

388

1/2

18 March 2002

ASIC registered agent number 9984

lodging party or agent name AFS & ASSOCIATES PTY LTD

office, level, building name or PO Box no.

street number & name 61 - 65 BULL STREET

suburb/city BENDIGO

state/territory

VIC

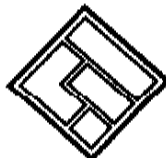
postcode 3550

telephone (03) 5443 0344

facsimile (03) 5443 5304

DX number

suburb/city

COPYASS. ☐ REG-A ☐
CASH. ☐ REG-P ☐
PROC. ☐

Australian Securities & Investments Commission

copy of financial statements and reports**form 388**

Corporations Act 2001

294, 295, 298-300, 307, 308, 319, 321, 322

Corporations Regulations

1.0.00

Name Redcliffe Peninsula Financial Services Limited

ACN / ARBN / ARSN/PIN 109 123 677

Reason for lodgement of statements and reports

- tick the appropriate box ☒ A public company or a disclosing entity which is not a registered scheme or prescribed interest undertaking (A)
- ☐ A registered scheme* (B)
- ☐ Amendment of financial statements or directors' report (company) (C)
- ☐ Amendment of financial statements or directors' report (registered scheme)* (D)
- ☐ A large proprietary company that is not a disclosing entity (H)
- ☐ A small proprietary company that is controlled by a foreign company for all or part of the period and where the company's profit or loss for the period is not covered by the statements lodged with ASIC by a registered foreign company, company, registered scheme, or disclosing entity (I)
- ☐ A small proprietary company that is requested by ASIC to prepare and lodge statements and reports (J)
- ☐ A prescribed interest undertaking that is a disclosing entity (K)

Dates on which financial year begins 1 / 7 / 2004 and ends 30 / 6 / 2005 (d/m/y)

Date of Annual General Meeting (if applicable) 15 / 11 / 2005

Details of large proprietary company

If the company is a large proprietary company that is not a disclosing entity, please complete the following information as at the end of the financial year for which the financial statements relate:

- A What is the consolidated gross operating revenue of the large proprietary company and the entities that it controls?
[]
- B What is the value of the consolidated gross assets of the large proprietary company and the entities that it controls?
[]
- C How many employees are employed by the large proprietary company and the entities that it controls?
[]
- D How many members does the large proprietary company have?.....

Auditor reportWere the financial statements audited? Yes ☒ No ☐

If yes, Does the auditor's report (section 308) for the financial year contain a statement of:

- reasons for the auditor not being satisfied as to the matters referred to in section 307? Yes ☐ No ☒
- details of the deficiency, failure or shortcoming concerning any matter referred to in section 307? Yes ☐ No ☒

If no: Is there a class order exemption current for audit relief?

Yes ☐ No ☐

* NOTE: Where a new auditor has been appointed to a Registered Scheme, Form 5137 - Appointment of Scheme Auditor must be lodged

388 2/2 18 March 2002

Details of current auditor*

The auditor can be a person or a firm.

If a person

name (family & given names)

Auditor Registration no:

office

level

building name

street number & name

suburb / city

state / territory

postcode

date of appointment (d/m/y)

/ /

or

If a firm

name of firm

ANDREW FREWIN STEWART

office

level

building name

street number & name

61 - 65 BULL STREET

suburb / city

BENDIGO

state / territory VIC

postcode 3550

Business Registration number

(if applicable)

State / Territory registered in

date of appointment (d/m/y)

8 / 7 / 2004

Statements and reports to be attached to this form

Financial statements for the year (as per ss295(2))

statement of financial performance for the year (profit and loss statement)

statement of financial position as at the end of the year (balance sheet)

statement of cash flows for the year

if required by accounting standards - consolidated profit & loss statement, balance sheet and statement of cash flows

Notes to financial statements (as per ss295(3))

disclosures required by the regulations

notes required by the accounting standards

any other information necessary to give a true and fair view (see s297)

The directors' declaration about the statements and notes (as per ss 295(4))

The directors' report for the year (as per s 298 to 300)

Auditor's report required under sections 308 and 314

CertificationI certify that the attached documents marked (1) are a true copy of the annual reports required under Section 319.

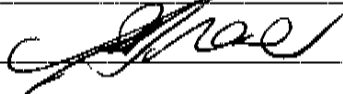
print name

WILLIAM REGINALD FRASER

capacity

DIRECTOR

sign here



date

23/9/05

* NOTE: Where a new auditor has been appointed to a Registered Scheme, **Form 5137 - Appointment of Scheme Auditor** must be lodged

Small Business (less than 20 employees), please provide an estimate of the time taken to complete this form

Include

- The time actually spent reading the instructions, working on the question and obtaining the information
- The time spent by all employees in collecting and providing this information

hrs

mins

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Directors' Report

Your Directors submit the financial report of the company for the financial year ended 30 June 2005.

Directors

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

<p>William Pierre Hoogwaerts Chairman Age: 67 Occupation : Self Employed - Business Promotions Experience and expertise: Bill has been in business for 23 years, principally in fund raising activities. He has been Chairman of the Company since it was formed. Other current directorships : Nil Former Directorships In last 3 years : Nil Special responsibilities : Chairman of the Board; Marketing Committee (Chairman); and Corporate Governance & Audit Committee (Member). Interests in shares : 5,501 Ordinary Shares</p>	<p>Christopher Robin O'Dare Director Age: 48 Occupation : Self Employed Director Experience and expertise: Chris is a qualified Carpenter and Licensed Builder. He is the Managing Director of Cavaller Homes (Aust) Pty Ltd. Other current directorships: Nil Former Directorships In last 3 years: Nil Special responsibilities: Member of the Marketing and Corporate Governance & Audit Committee. Interests in shares : 1 Ordinary Share</p>
<p>Norman John Bowles Director Age: 60 Occupation : Self Employed Experience and expertise: Engineer in lighting, and later as a Quality Assurance Consultant. Other current directorships : Nil Former Directorships in last 3 years : Nil Special responsibilities: Company Secretary and member of the Marketing Committee. Interests in shares : 1 Ordinary Share</p>	<p>William Reginald Fraser Director Age: 52 Occupation : Self Employed Managing Director Experience and expertise: Director of Will Fraser & Co Pty Ltd, Certified Practising Accountants and Financial Planners. Founding Director. Other current directorships: Nil Former Directorships in last 3 years : Nil Special responsibilities: Company Treasurer and Chair of the Corporate Governance & Audit Committee. Interests in shares : 1,501 Ordinary Shares</p>
<p>Serge Paggiaro Director Age: 55 Occupation : Company Director Experience and expertise: Partner in a tour wholesale company, running golf tours to Asia and the Pacific region. Founding Director. Other current directorships: Nil Former Directorships In last 3 years: Nil Special responsibilities: Chair of the Human Resources and Public Relations Committees. Interests in shares : 1 Ordinary Share</p>	<p>Robert James Orr Director Age: 53 Occupation : Self Employed Director Experience and expertise: Owner of a retail stationery business for 14 years. Founding Director. Other current directorships: Nil Former Directorships in last 3 years : Nil Special responsibilities: Member of the Human Resources Committee. Interests in shares : 6,501 Ordinary Shares</p>
<p>Kevin James Hughes Director Age: 48 Occupation : State Government Protection <i>(Resigned 28 February 2005)</i> Experience and expertise: Served in the RAAF and flew as a commercial pilot. Other current directorships : Nil Former Directorships in last 3 years : Nil Special responsibilities : Nil Interests in shares : 1,501 Ordinary Shares</p>	<p>Noel George Little Director Age: 58 Occupation : Self Employed Manager Experience and expertise: Proprietor of a Caravan and Camping Equipment retail store. Other current directorships : Nil Former Directorships in last 3 years : Nil Special responsibilities: Nil Interests in shares : 3,501 Ordinary Shares</p>
<p>Stephen John Hart Director Age: 53 Occupation : Manager <i>(Resigned 28 February 2005)</i></p>	<p>Lesley Frances Parker Director Age: 61 Occupation : Self Employed <i>(Appointed 29 March 2005)</i></p>

Redcliffe Peninsula Financial Services Limited**ABN 66 109 123 677****Directors' Report**

Experience and expertise: Manager of the Redcliffe and Bayside Herald.

Other current directorships : Nil

Former Directorships in last 3 years : Nil

Special responsibilities : Company Secretary to 28 February 2005.

Interests in shares : 1,001 Ordinary Shares

Experience and expertise: Proprietor of a Health Food retail business.

Other current directorships : Nil

Former Directorships in last 3 years : Nil

Special responsibilities: member of the Marketing Committee.

Interests in shares : 2,500 Ordinary Shares

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 Norman John Bowles. Norman was appointed to the position of Secretary on 28 February 2005. Norm is a founding Director and accepted appointment as Secretary following the resignation of Steve Hart. He is a Director of Deneg Pty Ltd and is a former Lighting Engineer and Quality Assurance Consultant.

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

The bank branch opened and commenced trading on 7 December 2004.

Operations have continued to perform in line with expectations. The loss of the company for the financial year after provision for Income tax was \$136,295 (2004: (\$0)).

Remuneration Report

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

The Manager of the Bank receives a gross remuneration of \$58,066. Performance incentives do not form any part of the Manager's remuneration. He also receives employer superannuation support.

Dividends

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

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.

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.

Likely Developments

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

Environmental Regulation

The company is not subject to any significant environmental regulation

Directors' Benefits

Except for William Reginald Fraser, no Director has received or become entitled to receive, during or since the financial year, a benefit

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Directors' Report

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 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. William Reginald Fraser is the Sole Director of an accounting practice, Will Fraser & Co Pty Ltd, which provides accounting and taxation services to the company. Monthly fees charged for these services amount to \$275 (incl. GST).

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.

Directors Meetings

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

	Number of Board Meetings eligible to attend	Number attended
William Pierre Hoogwaerts	14	14
Norman John Bowles	14	12
Serge Pagliaro	14	12
Kevin James Hughes	10	5
<i>(Resigned 28 February 2005)</i>		
Stephen John Hart	10	5
<i>(Resigned 28 February 2005)</i>		
Christopher Robin O'Dare	14	5
William Reginald Fraser	14	10
Robert James Orr	14	13
Noel George Little	14	13
Lesley Parker	3	3
<i>(Appointed 29 March 2005)</i>		

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 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:

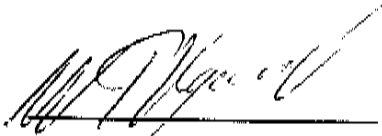
all non-audit services have been reviewed to ensure they do not impact on the impartiality and objectivity of the auditor;

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.

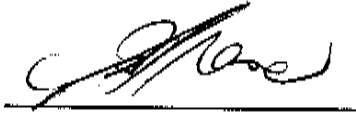
A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Directors' Report

Signed in accordance with a resolution of the Board of Directors at Redcliffe
on 22nd August 2005.



William Pierre Hoogwaerts
Chairman



William Reginald Fraser
Director

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Auditor's Declaration



12 September 2005

Auditor's Independence Declaration

As lead auditor for the audit of Redcliffe Peninsula Financial Services 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 Redcliffe Peninsula Financial Services Limited

David Hutchings
Auditor

Andrew Frewin & Stewart
Bendigo
VIC 3550

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

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Statement of Financial Performance
for the year ended 30 June 2005

	<u>Notes</u>	2005 \$	2004 \$
Revenues from ordinary activities	2	54,329	-
General administration expenses		(71,301)	-
Salaries and employee benefits expense		(126,899)	-
Advertising and promotion expenses		(583)	-
Occupancy and associated costs		(12,946)	-
Depreciation and amortisation expense	3	(14,823)	-
Borrowing cost expense	3	(87)	-
Other expenses from ordinary activities		(19,495)	-
Profit/(Loss) from ordinary activities before income tax expense/credit		(191,805)	-
Income tax expense/credit relating to ordinary activities	4	55,510	-
Profit/(Loss) from ordinary activities after income tax expense/credit		(136,295)	-
Total changes in equity other than those resulting from transactions with owners as owners		(136,295)	-

The accompanying notes form part of these financial statements

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Statement of Financial Position
as at 30 June 2005

	<u>Notes</u>	2005 \$	2004 \$
Current Assets			
Cash assets	5	167,857	-
Receivables	6	-	-
Prepayments		31,173	-
Total Current Assets		<u>199,031</u>	<u>-</u>
Non-Current Assets			
Property, plant and equipment	7	196,617	-
Intangibles	8	54,465	-
Deferred tax assets	9	55,510	-
Total Non-Current Assets		<u>306,592</u>	<u>-</u>
Total Assets		<u>505,623</u>	<u>-</u>
Current Liabilities			
Payables	10	20,214	-
Interest bearing liabilities	11	-	-
Current tax payable	4	7,690	-
Provisions	12	-	-
Share Applications		19,000	-
Total Current Liabilities		<u>31,524</u>	<u>-</u>
Total Liabilities		<u>31,524</u>	<u>-</u>
Net Assets		<u>474,098</u>	<u>-</u>
Equity			
Contributed equity	13	630,909	-
Preliminary Expenses		-	-
Retained profits/(Accumulated losses)	14	(136,295)	-
Total Equity		<u>474,098</u>	<u>-</u>

The accompanying notes form part of these financial statements

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Statement of Cashflows
for the year ended 30 June 2005

	<u>Notes</u>	2005 \$	2004 \$
Cash Flows From Operating Activities			
Cash received in the course of operations		37,369	
Cash paid in the course of operations		(236,868)	
Interest received		3,955	
Interest paid		(87)	
Net cash provided by/(used in) operating activities	15(a)	(195,630)	-
Cash Flows From Investing Activities			
Payment for intangible assets		61,238	
Purchase of property plant and equipment		204,668	
Net cash provided by/(used in) investing activities		265,906	-
Cash Flows From Financing Activities			
Proceeds of share issues		630,909	
Proceeds from share applications		19,000	
Payment of share issue costs		(20,516)	
Dividends Paid		-	
Net cash provided by financing activities		629,393	-
Net increase/(decrease) in cash held		167,857	
Cash at the beginning of the financial year		-	
Cash at the end of the financial year	15(b)	167,857	-

The accompanying notes form part of these financial statements

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
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.

The accounting policies are consistent with the previous year.

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.

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Notes to the Financial Statements
for the year ended 30 June 2005

1. Summary of significant accounting policies (continued)

Employee entitlements

The provision for employee benefits 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 on undiscounted amounts based on wage and salary rates expected to be paid 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.

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>
Plant and equipment	2.5 - 25
Furniture and fittings	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).

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Notes to the Financial Statements
for the year ended 30 June 2005

1. Summary of significant accounting policies (continued)

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.

Interest Bearing Liabilities

All loans are measured at the principal amount. Interest is recognised as an expense as it accrues.

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.

Contributed Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

2. Revenue from ordinary activities

Operating activities:

- services commissions
- other revenue

Total revenue from operating activities

Non-operating activities:

- interest received
- rental revenue

Total revenue from non-operating activities

Total revenues from ordinary activities

	2005 \$	2004 \$
	50,374	-
	-	
	<u>50,374</u>	<u>-</u>
	3,955	
	-	
	<u>3,955</u>	<u>-</u>
	<u>54,329</u>	<u>-</u>

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677

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

	2005	2004
	\$	\$
3. Expenses		
Depreciation of non-current assets:		
- plant and equipment	6,545	
- leasehold improvements	1,506	
Amortisation of non-current assets:		
- intangibles	6,773	
	<u>14,823</u>	<u>-</u>
Borrowing expenses:		
- interest paid	87	
	<u>-</u>	<u>-</u>
Bad debts	<u>-</u>	<u>-</u>
4. Income tax expense		
The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Operating Profit/(Loss)	-191805	
Prima facie tax on profit/(loss) from ordinary activities at 30%	(57,542)	
Add tax effect of:		
- non-deductible expenses	2,119	
Income tax expense on operating profit/(loss)	<u>(55,423)</u>	<u>-</u>
5. Cash assets		
Cash at bank and on hand	<u>167,657</u>	<u>-</u>
6. Receivables		
Trade receivables	13,005	
Prepayments	31,173	
	<u>44,178</u>	<u>-</u>
7. Property, plant and equipment		
<i>Office furniture and equipment</i>		
At cost	97,949	
Less accumulated depreciation	(6,545)	
	<u>91,403.80</u>	<u>-</u>
<i>Leasehold improvements</i>		
At cost	106,719.00	
Less accumulated depreciation	<u>- 1,505.77</u>	<u>-</u>
	<u>105,213.23</u>	<u>-</u>
Total written down amount	<u>196,617.03</u>	<u>-</u>

Redcliffe Peninsula Financial Services Limited**ABN 66 109 123 677****Notes to the Financial Statements
for the year ended 30 June 2005**

	2005	2004
	\$	\$
7. Property, plant and equipment (continued)		
Movements in carrying amounts:		
<i>Office furniture and equipment</i>		
Carrying amount at beginning	0	
Additions	97,948.80	
Disposals	-	
Less: depreciation expense	(6,545)	
Carrying amount at end	<u>91,403.80</u>	<u>-</u>
<i>Leasehold improvements</i>		
Carrying amount at beginning	-	
Additions	106,719.00	
Disposals	-	
Less: depreciation expense	- 1,505.77	
Carrying amount at end	<u>105,213.23</u>	<u>-</u>
8. Intangible assets		
<i>Franchise Fee</i>		
At cost	60,000.00	
Less: accumulated amortisation	- 6,772.57	
	<u>53,227.43</u>	<u>-</u>
9. Defferred Tax Benefit		
Future income tax benefit	55,510	
Tax losses - revenue	-	
	<u>-</u>	<u>-</u>
10. Payables		
Trade Creditors	33,219	
Other creditors & accruals	-	
	<u>33,218.90</u>	<u>-</u>
11. Current Interest Bearing Liabilities		
Bank overdraft	-	
	<u>-</u>	<u>-</u>
12. Provisions		
Employee provisions	-	
	<u>-</u>	<u>-</u>
Number of employees at year end	0	
	<u>0</u>	<u>-</u>
13. Contributed equity		
630,909 Ordinary shares fully paid of \$1 each	630,909	
Less preliminary expenses	(20,516)	
	<u>610,393</u>	<u>-</u>

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677

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

14. Retained Earnings / Accumulated Losses

Balance at the beginning of the financial year
 Net profit/(loss) from ordinary activities after income tax
 Dividends Paid

Balance at the end of the financial year

2005
\$

2004
\$

-
 (136,295)
 -
 (136,295)

-
 -
 -
 -

15. Statement of cashflows

(a) Reconciliation of cash

Cash at bank and on hand
 Bank overdraft

167,857

-

167,857

-

**(b) Reconciliation of loss from ordinary activities after tax to
 net cash provided by/(used in) operating activities**

Profit/(Loss) from ordinary activities after income tax

(136,295)

Non cash items:

- Income Tax Expense
 - depreciation
 - amortisation

(55,510)

5,005

9,818

Changes in assets and liabilities:

- (increase)/decrease in receivables
 - (increase)/decrease in other assets
 - increase/(decrease) in payables

(13,005)

(38,863)

33,219

Net cashflows provided by/(used in) operating activities

(195,630)

-

16. Auditors' remuneration

Amounts received or due and receivable by the
 auditor of the company for:

- audit & review services
 - other services in relation to the company

-

-

-

-

17. Director and Related party disclosures

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

William Pierre Hoogwaerts
 Norman John Bowles
 Serge Paggiaro
 Christopher Robin O'Dare
 Kevin James Hughes
 William Reginald Fraser
 Robert James Orr
 Noel George Little
 Stephen John Hart

No director or related entity has entered into a material contract with the company. No director's fees have been paid as the positions are held on a voluntary basis.

Redcliffe Peninsula Financial Services Limited**ABN 66 109 123 677****Notes to the Financial Statements****for the year ended 30 June 2005****17. Director and Related party disclosures (continued)**

Directors shareholdings	2005	2004
William Pierre Hoogwaerts	5,501	-
Norman John Bowles	1	-
Serge Paggiaro	1	-
Christopher Robin O'Dare	1	-
Kevin James Hughes	1,501	-
William Reginald Fraser	1	-
Robert James Orr	6,501	-
Noel George Little	3,501	-

There was no movement in directors shareholdings during the year. Each share held is valued at \$1 and is fully paid.

18. Earnings per Share

	<u>C</u>	<u>C</u>
Earnings/(Losses) per share for the financial year were:	21.60	-

19. 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.

In the Company's opinion, no material impacts are expected in relation to the financial report for the year ended 30 June 2005. There are no impacts to be disclosed.

Impact on the statements of financial performance

Nil

Impact on the statements of financial position

Nil

Note: Impacts of adopting Australian equivalents to IFRS (cont'd)

Note explaining the impacts on the statements of financial performance and statements of financial position.

19 (a) 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.

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677

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

19. International Financial Reporting Standards - Impact of adopting Australian equivalents to IFRS (Continued...)

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.

20. Subsequent events

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

21. Contingent liabilities

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

22. 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 Redcliffe, Queensland.

23. Registered office/Principal place of business

The registered office and principal place of business is: Shop 1A, 300 Oxley Avenue, Margate Qld 4019.

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Notes to the Financial Statements for the year ended 30 June 2005

24. 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

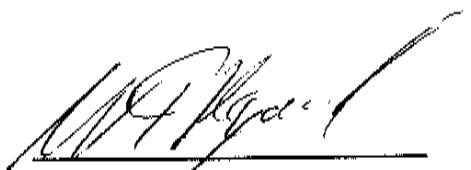
Financial Instrument	Floating Interest rate		Fixed interest rate maturing in						Non interest bearing		Weighted average effective interest rate	
			1 year or less		Over 1 to 5 years		Over 5 years					
			2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$				
Financial assets												
Cash assets	167,857.00	-	-	-	-	-	-	-	-	-	-	-
Receivables	13,005.00	-	-	-	-	-	-	-	-	-	-	N/A
Financial liabilities												
Interest bearing liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Payables	33,219.00	-	-	-	-	-	-	-	-	-	-	N/A

Redcliffe Peninsula Financial Services Limited
ABN 66 109 123 677
Notes to the Financial Statements
for the year ended 30 June 2003

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.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer, as required by Section 295A of the Corporations Act 2001.



William Pierre Hoogwaerts, Chairman



William Reginald Fraser, Director

Signed on 22nd day of August 2005.



INDEPENDENT AUDIT REPORT

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To the members of Redcliffe Peninsular Financial Services Limited

Scope

We have audited the financial report of Redcliffe Peninsular Financial Services 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 Redcliffe Peninsular Financial Services 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 this 13th day of September 2005