

North Ryde
Community Finance Limited
Financial Statements
as at
31 December 2006

North Ryde Community Finance Limited
ABN 74 112 673 506
Directors' Report

Your Directors submit the financial report of the company for the half-year ended 31 December 2006.

Directors

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

Graham John McMaster

Russell Milton Robinson

Helen Patricia Perrin

Phillip Warren Perrin ("Steve")

John Francis Booth AM

Ulrike Eichmeyer

Ivan John Petch

Robert John Talbot

Phillip Matthew Walker

Principal activities

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

Review and results of operations

Operations have continued to perform in line with expectations. The net loss of the company for the financial period was: (\$6,912) (2005: (\$100,291)).

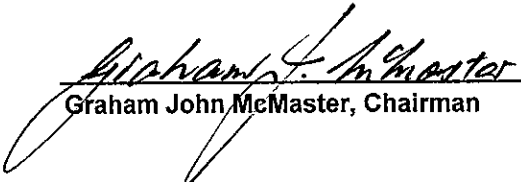
Matters subsequent to the end of the reporting period

There are no 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.

Auditor's independence declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 2.

Signed in accordance with a resolution of the Board of Directors at North Ryde
on 22 February 2007.


Graham John McMaster, Chairman


Russell Milton Robinson, Director

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the directors of North Ryde Community Finance Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the financial period ended 31 December 2006 there have been:

- ✓ no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review and
- ✓ no contraventions of any applicable code of professional conduct in relation to the review.



David Hutchings
Auditor

Andrew Frewin & Stewart
Bendigo, Victoria

Dated: 22 February 2007

North Ryde Community Finance Limited
ABN 74 112 673 506
Income Statement
for the half-year ended 31 December 2006

	2006	2005
	\$	\$
Revenue from ordinary activities	174,454	36,485
Other revenue	11,766	12,583
Salaries and employee benefit expense	(112,402)	(91,858)
Occupancy and associated costs	(32,316)	(31,274)
Systems costs	(10,323)	(9,644)
General administration expenses	(35,156)	(45,777)
Depreciation and amortisation expense	(12,389)	(10,808)
	<hr/>	<hr/>
Loss before income tax credit	(16,366)	(140,293)
Income tax credit	9,454	40,002
	<hr/>	<hr/>
Loss for the period	(6,912)	(100,291)
	<hr/>	<hr/>
Loss attributable to members of the entity	<u>(6,912)</u>	<u>(100,291)</u>
	<hr/>	<hr/>
Earnings per Share		
	<u>¢</u>	<u>¢</u>
Earnings per share for the period were:	(1)	(10)

The accompanying notes form part of these financial statements.

North Ryde Community Finance Limited
ABN 74 112 673 506
Balance Sheet
as at 31 December 2006

	31-Dec 2006 \$	30-Jun 2006 \$
ASSETS		
Current Assets		
Cash assets	435,907	454,077
Trade and other receivables	21,128	7,900
Total Current Assets	<u>457,035</u>	<u>461,977</u>
Non-Current Assets		
Property, plant and equipment	192,922	200,249
Intangibles	41,000	47,000
Deferred tax assets	97,047	87,593
Total Non-Current Assets	<u>330,969</u>	<u>334,842</u>
Total Assets	<u>788,004</u>	<u>796,819</u>
Current Liabilities		
Trade and other payables	9,003	13,307
Provisions	5,656	3,255
Total Current Liabilities	<u>14,659</u>	<u>16,562</u>
Total Liabilities	<u>14,659</u>	<u>16,562</u>
Net Assets	<u>773,345</u>	<u>780,257</u>
Equity		
Contributed equity	1,012,038	1,012,038
Accumulated losses	(238,693)	(231,781)
Total Equity	<u>773,345</u>	<u>780,257</u>

The accompanying notes form part of these financial statements.

North Ryde Community Finance Limited
ABN 74 112 673 506
Statement of Changes in Equity
for the half-year ended 31 December 2006

	2006	2005
	\$	\$
Total equity at the beginning of the period	780,256	720,073
Net profit/(loss) for the period	(6,912)	(100,291)
Net income/expense recognised directly in equity	-	-
Dividends provided for or paid	-	-
Shares issued during period	-	134,200
Total equity at the end of the period	<u>773,344</u>	<u>753,982</u>

The accompanying notes form part of these financial statements.

North Ryde Community Finance Limited
ABN 74 112 673 506
Cash Flow Statement
for the half-year ended 31 December 2006

	2006	2005
	\$	\$
Cash Flows From Operating Activities		
Receipts from customers	177,837	24,820
Payments to suppliers and employees	(207,022)	(126,534)
Interest received	11,015	12,583
Net cash used in operating activities	<u>(18,170)</u>	<u>(89,131)</u>
Cash Flows From Investing Activities		
Payments for property, plant and equipment	(9,377)	-
Net cash used in investing activities	<u>(9,377)</u>	<u>-</u>
Cash Flows From Financing Activities		
Proceeds from issues of equity securities	-	134,200
Net cash provided by financing activities	<u>-</u>	<u>134,200</u>
Net increase in cash held	(18,170)	45,069
Cash at the beginning of the financial year	454,077	410,622
Cash at the end of the half-year	<u><u>435,907</u></u>	<u><u>455,691</u></u>

The accompanying notes form part of these financial statements .

North Ryde Community Finance Limited
ABN 74 112 673 506
Notes to the financial statements
for the half-year ended 31 December 2006

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

Statement of compliance

The half-year financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The financial report also complies with the IFRSs and interpretations adopted by the International Accounting Standards Board.

Basis of accounting

The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent financial report and any public pronouncements made by the company during the period.A19

The accounting policies set out below have been applied in preparing the financial statements for the half-year ended 31 December 2006. All accounting policies are consistent with those applied in the 30 June 2006 financial statements except as set out below.

2. Events subsequent to Reporting Date

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

3. Contingent Assets and Liabilities

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

4. Segment Reporting

The economic entity operates in the financial services sector where it provides banking services to its clients. The economic entity operates in one geographic area being North Ryde and district, New South Wales.

5. Contributed equity

	2006	2005
	\$	\$
1,058,759 Ordinary shares of \$1 each (2005: 967,010)	1,058,759	967,010
Less: equity raising expenses	(46,721)	(46,721)
	<u>1,012,038</u>	<u>920,289</u>

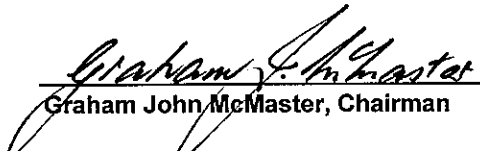
North Ryde Community Finance Limited
ABN 74 112 673 506
Directors' Declaration

In the opinion of the directors of North Ryde Community Finance Limited ("the Company"):

- 1 The financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - (a) giving a true and fair view of the financial position of the entity as at 31 December 2006 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
- 2 there are reasonable grounds to believe that the disclosing entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors


Graham John McMaster, Chairman

Dated this 22nd day of February 2007


Russell Milton Robinson, Director

Independent Review Report to the Members of North Ryde Community Finance Limited

Scope

We have reviewed the accompanying financial report of North Ryde Community Finance Limited comprising the balance sheet, income statement, statement of changes in equity, cash flow statement, accompanying notes 1 – 5 to the financial statements and the directors' declaration for the entity for the half-year ended 31 December 2006.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the interim 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 an opinion on the interim 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 interim financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2006 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of North Ryde Community Finance Limited is not in accordance with Corporations Act 2001, including:

- i. giving a true and fair view of the entity's financial position as at 31 December 2006 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.



David Hutchings Partner
BENDIGO 22 February 2007