

Mareeba & Dimbulah Financial Services Limited
ABN 53 115 503 930

Financial Statements

For the period from 1 July 2008 to 31 December 2008

Mareeba & Dimbulah Financial Services Limited
ABN 53 115 503 930

Contents

Directors' Report	3
Auditor's Independence Declaration	5
Income Statement	6
Balance Sheet	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	12
Independent Review Report	13

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 2008. 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:

Graeme Eric Ford	Lex Starmer
Chairperson	Treasurer
Automotive Dealer	General Manager NQ Co-op Ltd
Philip Geoffrey Quayle	Gilbert James Teitzel
Director	Secretary
Business Owner	Accountant
Edward Balzarolo	Gianfranco De Iacovo
Director	Director
Farmer	Business Owner
Evan David McGrath	Cheryl Eileen Tonkin
Director	Director
Grazier	Civil Celebrant/Auctioneer
Wilfrid Ronald Blundell	Patrick John Freney
Director	Director
Property Developer/Farmer	Consultant
Peter Hans Apel	
Director (Appointed: 26/11/08)	
Solicitor	

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

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 not continued to perform in line with expectations. During the half year to 31 December the Company generated a profit of \$128,338.66 before tax.

The Board of Mareeba & Dimbulah Financial Services Limited wish to advise that as a result of the current economic situations, and specifically the squeeze on margin income, it is anticipated that there will be a significant drop in the forecasted profit for the company for the year ended 30 June 2009. The unaudited profit before income tax for the six months for 31 December 2008 is expected to be approximately 10% lower than the previous corresponding period.

Matters Subsequent to the End of the Reporting Period

No other 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.

Dividends


A fully franked dividend of \$0.07 per share was declared on 11 December 2008 and will be paid 30 January 2009.

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: 6th March 2009

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 2008 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 6 March 2009.



WHK GREENWOODS (CAIRNS)



JASON TAYLOR
Partner

Mareeba & Dimbulah Financial Services Limited
ABN 53 115 503 930
Income Statement
For the period 1 July 2008 to 31 December 2008

	31 Dec 2008	31 Dec 2007
	\$	\$
Revenues from ordinary activities	664,641.25	625,027.63
Administration and general costs	(98,488.21)	(87,471.55)
ATM expenses	(13,204.27)	(12,407.59)
Depreciation and amortisation expenses	(17,339.00)	42,964.37
IT leasing and running costs	(28,085.19)	(21,952.74)
Management fees	(60,082.60)	(120,165.20)
Occupancy costs	(44,402.99)	(45,859.16)
Secondment expenses	<u>(274,700.33)</u>	<u>(236,795.99)</u>
Profit from ordinary activities before income tax	128,338.66	143,339.77
Income tax revenue relating to ordinary activities	<u>(38,396.55)</u>	<u>(41,226.65)</u>
Net profit attributable to members of the company	<u>89,942.11</u>	<u>102,113.12</u>
Basic earnings per share (cents per share)	0.09	0.10
Diluted earnings per share (cents per share)	0.09	0.10

Mareeba & Dimbulah Financial Services Limited
ABN 53 115 503 930
Balance Sheet As At 31 December 2008

	31 Dec 2008	30 Jun 2008
	\$	\$
Current Assets		
Cash assets	668,164.40	526,719.48
Receivables	116,947.39	117,689.12
Other	5,254.87	4,904.69
Current tax assets	2,898.31	1,471.41
Total Current Assets	<u>793,264.97</u>	<u>650,784.70</u>
Non-Current Assets		
Property, plant and equipment	341,190.94	352,025.40
Intangible assets	190,000.00	190,000.00
Total Non-current assets	<u>531,190.94</u>	<u>542,025.40</u>
Total Assets	<u>1,324,455.91</u>	<u>1,192,810.10</u>
Current Liabilities		
Payables	81,096.13	77,894.03
Provisions	70,315.77	
Current tax liabilities	92,667.25	54,165.65
Total Current Liabilities	<u>244,079.15</u>	<u>132,059.68</u>
Total Liabilities	<u>244,079.15</u>	<u>132,059.68</u>
Net Assets	<u>1,080,376.76</u>	<u>1,060,750.42</u>
Equity		
Contributed equity	1,004,511.00	1,004,511.00
Retained profits	75,865.76	56,239.42
Total Equity	<u>1,080,376.76</u>	<u>1,060,750.42</u>

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 2008 to 31 December 2008

	Issued Capital	Retained Earnings	Total Equity
Balance at 1 July 2007	1,004,511.00	(76,783.86)	927,727.14
Shares Issued during year	-	-	-
Profit/(loss) attributable to the members of the company		193,293.94	193,293.94
Sub-total:	1,004,511.00	116,510.08	1,121,021.08
Dividends paid or provided for		(60,270.66)	(60,270.66)
Balance at 30 June 2008	1,004,511.00	56,239.42	1,060,750.42
Balance at 1 July 2008	1,004,511.00	56,239.42	1,060,750.42
Shares Issued during period	-	-	-
Profit/(loss) attributable to the members of the company		89,942.11	89,942.11
Sub-total:	1,004,511.00	146,181.53	1,150,692.53
Dividends paid or provided for		(70,315.77)	(70,315.77)
Balance at 31 December 2008	1,004,511.00	75,865.76	1,080,376.76

Mareeba & Dimbulah Financial Services Limited
ABN 53 115 503 930
Statement of Cash Flows
For the period 1 July 2008 to 31 December 2008

	31 Dec 2008 \$	31 Dec 2007 \$
Cash Flow From Operating Activities		
Receipts from customers	717,788.46	593,811.14
Payments to Suppliers and employees	(581,294.84)	(425,953.29)
Interest received	12,106.30	9,046.31
Net cash provided by (used in) operating activities	<u>148,599.92</u>	<u>176,904.16</u>
Cash Flow From Investing Activities		
Payment for:		
Payments for property, plant and equipment	(7,155.00)	(175,771.00)
Proceeds from disposal of:		
Proceeds from sale of property	<u> </u>	<u>620.00</u>
Net cash provided by (used in) investing activities	<u>(7,155.00)</u>	<u>(175,151.00)</u>
Cash Flow From Financing Activities		
Dividends paid	<u> </u>	<u>(60,270.66)</u>
Net cash provided by (used in) financing activities	<u> </u>	<u>(60,190.66)</u>
Net increase (decrease) in cash held	141,444.92	(58,517.50)
Cash at the beginning of the year	<u>526,719.48</u>	<u>528,189.41</u>
Cash held at 31 December	<u><u>668,164.40</u></u>	<u><u>469,671.91</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 2008 to 31 December 2008

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 ensures 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 2008 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 2008 annual financial report for the financial year ended 30 June 2008.

Mareeba & Dimbulah Financial Services Limited
ABN 53 115 503 930
Notes to the Financial Statements
For the period 1 July 2008 to 31 December 2008

	2009	2008
<hr/>		
Note 2: Issued Capital		
1,004,511 ordinary shares at \$1.00 each fully paid.	<u>1,004,511.00</u>	<u>1,004,511.00</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 3: 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 4: Contingent Assets and Liabilities

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

Note 5: 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.

Mareeba & Dimbulah Financial Services Limited
ABN 53 115 503 930
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, and:
 - (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 2008 and of its performance, as represented by the results of its operations and cash flows for the half-year ended 31 December 2008.
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 2008, 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 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of 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 6 March 2009 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 2008 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 6 March 2009.



WHK GREENWOODS (CAIRNS)



JASON TAYLOR
Partner