

**Mareeba & Dimbulah Financial Services
Limited**

ABN 53 115 503 930

Financial Statements
Half Year Report to 31 December 2007

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Mareeba & Dimbulah Financial Services Limited
ABN 53 115 503 930

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

Your directors submit the financial report of the company for the half-year ended 31 December 2007. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of the directors who held office during the half year and until the date of this report are as below:

Gaye F Taylor (resigned: 31/10/07) Chairperson Business Owner	Gilbert J Teitzel Secretary Accountant
Evan D McGrath Treasurer Grazier	Wilfrid R Blundell Director Property Developer/Farmer
Gianfranco De Iacovo Director Business Owner	Philip G Quayle Director Business Owner
Graeme E Ford Chairperson Automotive Dealer Principal	Rolf Seeberger Director Owner/Manager
Clive W Staines (resigned: 26/10/07) Director Real Estate Agent	Cheryl E Tonkin Director Civil Celebrant/Auctioneer
Patrick J Freney Director Regional Bank Manager	Edward Balzarolo (Appointed: 28/11/07) Director Farmer

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

Review and Results of Operations

Operations have continued to perform in line with expectations. During the half year to 31 December the Company generated a profit of \$64,172.77 before tax.

Matters Susequent to the End of the Reporting Period

Lex Starmer was appointed as a Director on 9 January 2008.

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

Dividends

An unfranked dividend of \$ 0.06 per share was declared and paid to shareholders in October 2007.

Mareeba & Dimbulah Financial Services Limited

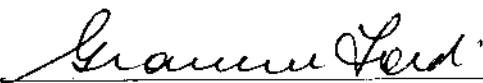
ABN 53 115 503 930

Directors' Report

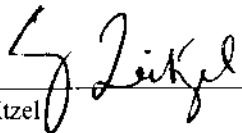
Auditors Independence Declaration

A copy of the auditor's 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:



Graeme E Ford
Director



Gilbert J Teitzel
Director

Dated:

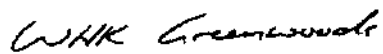
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Mareeba and Dimbulah Financial Services Ltd

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2007 there have been:

- (i) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

Signed at Cairns on 5 March 2008.



WHK GREENWOODS (CAIRNS)



JASON TAYLOR
Partner

Mareeba & Dimbulah Financial Services Limited
ABN 53 115 503 930
Income Statement
For the period 1 July 2007 to 31 December 2007

	31 Dec 2007	31 Dec 2006
	\$	\$
Revenues from ordinary activities	625,027.63	479,269.30
Administration and general costs	(87,471.55)	(82,146.60)
ATM expenses	(12,407.59)	(8,602.86)
Depreciation and amortisation expenses	42,964.37	(8,808.25)
IT leasing and running costs	(21,952.74)	(19,680.77)
Management fees	(120,165.20)	(120,165.20)
Occupancy costs	(45,859.16)	(35,962.45)
Secondment expenses	(236,795.99)	(197,583.62)
Profit from ordinary activities before income tax	143,339.77	(6,319.55)
Income tax expense relating to ordinary activities	(41,226.65)	3,435.37
Net profit attributable to members of the company	102,113.12	(2,884.18)
Basic earnings per share (cents per share)	0.10	
Diluted earnings per share (cents per share)	0.10	

The accompanying notes form part of these financial statements.

Mareeba & Dimbulah Financial Services Limited

ABN 53 115 503 930

Balance Sheet As At 31 December 2007

	31 Dec 2007	30 Jun 2007
	\$	\$
Current Assets		
Cash assets	469,671.91	528,189.41
Receivables	124,264.06	103,260.16
Current tax assets	4,709.79	
Other	5,152.79	5,060.61
Total Current Assets	603,798.55	636,510.18
Non-Current Assets		
Property, plant and equipment	368,631.85	210,063.40
Intangible assets	190,000.00	129,833.08
Deferred tax assets		37,076.20
Total Non-Current Assets	558,631.85	376,972.68
Total Assets	1,162,430.40	1,013,482.86
Current Liabilities		
Payables	188,710.35	85,755.72
Current tax liabilities	4,150.45	
Total Current Liabilities	192,860.80	85,755.72
Total Liabilities	192,860.80	85,755.72
Net Assets	969,569.60	927,727.14
Equity		
Contributed equity	1,004,511.00	1,004,511.00
Retained profits / (Accumulated losses)	(34,941.40)	(76,783.86)
Total Equity	969,569.60	927,727.14

The accompanying notes form part of these financial statements.

Mareeba & Dimbulah Financial Services Ltd**ABN 53 115 503 930****Statement of Changes in Equity****For the period 1 July 2007 to 31 December 2007**

	Issued Capital	Accumulated Losses	Total Equity
Balance at 1 July 2005	-	-	-
Shares issued during year	1004511.00	-	1004511.00
Profit/(loss) attributable to the members of the company		(148161.63)	(148161.63)
Balance at 30 June 2006	1004511.00	(148161.63)	1004511.00
Balance at 1 July 2006	1004511.00	(148161.63)	856349.37
Shares issued during year	-	-	-
Profit/(loss) attributable to the members of the company	-	71377.77	71377.77
Balance at 30 June 2007	1004511.00	(76783.86)	927727.14
Balance at 1 July 2007	1004511.00	(76783.86)	927727.14
Shares Issued during half year	-	-	-
Profit/(loss) attributable to the members of the company		102113.12	102113.12
Sub-total:	1004511.00	25329.26	969569.60
Dividends paid or provided for		(60270.66)	
Balance at 31 December 2007	1004511.00	(34941.40)	969569.60

The accompanying notes form part of these financial statements.

Mareeba & Dimbulah Financial Services Limited**ABN 53 115 503 930****Statement of Cash Flows****For the period 1 July 2007 to 31 December 2007**

	31 Dec 2007	31 Dec 2006
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	593,811.14	459,215.50
Payments to suppliers and employees	(425,953.29)	(462,697.79)
Interest received	9,046.31	8,963.81
Net cash provided by (used in) operating activities	<u>176,904.16</u>	<u>5,481.52</u>
Cash Flow From Investing Activities		
Payment for:		
Purchase of property, plant and equipment	(175,771.00)	(10,770.00)
Proceeds from disposal of:		
Proceeds from sale of property	<u>620.00</u>	
Net cash provided by (used in) investing activities	<u>(175,151.00)</u>	<u>(10,770.00)</u>
Cash Flow From Financing Activities		
Dividends paid	<u>(60,270.66)</u>	
Net cash provided by (used in) financing activities	<u>(60,270.66)</u>	
Net increase (decrease) in cash held	(58,517.50)	(5,288.48)
Cash at the beginning of the financial year	<u>528,189.41</u>	<u>383,574.67</u>
Cash held at 31 December 2007	<u><u>469,671.91</u></u>	<u><u>378,286.19</u></u>

The accompanying notes form part of these financial statements.

Mareeba & Dimbulah Financial Services Limited**ABN 53 115 503 930****Notes to the Financial Statements****For the period 1 July 2007 to 31 December 2007**

Note 1: Basis of Preparation of the Half-Year Financial Statements

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards AASB 134: Interim Financial Reporting, Urgent Issues Group Interpretations and other pronouncements of the Australian Accounting Standards Board. Compliance with AASB 134 ensure compliance with IAS 34 'Interim Financial Report'.

The half-year report has been prepared on historical cost basis, except for land and buildings, derivative financial instruments and available-for-sale financial assets which are measured at fair value. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise stated.

It is recommended that this financial report be read in conjunction with the annual report for the year ended 30 June 2007 and any public announcements made by Mareeba & Dimbulah Financial Services Ltd during the half-year in accordance with the continuous disclosure requirements arising under the Corporations Act 2001.

The half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the company as in the full financial report.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2007 annual financial report for the financial year ended 30 June 2007.

Mareeba & Dimbulah Financial Services Limited**ABN 53 115 503 930****Notes to the Financial Statements****For the period 1 July 2007 to 31 December 2007****31 Dec 2007****31 Dec 2006****Note 2: Dividends**

Distributions paid:

Final unfranked ordinary dividend paid on 1 October 2007 of 6 cents per share.

60,270.66

Note 3: Issued Capital

1,004,511 Ordinary shares at \$1.00 each fully paid.

1,004,511.00

1,004,511.00

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 4: 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 5: Contingent Assets and Liabilities

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

Note 6: Events Subsequent to Reporting Date

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

Note 7: Amortisation of Intangible Assets

An adjustment has been made to write back amortisation of the initial franchise fees and the start-up fees which were being amortised over five years.

Mareeba & Dimbulah Financial Services Ltd has been advised that these are not tax deductible items and an adjustment has been made in this financial period to the future tax benefit for the amortised amount. The total reversal to the future tax benefit balance is to reduce it by \$23,750.10 representing the tax rate of 30% on the amortisation write off of \$79,167.00.

Mareeba & Dimbulah Financial Services Limited

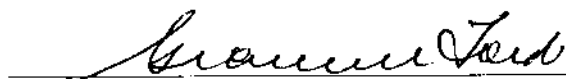
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Directors' Declaration

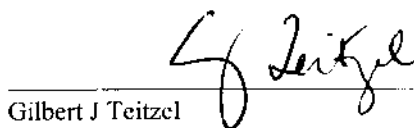
The directors of the company declare that:

1. the financial statements and notes set out on pages 6 to 11 are in accordance with the Corporations Act 2001, including:
 - (a) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the Company's financial position as at 31 December 2007 and of the performance, as represented by the results of its operations and cash flows for the half-year ended 31 December 2007.
2. At the date of this statement 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.



Graeme E Ford
Director



Gilbert J Teitzel
Director

Dated:

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Mareeba and Dimbulah Financial Services Ltd

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Mareeba and Dimbulah Financial Services Ltd which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Mareeba and Dimbulah Financial Services Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Mareeba and Dimbulah Financial Services Ltd on 5 March 2008 would be in the same terms if provided to the directors as at the date of this auditor's review report.

INDEPENDENT AUDITOR'S REVIEW REPORT (continued)**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Mareeba and Dimbulah Financial Services Ltd is not in accordance with the Corporations Act 2001 including:

- (a) the Corporations Act 2001, including:
- (i) giving a true and fair view of the company's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

Signed at Cairns on 5 March 2008.



WHK GREENWOODS (CAIRNS)



JASON TAYLOR
Partner