



**Mann Judd Bottomer**

A.B.N. 41 624 742 431

**Mareeba & Dimbulah Financial  
Services Limited**

**ABN 53 115 503 930**

**Financial Statements  
For the year ended 30 June 2006**



**Mann Judd Bottomer**

A.B.N. 41 824 742 431

**Mareeba & Dimbulah Financial  
Services Limited**

ABN 53 115 503 930

**Financial Statements  
For the year ended 30 June 2006**

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**Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

**Directors' Report**

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Your directors present this report on the company for the financial year ended 30 June 2006.

**Directors**

The names and qualifications of the Directors in office at any time during or since the end of the year are:

**Name:** Gaye F Taylor  
**Position:** Chairman  
**Qualifications:** Business Owner  
**Special responsibilities:** Governance Committee

**Name:** Gilbert J Teitzel  
**Position:** Secretary  
**Qualifications:** Certified Practising Accountant  
**Special responsibilities:** Governance Committee and Audit Committee

**Name:** Evan D McGrath  
**Position:** Treasurer  
**Qualifications:** Grazier  
**Special responsibilities:** Audit Committee

**Name:** Wilfrid R Blundell  
**Position:** Director  
**Qualifications:** Property Developer/ Farmer  
**Special responsibilities:** Business Development Committee and Public Relations Committee

**Name:** Gianfranco Delacovo  
**Position:** Director  
**Qualifications:** Business Owner  
**Special responsibilities:** Business Development Committee and Public Relations Committee

**Name:** Philip G Quayle  
**Position:** Director  
**Qualifications:** Business Owner  
**Special responsibilities:** Business Development Committee, Public Relations Committee and Human Resources Committee

**Name:** Graeme E Ford  
**Position:** Director  
**Qualifications:** Automatic Dealer  
**Special responsibilities:** Governance Committee and Human Resources Committee

# Mareeba & Dimbulah Financial Services Limited

ABN 53 115 503 930

## Directors' Report continued

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### Directors continued

**Name:** Rolf Seeberger  
**Position:** Director  
**Qualifications:** Store Proprietor  
**Special responsibilities:** Business Development Committee and Public Relations Committee

**Name:** Clive W Staines  
**Position:** Director  
**Qualifications:** Real Estate Agent  
**Special responsibilities:** Business Development Committee and Public Relations Committee

**Name:** Cheryl E Tonkin  
**Position:** Director  
**Qualifications:** Civil Celebrant/ Auctioneer  
**Special responsibilities:** Business Development Committee and Public Relations Committee

**Name:** Patrick J Freney  
**Position:** Director  
**Qualifications:** Regional Manager - Bendigo Bank Limited  
**Special responsibilities:** Audit Committee

**Name:** Allison Geisel (resigned 18/08/05)  
**Position:** Director  
**Qualifications:** Accountant  
**Special responsibilities:** N/A

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

# Mareeba & Dimbulah Financial Services Limited

ABN 53 115 503 930

## Directors' Report continued

### Directors' Meetings

During the financial year, 10 meetings of Directors were held. Attendances by each Director during the year were:

	Directors' Meetings	
	Number Eligible to Attend	Number Attended
Gaye F Taylor	10	10
Gilbert J Teitzel	10	10
Evan D McGrath	10	9
Wilfrid R Blundell	10	7
Gianfranco Delacovo	10	7
Philip G Quayle	10	10
Graeme E Ford	10	9
Rolf Seeberger	10	9
Clive W Staines	10	6
Cheryl E Tonkin	10	4
Patrick J Freney	10	5

### Remuneration report

#### *Remuneration of Directors*

No income was paid or was payable or otherwise made available to the Directors of the Company during the year ended 30 June 2006.

#### *Options*

No options over issued shares or interests in the Company were granted to the Directors or Executive during or since the end of the financial year and there were no options outstanding at the date of this report.

The Directors and Executives do not own any options over issued shares or interests in the Company at the date of this report.

#### *Remuneration practices*

The Company's policy for determining the nature and amount of emoluments of Board members and senior executives of the Company is as follows:

It is current policy of the Company that Board members are not remunerated for the services performed.

**Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

**Directors' Report** continued

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**Principal Activities**

The principal activities of the Company during the course of the year were providing Community Banking services under management rights to operate a franchised branch of Bendigo Bank Limited in Mareeba and Dimbulah, North Queensland.

No significant change in the nature of these activities occurred during the year.

**Operating and financial review**

The amount of the loss from ordinary activities of the Company after income tax was \$148,162 for the year ended 30 June 2006.

The Company will continue to pursue its main objective of providing a core of banking products and services pursuant to its franchise agreement with the Bendigo Bank.

**Significant Changes in the State of Affairs**

No significant changes in the company's state of affairs occurred during the financial year.

**After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which 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.

**Future Developments**

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report, as the inclusion of such information is likely to result in unreasonable prejudice to the company.

**Environmental Issues**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

**Dividends**

No dividends were declared or paid since the start of the financial year. No recommendation for payment of dividends has been made.

**Options**

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

# Mareeba & Dimbulah Financial Services Limited

ABN 53 115 503 930

## Directors' Report continued

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### Indemnifying Officer or Auditor

Indemnities have been given, during and since the end of the financial period, for any persons who are or have been a Director or an Officer, but not an Auditor, of the Company. A Directors' and Officers' liability insurance policy for \$5,000,000 cover has been taken out for an annual premium cost of \$3,145.

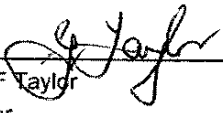
### Proceedings on Behalf of Company

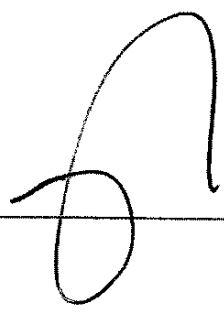
No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

### Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* has been included on page 8.

Signed in accordance with a resolution of the Board of Directors:

  
\_\_\_\_\_  
Gaye F Taylor  
Director

  
\_\_\_\_\_  
Gilbert J Teitzel  
Director

Dated this fourth day of September 2006.





**Mann Judd Bottomer**

A.B.N. 41 824 742 431

**Auditor's Independence Declaration  
Under Section 307C of the Corporation Act 2001  
To the Directors of  
Mareeba & Dimbulah Financial Services Limited  
ABN 53 115 503 930**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2006 there have been :

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the Audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit

Dated this fourth day of September 2006.

HLB Mann Judd Bottomer  
Chartered Accountants  
Cairns, Qld

A R Bottomer  
Partner

**Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

**Income Statement**  
For the year ended 30 June 2006

	Note	2006 \$
Revenues from ordinary activities		458,138
Depreciation and amortisation expenses		(30,913)
Secondment expenses		(223,756)
Other expenses from ordinary activities		<u>(417,253)</u>
<b>Profit (loss) from ordinary activities before income tax</b>		<b>(213,784)</b>
Income tax credit	4	<u>65,622</u>
<b>Net profit (loss) attributable to members of the company</b>		<b><u>(148,162)</u></b>
 Earnings per share		 (14.75)
Diluted earnings per share		(14.75)

**Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

**Balance Sheet**  
As at 30 June 2006

	Note	2006 \$
<b>Current Assets</b>		
Cash assets	5	383,575
Receivables	6	78,030
Other	7	4,956
<b>Total Current Assets</b>		<u>466,561</u>
<b>Non-Current Assets</b>		
Deferred tax assets	8	65,622
Property, plant and equipment	9	214,135
Intangible assets	10	167,833
<b>Total Non-Current Assets</b>		<u>447,590</u>
<b>Total Assets</b>		<u>914,151</u>
<b>Current Liabilities</b>		
Payables	11	54,420
Current tax liabilities	12	3,382
<b>Total Current Liabilities</b>		<u>57,802</u>
<b>Total Liabilities</b>		<u>57,802</u>
<b>Net Assets</b>		<u>856,349</u>
<b>Equity</b>		
Contributed equity	13	1,004,511
Retained profits / (Accumulated losses)	14	(148,162)
<b>Total Equity</b>		<u>856,349</u>

# Mareeba & Dimbulah Financial Services Limited

ABN 53 115 503 930

## Statement of Changes in Equity

For the year ended 30 June 2006

	Share Capital (Ordinary Shares) \$	Accumulated Losses \$	Total \$
Balance at 1 July 2005	-	-	-
Profit / (loss) attributable to members of the Company	-	(148,162)	(148,162)
Share issued during the year	1,004,511	-	1,004,511
Balance at 30 June 2006	1,004,511	(148,162)	856,349

# Mareeba & Dimbulah Financial Services Limited

ABN 53 115 503 930

## Statement of Cash Flows

For the year ended 30 June 2006

	Note	2006 \$
<b>Cash Flow From Operating Activities</b>		
Receipts from customers		387,139
Interest received		63
Payments to suppliers and seconded employees		(595,257)
<b>Net cash provided by (used in) operating activities</b>	17(b)	<u>(208,055)</u>
<b>Cash Flow From Investing Activities</b>		
Payments for property, plant and equipment		(222,881)
Payments for franchise agreement		(190,000)
<b>Net cash provided by (used in) investing activities</b>		<u>(412,881)</u>
<b>Cash Flow From Financing Activities</b>		
Proceeds from issue of shares		1,004,511
<b>Net cash provided by (used in) financing activities</b>		<u>1,004,511</u>
<b>Net increase (decrease) in cash held</b>		383,575
Cash at the beginning of the financial year		-
<b>Cash at the end of the financial year</b>	17(a)	<u>353,575</u>

# Mareeba & Dimbulah Financial Services Limited

ABN 53 115 503 930

## Notes to the financial statements

For the year ended 30 June 2006

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### Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers Mareeba & Dimbulah Financial Services Limited as an individual entity. Mareeba & Dimbulah Financial Services Limited is a company limited by shares, incorporated and domiciled in Australia.

The financial report of Mareeba & Dimbulah Financial Services Limited comply with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

### Basis of Preparation

#### *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*

Mareeba & Dimbulah Financial Services Limited has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (IFRS) from the 28 July 2005.

These accounts are the first financial statements of Mareeba & Dimbulah Financial Services Limited to be prepared in accordance with Australian equivalents to IFRS.

The accounting policies set out below have been consistently applied during the year, unless otherwise stated.

#### *Reporting Basis and Conventions*

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

### Accounting Policies

#### (a) Income tax

The change for current income tax expenses is based on the profit for the year adjusted for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

**Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

**Notes to the financial statements** continued  
For the year ended 30 June 2006

**(a) Income tax** continued

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 tax legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

**(b) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

**Plant and equipment**

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to Mareeba & Dimbulah Financial Services Limited 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 the estimated useful lives of the improvements.

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

Class of Asset	Depreciation Rate %
Plant and equipment	2.5%– 40%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An assets carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**(c) Leases**

Lease payments under operating leases, where substantially all the risks and benefits remain with the leaser, are charged as expenses in the periods in which they are incurred.

# Mareeba & Dimbulah Financial Services Limited

ABN 53 115 503 930

## Notes to the financial statements continued

For the year ended 30 June 2006

### (d) Impairment of Assets

At each reporting date, the directors review the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

### (e) Intangibles

The franchise fee paid by the Company pursuant to a Franchise Agreement with the Bendigo Bank (Note 8) is being amortised over the initial five (5) year period of the agreement, being the period of expected economic benefits of the franchise fee.

Class of Intangible	Amortisation Rate %
Franchise fee	20%

### (f) Cash and Cash Equivalents

Cash and Cash Equivalents includes cash on hand, deposits held at call with banks or financial institutions, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the balance sheet.

### (g) Revenue

Revenue from the provision of banking services is recognised upon the delivery of the services to customers.

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

### (h) Goods and Service Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.



**Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

**Notes to the financial statements** continued  
For the year ended 30 June 2006

2006  
\$

**Note 2: Revenue from ordinary activities**

Gross margin	265,829
Upfront product commission	9,861
Trailer product commission	96,485
Fee income	57,989
Market development fund	27,911
Interest received	63
	<u>458,138</u>

**Note 3: Other expenses from ordinary activities**

IT leasing and running costs	21,299
Management fees	240,330
Prospectus fees	23,332
Rental expenses	23,958
Other operating expenses	108,334
	<u>417,253</u>

**Auditor's remuneration**

Remuneration of the auditor of the company for:

- Auditing or reviewing the financial report	4,750
- Other services	-
	<u>4,750</u>

**Note 4: Income tax credit**

No income tax is payable by the Company as it has incurred a loss for the 2006 year for income tax purposes.

**a) Reconciliation of income tax revenue**

The prime facie tax on loss from ordinary activities before income tax is reconciled to the income tax revenue as follows:

Loss from ordinary activities before income tax at 30%	(213,784)
Prima facie income tax at 30%	64,135
Tax effect of :	
- Timing differences	1,487
<b>Income tax revenue</b>	<u>65,622</u>

**Mareeba & Dimbulah Financial Services Limited**  
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**Notes to the financial statements** continued  
For the year ended 30 June 2006

	2006
	\$

**Note 4: Income tax credit** continued

**b) Tax losses**

Balance at the beginning of the year	-
Tax loss incurred / utilised in the financial year	193,173
	<u>193,173</u>

At balance date, the Company had tax losses of \$193,173 which are available to offset future years' taxable income.

**Note 5: Cash assets**

Deposit - Ergon	200
Petty cash float	494
Staff expenses float	302
Cheque account	262,579
Term deposit	120,000
	<u>383,575</u>

**Note 6: Receivables**

**Current**

Trade debtors	78,030
	<u>78,030</u>

**Note 7: Other**

**Current**

Prepayments	4,956
	<u>4,956</u>

**Note 8: Deferred tax assets**

**Non-Current**

Future income tax benefit	65,622
	<u>65,622</u>

# Mareeba & Dimbulah Financial Services Limited

ABN 53 115 503 930

## Notes to the financial statements continued

For the year ended 30 June 2006

2006  
\$

### Note 9: Property, plant and equipment

#### Leasehold improvements:

- At cost	210,534
- Less accumulated depreciation	<u>(6,386)</u>
	<u>204,150</u>

#### Software licence:

- At cost	12,337
- Less accumulated depreciation	<u>(2,352)</u>
	<u>9,985</u>

<b>Total property, plant and equipment</b>	<u><b>214,135</b></u>
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### Note 10: Intangible assets

#### Franchise fee:

- At cost	190,000
- Less accumulated amortisation	<u>(22,167)</u>
	<u><b>167,833</b></u>

Pursuant to a five year franchise agreement with Bendigo Bank, the Company operates a Community Bank® branch of Bendigo Bank at Mareeba and Dimbulah, trading as "Mareeba Community Bank® Branch – Bendigo Bank" and "Dimbulah Community Bank® Branch – Bendigo Bank" providing a core range of banking products and services. The Company entered into the franchise agreement at a cost of \$190,000 that is being amortised on the basis disclosed in Note 1(e).

### Note 11: Payables

#### Unsecured:

- Trade creditors and accruals	54,420
	<u><b>54,420</b></u>

### Note 12: Current tax liabilities

GST payable	3,382
	<u><b>3,382</b></u>

# Mareeba & Dimbulah Financial Services Limited

ABN 53 115 503 930

## Notes to the financial statements continued

For the year ended 30 June 2006

	2006
	\$

### Note 13: Contributed capital

1,004,511 fully paid ordinary shares	1,004,511
	<u>1,004,511</u>

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

### Note 14: Accumulated losses

Balance at the beginning of the financial year	-
Profit / (loss) attributable to members of the Company	(148,162)
Balance at the end of the financial year	<u>(148,162)</u>

### Note 15: Directors' and Executive's remuneration

- a) The names and positions of Directors and Executive in office at any time during the financial year are:

#### *Directors*

Gaye F Taylor	Chairman
Gilbert J Teitzel	Secretary
Evan D McGrath	Treasurer
Wilfrid R Blundell	Non-Executive Director
Gianfranco Delacovo	Non-Executive Director
Philip G Quayle	Non-Executive Director
Graeme E Ford	Non-Executive Director
Rolf Seeberger	Non-Executive Director
Clive W Staines	Non-Executive Director
Cheryl E Tonkin	Non-Executive Director
Patrick J Freney	Non-Executive Director
Allison Geisel	Non-Executive Director

#### *Executive*

No person met the definition of executive of the Company during the financial year ended 30 June 2006.

**Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

**Notes to the financial statements** continued  
For the year ended 30 June 2006

**Note 15: Directors' and Executive's remuneration** continued

**b) Remuneration of Directors**

No income was paid or was payable or otherwise made available, to the Directors of the Company during the year ended 30 June 2006.

**c) Options**

No options over issued shares or interests in the Company were granted to the Directors or Executive during or since the end of the financial year and there were no options outstanding at the date of this report.

The Directors and Executive do not own any options over issued shares or interests in the Company at the date of this report.

**d) Shareholdings**

	Balance at 1 July 2005	Received as remuneration	Options exercised	Net change Others*	Balance at 30 June 2006
Gaye F Taylor	-	-	-	2,501	2,501
Gilbert J Teitzel	-	-	-	5,091	5,091
Evan D McGrath	-	-	-	501	501
Wilfrid R Blundell	-	-	-	1,001	1,001
Gianfranco Delacovo	-	-	-	1,001	1,001
Philip G Quayle	-	-	-	2,501	2,501
Graeme E Ford	-	-	-	2	2
Rolf Seeberger	-	-	-	5,001	5,001
Clive W Staines	-	-	-	2,001	2,001
Cheryl E Tonkin	-	-	-	2,501	2,501
Patrick J Freney	-	-	-	-	-
Allison Geisel (resigned 18/08/05)	-	-	-	-	-
<b>Total</b>	-	-	-	<b>22,101</b>	<b>22,101</b>

\* Net change other refers to shares purchased or sold during the financial year.

**e) Remuneration practices**

The Company's policy for determining the nature and amount of emoluments of Board members and senior executives of the Company is as follows:

It is current policy of the Company that Board members are not remunerated for the services performed.

**Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

**Notes to the financial statements** continued  
For the year ended 30 June 2006

**Note 16: Related party transactions**

The related parties have not entered into a transaction with the Company during the financial year ended 30 June 2006 other than those disclosed in Note 15.

	2006
	\$

**Note 17: Notes to the statements of cash flows**

**(a) Reconciliation of cash assets**

For the purpose 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. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	<u>383,575</u>
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**(b) Reconciliation of net cash provided by operating activities to profit / (loss) from ordinary activities**

Profit / (loss) from ordinary activities	(213,784)
Depreciation and amortisation	30,913
<i>Movement in assets and liabilities</i>	
<i>(Increase)/Decrease in Assets</i>	
Receivables	(78,030)
Other assets	(4,956)
<i>Increase/(Decrease) in Liabilities</i>	
Payables	<u>57,802</u>
Net cash provided by / (used) in operating activities	<u>(208,055)</u>

**Note 18: Leasing commitments**

Non cancellable operating lease commitment contracted for but not capitalised in the financial statements

**Payable**

- Not longer than 1 year	16,034
- Longer than 1 year but not longer than 5 years	<u>166,495</u>
	<u>182,529</u>

**Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

**Notes to the Financial Statements** continued  
For the year ended 30 June 2006

**Note 19: Financial instruments**

**(a) Interest rate risk**

2006	Rates	Variable	Fixed	Non-interest	Total
			1 year	1 to 5 years	
<i>Financial assets</i>					
Cash	5.35%	262,578	120,000	-	383,575
Receivable	-	-	-	-	78,030
		262,578	120,000	-	461,605
<i>Financial liabilities</i>					
Payables	-	-	-	-	54,420
		-	-	-	54,420
<b>Net financial assets</b>		<b>262,578</b>	<b>120,000</b>	<b>-</b>	<b>407,185</b>

**(b) Credit risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

**(c) Net fair values**

The net fair value of financial assets and liabilities of the Company approximates their carrying amount.

The Company has no financial assets and liabilities where the carrying amount exceeds the net fair value at balance date.

No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

**Note 20: Segment reporting**

The Company operates in the financial services sector as a Community Bank® branch of the Bendigo Bank at Mareeba and Dimbulah, North Queensland.

**Note 21: Events subsequent to reporting date**

No matters or circumstances have arisen since the end of the financial year 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.

# **Mareeba & Dimbulah Financial Services Limited**

ABN 53 115 503 930

## **Notes to the Financial Statements** continued

For the year ended 30 June 2006

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### **Note 22: Contingent liabilities**

There were no contingent liabilities at the reporting date.

### **Note 23: Company details**

The registered office and principal place of business of the Company is:

Millar Teitzel  
Office 6, Level 1  
81 Byrnes Street  
Mareeba Qld 4880

Mareeba Branch  
Shop 3  
Post Office Centre  
94 Byrnes Street  
Mareeba Qld 4880

Dimbulah Branch  
31 - 33  
Raleigh Street  
Dimbulah Qld 4872



# Mareeba & Dimbulah Financial Services Limited

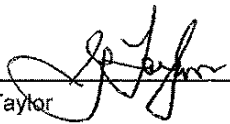
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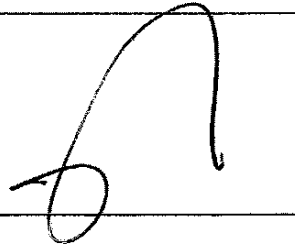
## Directors' Declaration

The directors of the company declare that:

1. the financial statements and notes are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards and the Corporations Regulations; and
  - (b) give a true and fair view of the company's financial position as at 30 June 2006 and of its performance for the 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.

  
\_\_\_\_\_  
Gaye F Taylor  
Director

  
\_\_\_\_\_  
Gilbert J Teitzel  
Director

Dated this fourth day of September 2006.



**Mann Judd Bottomer**

A.B.N. 41 624 742 431

**Independent Audit Report  
To the Members of  
Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

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**Scope**

*The financial report and directors' responsibility*

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and the Directors' declaration for Mareeba & Dimbulah Financial Services Limited (the Company) for the year ended 30 June 2006.

The Directors of the Company 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 Standards in Australia, 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 the accounting policies and accounting estimates inherent in the financial report.

*Audit Approach*

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards in Australia and other mandatory financial reporting requirements in Australia, 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 cash flows.

We formed our audit opinion on the basis of these procedures, which included:-

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the Company.

**Independent Audit Report  
To the Members of  
Mareeba & Dimbulah Financial Services Limited**  
ABN 53 115 503 930

**Independence**

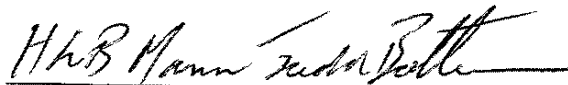
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

**Audit Opinion**

In our opinion, the financial report of Mareeba & Dimbulah Financial Services Limited is in accordance with:

- (a) the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the financial position of Mareeba & Dimbulah Financial Services Limited at 30 June 2006 and of its performance for the year ended on that date; and
  - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.

Dated this fourth day of September 2006.



HLB Mann Judd Bottomer  
Chartered Accountants  
Cairns, Qld



A R Bottomer  
Partner

**Mareeba Dimbulah Financial Services Limited**  
**ABN 53 115 503 930**  
**Additional Annual Report Information**

**Share Information**

In accordance with Bendigo Stock Exchange listing rules to company provides the following information as at 31 August 2006, which is within 6 weeks of this report being sent to shareholders.

The following table shows the number of shareholders, broken into various categories showing the total number of shares held.

<u>Number of Shares Held</u>	<u>Number of Shareholders</u>
1 to 1,000	361
1,001 to 5,000	93
5,001 to 10,000	46
10,001 to 100,000	25
100,001 and over	0
<b>Total Shareholders</b>	<b>525</b>

Each of the above shareholders are entitled to 1 vote, irrespective of the number of shares held.

There are no substantial shareholders (holding more than 5% of voting rights) as each shareholder is entitled to 1 vote. Normally holding more than 5% of total issued shares would create a substantial shareholder, but this is not applicable due to the voting restrictions for the company.

There are 12 shareholders holding less than a marketable parcel of shares (\$500 in value).

There are no restricted securities on issue.

All shares on issue are ordinary shares fully paid to \$1 per share. There are no unquoted equity securities.

The following table shows the 10 largest shareholders.

<u>Shareholder</u>	<u>Number of Shares</u>	<u>Percentage of Capital</u>
Mr Rex Cummings & Mrs Lorraine M Cummings	20,000	0.19
Mr Michael Cotter & Mrs Helen Cotter	20,000	0.19
Mr Graeme Ford & Mr Andrew Ford & Mrs Susanne Ford	20,000	0.19
John Hartley Hawes & Cheryl Pearl Hawes	20,000	0.19
Warren Hohn & Donna Hohn	20,000	0.19
Mr Michael Greener Kitchell & Mrs Lois Marie Maisel	20,000	0.19
Mareeba Shire Job Training Association Inc	20,000	0.19
T G T Pty Ltd	20,000	0.19
Mrs Pam Lorraine Cater	15,000	0.14
A & F Cristaldi Pty Ltd & Beruf P/L & Meshway P/L & Mr Kevin Day & Mrs Ellen Day	12,000	0.11
	<b>187,000</b>	<b>2</b>

**Mareeba Dimbulah Financial Services Limited**  
**ABN 53 115 503 930**  
**Additional Annual Report Information**

**Registered Office and Principal Administrative Office**

The registered office of the company is located at:

Office 6, Level 1  
81 Byrnes Street  
Mareeba Qld 4880  
Phone: 07 4092 1066

The principal administrative office of the company is located at:

Shop 3, Post Office Centre Street  
94 Byrnes Street  
Mareeba Qld 4880  
Phone: 07 4092 2099

**Security Register**

The security register (share register) is kept at:

Bendigo Bank Ltd  
Fountain Court  
P O Box 480  
Bendigo Vic 3552  
Phone: 03 5433 9339

**Other Information**

Please refer to the directors report, within the annual report, for details of the company secretary and main corporate governance practices of the entity.

There are no material differences between the information in the company's Annexure 3A and the information in the financial documents in its annual report.