
Profit (loss) before abnormal items and after tax	up/down	526%	to	69.5
Abnormal items before tax		gain (loss) of		-
Profit (loss) after tax but before outside equity interests	up/down	526%	to	69.5
Extraordinary items after tax attributable to members		gain (loss) of		-
Profit (loss) for the period attributable to members	up/down	526%	to	69.5

Dividends (distributions)

Franking rate applicable

NIL

Current period

Final

NIL¢

Interim

NIL¢

Previous corresponding period

Final

NIL¢

Interim

NIL¢

Record date for determining entitlements to the dividend, (in the case of a trust distribution)

NIL

### Annexure 3A Half Yearly/Yearly Disclosure

Short details of any bonus or cash issue or other items(s) of importance not previously released to BSX:

N/A

#### Consolidated profit and loss account

	Current period \$A'000	Previous corresponding period \$A'000
Sales revenue or operating revenue	1,392.8	1,104.1
Expenses from ordinary activities	(1,291.3)	(1,101.8)
Borrowing costs	-	(1)
Share of net profit (loss) of associates and joint venture entities	-	-
Profit (loss) from ordinary activities before tax	101.5	1.3
Income tax on ordinary activities	32.0	-
Profit (loss) from ordinary activities after tax	69.5	1.3
Outside equity interests	-	-
Profit (loss) from ordinary activities after tax attributable to members	69.5	1.3
Profit (loss) from extraordinary activities after tax attributable to members	-	-
Profit (loss) for the period attributable to members	69.5	1.3
Retained profits (accumulated losses) at the beginning of the financial period	(161.9)	(163.2)
Net transfers to and from reserves	-	-
Net effect of changes in accounting policies	-	-
Dividends paid or payable	-	-
Retained profits (accumulated losses) at end of financial period	(92.4)	(161.9)

### Annexure 3A Half Yearly/Yearly Disclosure

#### Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous corresponding period \$A'000
Profit (loss) from ordinary activities after tax before outside equity interests and amortisation of goodwill	131.1	18
Less (plus) outside equity interests	-	-
Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	131.1	18

#### Revenue and expenses from operating activities

	Current period \$A'000	Previous corresponding period \$A'000
Details of revenue and expenses		
Operating Revenue	1,383	1,091
Other Revenue	9.8	13
Employee Expenses	(684)	(613)
Depreciation	(32.3)	(25)
Amortisation Expense	(29.6)	(35)
I.T. Expenses	(83.3)	(104)
Other Expense	(462.1)	(326)

#### Intangible and extraordinary items

	Consolidated - current period		
	Before tax \$A'000	Related tax \$A'000	After tax \$A'000
Amortisation of goodwill	-	-	-
Amortisation of other intangibles	29.6	-	29.6
<b>Total amortisation of intangibles</b>	<b>29.6</b>	<b>-</b>	<b>29.6</b>
Extraordinary items (details)	-	-	-
<b>Total extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Annexure 3A Half Yearly/Yearly Disclosure

#### Comparison of half year profits (Annual statement only)

	Current year - \$A'000	Previous year - \$A'000
Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year	11	3
Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	97.4	(2)

#### Consolidated balance sheet

	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly statement \$A'000
<b>Current assets</b>			
Cash	354	238	278
Receivable	110	110	131
Investments	-	-	-
Prepayments	5	56	48
Other (provide details if material)	-	-	-
<b>Total current assets</b>	<b>469</b>	<b>404</b>	<b>457</b>
<b>Non-current assets</b>			
Receivables	-	-	-
Investments	-	-	-
Other property, plant & equip (net)	222	248	232
Intangibles (net)	180	159	150
Other (Deferred Tax Asset)			
<b>Total non-current assets</b>	<b>402</b>	<b>407</b>	<b>382</b>
<b>Total assets</b>	<b>871</b>	<b>811</b>	<b>839</b>
<b>Current liabilities</b>			
Accounts payable	90	58	120
Borrowings	-	9	4
Provisions	39	57	46
Other (Income Tax Payable)	30	8	16
<b>Total current liabilities</b>	<b>159</b>	<b>132</b>	<b>186</b>



**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

<b>Non-current liabilities</b>			
Accounts payable	-	-	-
Borrowings	145	145	145
Provisions	-	-	-
Other (provide details if material)	-	-	-
<b>Total non-current liabilities</b>	<b>145</b>	<b>145</b>	<b>145</b>
<b>Total liabilities</b>	<b>304</b>	<b>277</b>	<b>331</b>
<b>Net assets</b>	<b>567</b>	<b>534</b>	<b>508</b>
<b>Equity</b>			
Capital	659	696	659
Reserves	-	-	-
Retained profits (accumulated losses)	(92)	(162)	(151)
Equity attributable to members of the parent entity	-	-	-
Outside equity interests in controlled entities	-	-	-
<b>Total equity</b>	<b>567</b>	<b>534</b>	<b>508</b>
Preference capital and related premium included	-	-	-

**Consolidated statement of cash flows**

<b>Cash flows related to operating activities</b>	<b>Current period \$A'000</b>	<b>Previous corresponding period \$A'000</b>
Receipts from customers	1,376	1,089
Payments to suppliers and employees	(1,218)	(1,064)
Dividends received	-	-
Interest and other items of similar nature received	10	7
Interest and other costs of finance paid	-	(1)
Income taxes paid	-	-
Other (provide details if material)	-	(11)
<b>Net operating cash flows</b>	<b>168</b>	<b>20</b>

### Annexure 3A Half Yearly/Yearly Disclosure

<b>Cash flows related to investing activities</b>		
Payments for purchases of property, plant and equipment	(6)	(135)
Proceeds from sale of property, plant and equipment	-	-
Payment for purchases of equity investments	-	-
Proceeds from sale of equity investments	-	-
Loans to other entities	-	-
Loans repaid by other entities	-	-
Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(6)</b>	<b>(135)</b>
<b>Cash flows related to financing activities</b>		
Proceeds from issues of securities (shares, options, etc.)	-	-
Proceeds from borrowings	-	145
Repayment of borrowings	(9)	(10)
Dividends paid	-	-
Other (Capital Return)	(37)	(37)
<b>Net financing cash flows</b>	<b>(46)</b>	<b>98</b>
<b>Net increase (decrease) in cash held</b>	<b>116</b>	<b>(17.4)</b>
Cash at beginning of period (see Reconciliation of cash)	238	255
Exchange rate adjustments	-	-
<b>Cash at end of period</b> (see Reconciliation of cash)	<b>354</b>	<b>238</b>

**Non-cash financing and investing activities**

*Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.*

N/A
-----

### Annexure 3A

#### Half Yearly/Yearly Disclosure

#### Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A'000	Previous corresponding period \$A'000
Cash on hand and at bank	254	138
Deposits at call	100	100
Bank overdraft	-	-
Other (provide details)	-	-
Total cash at end of period	354	238

#### Ratios

	Current period	Previous corresponding period
<b>Profit before tax/sales</b>		
Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue	7.4%	0.12%
<b>Profit after tax/equity interests</b>		
Consolidated profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	10.5%	0.24%

#### Earnings per security (EPS)

	Current period	Previous corresponding period
Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share		
(a) Basic EPS	9.5c	0.18c
(b) Diluted EPS (if materially different from (a))	N/A	N/A

#### NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	105%	51%

### Annexure 3A Half Yearly/Yearly Disclosure

#### Details of specific receipts/outlays, revenues/expenses

	Current period A\$'000	Previous corresponding period \$A'000
Interest revenue included	10	6
Interest revenue included but not yet received (if material)	-	-
Interest costs excluded from borrowing costs capitalised in asset values	-	-
Outlays (excepts those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
Depreciation (excluding amortisation of intangibles)	32	25
Other specific relevant items	-	-

#### Control gained over entities having material effect

Name of entity	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity since the date in the current period on which control was acquired	\$ N/A
Date from which such profit has been calculated	N/A
Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period	\$ N/A

#### Loss of control of entities having material effect

Name of entity	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity for the current period to the date of loss of control	\$ N/A
Date from which the profit (loss) has been calculated	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period	\$ N/A
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$ N/A

## Annexure 3A Half Yearly/Yearly Disclosure

### Reports for industry and geographical segments

#### Segments

	Lang Lang		Pearcedale		Koo Wee Rup		Narre Warren	
	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period
Operating Revenue	570	585	480	359	207	135	136	26
Sales to customers outside the economic entity	570	585	480	359	207	135	136	26
Inter-segment sales	-	-	-	-	-	-	-	-
Unallocated revenue	-	-	-	-	-	-	-	-
Total revenue	570	585	480	359	207	135	136	26
Segment result	148	143	132	63	(61)	(87)	(150)	(118)
Unallocated expenses	-	-	-	-	-	-	-	-
Consolidated profit from ordinary activities after tax (before equity accounting)	69							
Segment assets	532	487	170	147	36	42	133	135
Unallocated assets	-							
Total assets (current period)	871							
Total assets (previous period)	811							

#### Dividends

Date the dividend is payable

N/A

Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm)

N/A

#### Amount per security

		Franking rate applicable	%	%	%
<i>(annual report only)</i>					
<b>Final dividend:</b>	Current year	-¢	N/A	-¢	N/A
	Previous year	-¢	-¢	-¢	-¢
<i>(Half yearly and annual statements)</i>					
<b>Interim dividend:</b>	Current year	-¢	N/A	-¢	N/A
	Previous year	-¢	-¢	-¢	-¢

### Annexure 3A Half Yearly/Yearly Disclosure

**Total annual dividend (distribution) per security**  
(Annual statement only)

	Current year	Previous year
Ordinary securities	-¢	-¢
Preference securities	-¢	-¢

**Total dividend (distribution)**

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$ -	\$ -
Preference securities	\$ -	\$ -
<b>Total</b>	\$ -	\$ -

**Half yearly report – interim dividend (distribution) on all securities or Annual report – final dividend (distribution) on all securities**

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$	\$
Preference securities	\$	\$
<b>Total</b>	\$	\$

The dividend or distribution plans shown below are in operation.

N/A
-----

The last date(s) for receipt of election notices to the dividend or distribution plans

N/A

Any other disclosures in relation to dividends (distributions)

N/A
-----

## Annexure 3A Half Yearly/Yearly Disclosure

### Equity accounted associated entities and other material interests

*Equity accounting information attributable to the economic entity's share of investments in associated entities must be disclosed in a separate notice. See AASB 1016: Disclosure of Information about Investments in Associated Companies.*

Entities share of:	Current period A\$'000	Previous corresponding period A\$'000
Profit (loss) from ordinary activities before tax.	-	-
Income tax		
Profit (loss) from ordinary activities after tax	-	-
Extraordinary items net of tax		
Net profit (loss)	-	-
Outside equity interests		
Net profit (loss) attributable to members	-	-

### Material interests in entities which are not controlled entities

*The entity has an interest (that is material to it) in the following entities.*

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to profit (loss) from ordinary activities and extraordinary items after tax	
Equity accounted associates and joint venture entities	Current period	Previous corresponding period	Current period A\$'000	Previous corresponding period A\$'000
	-	-	-	-
	-	-	-	-
	-	-	-	-
<b>Total</b>	NIL	NIL	NIL	NIL
<b>Other material interests</b>	-	-	-	-
<b>Total</b>	NIL	NIL	NIL	NIL

### Annexure 3A Half Yearly/Yearly Disclosure

**Issued and listed securities**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

Category of securities	Number issued	Number listed	Issue Price (cents)	Paid-up value (cents)
<b>Preference securities</b> <i>(description)</i>	NIL	NIL		
Changes during current period	NIL	NIL		
<b>Ordinary securities</b>	732,375	732,375	90	90
Changes during current period	-	-	-	-
<b>Convertible debt securities</b> <i>(description and conversion factor)</i>	-	-	-	-
Changes during current period	-	-	-	-
			<b>Exercise price</b>	<b>Expiry date</b>
<b>Options</b> <i>(description and conversion factor)</i>	-	-	-	-
Changes during current period	-	-	-	-
Exercised during current period	-	-	-	-
Expired during current period	-	-	-	-
<b>Debentures</b>	-	-		
<b>Unsecured Notes</b>	-	-		



### Annexure 3A Half Yearly/Yearly Disclosure

#### Discontinuing Operations

#### Consolidated profit and loss account

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Sales revenue or operation revenue	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Expenses from ordinary activities	-	-	-	-	-	-
Profit (loss) before tax	-	-	-	-	-	-
Less tax	-	-	-	-	-	-
Profit (loss) from ordinary activities after tax	-	-	-	-	-	-

#### Consolidated statement of cash flows

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Net operating cash flows	-	-	-	-	-	-
Net investing cash flows	-	-	-	-	-	-
Net financing cash flows	-	-	-	-	-	-

### Annexure 3A Half Yearly/Yearly Disclosure

**Other disclosures**

	Current period A\$'000	Previous corresponding period A\$'000
Carrying amount of items to be disposed of:	-	-
- total assets		
- total liabilities	-	-
Profit (loss) on disposal of assets or settlement of liabilities	-	-
Related tax	-	-
Net profit (loss) on discontinuance	-	-

**Description of disposals**

N/A

**Comments by directors**
**Basis of accounts preparation**

*If this statement is a half yearly statement it should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period.*

Material factors affecting the revenues and expenses of the entity for the current period including seasonal or cyclical factors

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

N/A

### Annexure 3A Half Yearly/Yearly Disclosure

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

N/A

Changes in accounting policies since the last annual report and estimates of amounts reported in prior years are disclosed as follows.

N/A

Changes in the amounts of contingent liabilities or assets since the last annual report are disclosed as follows.

N/A

#### Additional disclosure for trusts

Number of units held by the management company or responsible entity to their related parties.

-

A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- Initial service charges
- Management fees
- Other fees

-

-

#### Annual meeting

*(Annual statement only)*

The annual meeting will be held as follows:

Place

Lang Lang Community Hall

Date

24 November 2005

Time

7.30 PM

Approximate date the annual report will be available

30 October 2005

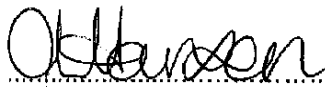
**Annexure 3A**  
**Half Yearly/Yearly Disclosure**

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This statement, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 In the case of a half-yearly report the same accounting standards and methods of computation are/are not\* (*delete one*) followed as compared with the most recent annual accounts.
- 4 This statement does/~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.
- 5 This statement is based on financial statements to which one of the following applies:  
*(Tick one)*  

☐ The financial statements have been audited.  
☐ The financial statements have been subject to review by a registered auditor (or overseas equivalent).  
☒ The financial statements are in the process of being audited or subject to review.  
☐ The financial statements have *not* yet been audited or reviewed.
- 6 If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available\* (*delete one*).
- 7 The entity has/~~does not~~ have\* (*delete one*) a formally constituted audit committee.

Sign here:

  
(Director/Company secretary)

Date: 13.10.05

Print name: TANIA HANSEN

**Notes**

**True and fair view** If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

**Income tax** If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

**Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement.