

Sandringham Community Financial Services Limited
ABN 86 099 131 192
Condensed Balance Sheet
as at 31 December 2007

	31-Dec 2007 \$	30-Jun 2007 \$
Current Assets		
Cash assets	430,134	433,788
Receivables	70,262	50,323
Total Current Assets	<u>500,396</u>	<u>484,111</u>
Non-Current Assets		
Property, plant and equipment	78,253	79,893
Deferred income tax asset	-	2,924
Intangibles	46,667	-
Total Non-Current Assets	<u>124,920</u>	<u>82,817</u>
Total Assets	<u>625,316</u>	<u>566,928</u>
Current Liabilities		
Payables	29,711	39,148
Provisions	27,843	16,322
Income tax payable	15,844	-
Total Current Liabilities	<u>73,398</u>	<u>55,470</u>
Total Liabilities	<u>73,398</u>	<u>55,470</u>
Net Assets	<u>551,918</u>	<u>511,458</u>
Equity		
Issued capital	573,408	573,408
Accumulated losses	(21,490)	(61,950)
Total Equity	<u>551,918</u>	<u>511,458</u>

Sandringham Community Financial Services Limited
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Condensed Cash Flow Statement
for the half-year ended 31 December 2007

	2007	2006
	\$	\$
Cash Flows From Operating Activities		
Cash receipts in the course of operations	316,789	290,547
Cash payments in the course of operations	(272,862)	(201,255)
Interest received	9,019	6,396
	<u>52,946</u>	<u>95,688</u>
Net cash flows from (used in) operating activities		
Cash Flows From Investing Activities		
Purchase of intangible assets	(50,000)	-
Purchase of property, plant & equipment	(6,600)	(9,119)
	<u>(56,600)</u>	<u>(9,119)</u>
Net cash flows from (used in) operating activities		
Net increase (decrease) in cash held	(3,654)	86,569
Opening cash brought forward	433,788	260,350
Closing cash carried forward	<u><u>430,134</u></u>	<u><u>346,919</u></u>

Sandringham Community Financial Services Limited
ABN 86 099 131 192
Condensed Statement of Changes in Equity
for the half-year ended 31 December 2007

	Issued Capital \$	Retained Earnings \$	Total Equity \$
As at 1 July 2007	573,408	(61,950)	511,458
Net profit for the period	-	40,460	40,460
Issue of share capital	-	-	-
Equity dividends	-	-	-
As at 31 December 2007	<u>573,408</u>	<u>(21,490)</u>	<u>551,918</u>

	Issued Capital \$	Retained Earnings \$	Total Equity \$
As at 1 July 2006	573,408	(151,314)	422,094
Net profit for the period	-	46,024	46,024
Issue of share capital	-	-	-
Equity dividends	-	-	-
As at 31 December 2006	<u>573,408</u>	<u>(105,290)</u>	<u>468,118</u>

Sandringham Community Financial Services Ltd
ABN 86 099 131 192
Directors' Report

Your Directors submit their report of the company for the half year ended 31 December 2007.

Directors

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

Renate Lange
Chair
Business proprietor

Terence Leo Earle
Director
Business proprietor

David Marshall
Director
Business proprietor

Campbell John Sinclair
Director
Company Director

Helen Beverley Worlidge
Director
Author and educator

Frederick John Craven Stringer
Director
Retired

Michael Davies (appointed 29 January 2008)
Director
Company Director

Glenyss Barnes (appointed 29 January 2008)
Director
Management Consultant

Gwendoline Zammit (resigned 29 January 2008)
Director and Treasurer
Business Manager

Directors were in office for this entire period unless otherwise stated.

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 profit of the company for the financial period was \$40,460 (2006: \$46,024).

Matters subsequent to the end of the reporting period

At its Annual General Meeting held on 22 November 2007, the Company resolved to make a return of capital of 9 cents per share. Payment date was 29 February 2008 and \$54,901 was paid. Other than the above, 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.

Sandringham Community Financial Services Ltd
ABN 86 099 131 192
Directors' Report

Auditor Independence Declaration

The directors received the following independence declaration from the auditor of the company:

Richmond Sinnott & Delahunty
Chartered Accountants



172-176 McIvor Rd
PO Box 30
Bendigo. 3552
Ph. 03 5443 1177
Fax. 03 5444 4344
E-mail: rsd@rsd advisors.com.au

Auditor's Independence Declaration

In relation to our review of the financial report of Sandringham Community Financial Services Ltd for the half year ended 31 December 2007, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Warren Sinnott
Partner
Richmond Sinnott & Delahunty
Bendigo
11 March 2008

Signed in accordance with a resolution of the Directors at Sandringham
on 11 March 2008.

Renate Lange, Chairman

Sandringham Community Financial Services Limited
ABN 86 099 131 192
Directors Declaration
for the half-year ended 31 December 2007

In accordance with a resolution of the directors of Sandringham Community Financial Services Ltd,
I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the company:
 - (i) give a true and fair view of the company's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and
 - (ii) comply with Accounting Standard AASB 134, "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Renate Lange, Chairman

Signed in Sandringham, Victoria on this 11th day of March 2008

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Sandringham Community Financial Services Ltd
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In relation to our review of the financial report of Sandringham Community Financial Services Ltd for the half year ended 31 December 2007, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Warren Sinnott
Partner
Richmond Sinnott & Delahunty
Bendigo
11 March 2008

Signed in accordance with a resolution of the Directors at Sandringham
on 11 March 2008.

Renate Lange, Chairman

Sandringham Community Financial Services Limited
ABN 86 099 131 192
Notes to the Financial Statements
for the half-year ended 31 December 2007

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

(a) Basis of accounting

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

The half year financial report should be read in conjunction with the annual financial report of Sandringham Community Financial Services Ltd as at 30 June 2007. It is also recommended that this half year financial report be considered together with any public announcements made by Sandringham Community Financial Services Ltd during the half year ended 31 December 2007 in accordance with any continuous disclosure obligations arising under the Corporations Act 2001.

The half year financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

For the purpose of preparing the half year financial statements the half year has been treated as a discrete reporting period.

(b) Statement of compliance

The half year financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the half year financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

(c) Summary of significant accounting policies

The accounting policies have been consistently applied and are consistent with those applied in the 30 June 2007 financial statements.

2. Events subsequent to Reporting Date

At its Annual General Meeting held on 22 November 2007, the Company resolved to make a return of capital of 9 cents per share. Payment date was 29 February 2008 and \$54,901 was paid. There have been no other events subsequent to reporting date that would materially effect the financial statements at the reporting date.

3. Contingent Assets and Liabilities

Since the last annual reporting date there has been no material change of any contingent assets or contingent liabilities.

Sandringham Community Financial Services Limited
ABN 86 099 131 192
Notes to the Financial Statements
for the half-year ended 31 December 2007

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 Sandringham, Victoria.

5. Dividends Paid

No dividends were paid during the half year.

6. Director and Related Party Disclosures

The names of directors who have held office during the half year ended 31 December 2007 are:

Renate Lange
Gwendoline Zammit (resigned 29 January 2008)
Terence Leo Earle
David Marshall
Frederick John Craven Stringer
Helen Beverley Worlidge
Campbell John Sinclair
Michael Davies (appointed 29 January 2008)
Glenyss Barnes (appointed 29 January 2008)

No director or related entity has entered into a material contract with the company.

The exception to the above is reimbursement of expenses to the Company Secretary (Terence Earle) of \$300 for half year ended 31 December 2007 (2006: \$300) and payment to the Treasurer (Gwendoline Zammit) for preparation of financial statements and business activity statements of \$3,000 for the half year ended 31 December 2007 (2006: \$3,000).

Prior to 30 June 2007 no directors' fees were paid as the positions were held on a voluntary basis. Shareholders resolved on 22 November 2007 to commence payment of directors fees of \$150 per month in arrears from 1 July 2007.

Directors shareholdings and fees	<u>Fees</u>		<u>Shareholding</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	\$	\$		
Renate Lange	900	-	5,701	5,701
Gwendoline Zammit (resigned 29 January 2008)	900	-	2,001	2,001
Terence Leo Earle	900	-	4,001	4,001
David Marshall	900	-	2,000	2,000
Frederick John Craven Stringer	900	-	-	-
Helen Beverley Worlidge	900	-	501	501
Campbell John Sinclair	900	-	1,000	1,000
Michael Davies (appointed 29 January 2008)	-	-	-	-
Glenyss Barnes (appointed 29 January 2008)	-	-	3,000	3,000

There was no movement in directors shareholdings during the period.

Each share held has a paid up value of 94 cents (2006: 94 cents) and is fully paid. The above holdings are held personally or in associated entities.