



Annexure 3A

BSX Listing Rules

Half yearly/Yearly Disclosure

References

Version 1, Operative 23/8/2000

Chapter 3, BSX Listing Rules

Tongala & District Financial Services Ltd

Name of entity

22 094 331 665

ABN, ACN or ARBN

Half yearly (tick)

Annual (tick)

☒
☐
31st December 2003Half year/financial year ended
(‘Current period’)

Summary

				\$A
Sales revenue or operating revenue	Down	30.75%	to	145,747
Profit (loss) before abnormal items and after tax	Down	71.70 %	to	(5,929)
Abnormal items before tax		gain (loss) of		N/A
Profit (loss) after tax but before outside equity interests	Down	71.70 %	to	(5,929)
Extraordinary items after tax attributable to members		gain (loss) of		
Profit (loss) for the period attributable to members	down	71.70 %	to	(5,929)

Dividends (distributions)	Franking rate applicable	N/A
Current period	Final	\$
	Interim	\$
Previous corresponding period	Final	\$
	Interim	\$
Record date for determining entitlements to the dividend, (in the		N/A

Annexure 3A Half Yearly/Yearly Disclosure

case of a trust distribution)

Short details of any bonus or cash issue or other items(s) of importance not previously released to BSX:

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Consolidated profit and loss account

	Current period \$A	Previous corresponding period \$A
Sales revenue or operating revenue	145,747	111,470
Expenses from ordinary activities	151,676	132,425
Borrowing costs		
Share of net profit (loss) of associates and joint venture entities		
Profit (loss) from ordinary activities before tax	(5,929)	(20,955)
Income tax on ordinary activities		
Profit (loss) from ordinary activities after tax	(5,929)	(20,955)
Outside equity interests		
Profit (loss) from ordinary activities after tax attributable to members	(5,929)	(20,955)
Profit (loss) from extraordinary activities after tax attributable to members	(5,929)	(20,955)
Profit (loss) for the period attributable to members	(5,929)	(20,955)
Retained profits (accumulated losses) at the beginning of the financial period	(251,874)	(208,536)
Net transfers to and from reserves		
Net effect of changes in accounting policies		
Dividends paid or payable	N/A	N/A
Retained profits (accumulated losses) at end of financial period	(257,803)	(229,491)

Profit restated to exclude amortisation of goodwill

Annexure 3A Half Yearly/Yearly Disclosure

	Current period \$A	Previous corresponding period \$A
Profit (loss) from ordinary activities after tax before outside equity interests and amortisation of goodwill	(5,929)	(20,955)
Less (plus) outside equity interests		
Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	(5,929)	(20,955)

Revenue and expenses from operating activities

	Current period \$A	Previous corresponding period \$A
Details of revenue and expenses		
Revenue from ordinary Activities	145,747	111,470
Salaries Expense	66,888	65,130
Depreciation	20,154	19,564
Other Expenses	64,634	47,731

Intangible and extraordinary items

	Consolidated - current period		
	Before tax \$A	Related tax \$A	After tax \$A
Amortisation of goodwill	Nil	Nil	Nil
Amortisation of other intangibles	12,258	4,355	7,903
Total amortisation of intangibles	12,258	4,355	7,903
Extraordinary items (details)	Nil	Nil	Nil
Total extraordinary items	Nil	Nil	Nil

Annexure 3A Half Yearly/Yearly Disclosure

Comparison of half year profits (Annual statement only)

	Current year - \$A'000	Previous year - \$A'000
Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year		
Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year		

Consolidated balance sheet

Current assets	At end of current period \$A	As shown in last annual report \$A	As in last half yearly statement \$A
Cash	2,970		9,157
Receivable	26,284	19,997	19,609
Investments			
Inventories			
Other (provide details if material)	5,627	1,452	1,772
Total current assets	34,881	21,449	30,538
Non-current assets			
Receivables			
Investments			
Inventories			
Other property, plant and equipment (net)	63,737	73,007	72,415
Intangibles (net)	47,689	59,947	72,204
Other (provide details if material)			
Total non-current assets	111,426	132,954	144,619
Total assets	146,307	154,403	175,157
Current liabilities			
Accounts payable	23,826	19,847	31,262
Borrowings	4,351	9,890	3,153
Provisions	10,622	9,534	8,032
Other (provide details if material)			

Annexure 3A
Half Yearly/Yearly Disclosure

Total current liabilities	38,799	39,271	42,447
Non-current liabilities			
Accounts payable			
Borrowings	23,961	25,656	20,851
Provisions			
Other (provide details if material)			
Total non-current liabilities	23,961	25,656	20,851
Total liabilities	62,760	64,927	63,298
Net assets	83,547	89,476	111,859
Equity			
Capital	341,350	341,350	341,350
Reserves			
Retained profits (accumulated losses)	(257,803)	(251,874)	(229,491)
Equity attributable to members of the parent entity			
Outside equity interests in controlled entities			
Total equity	83,547	89,476	111,859
Preference capital and related premium included	Nil	Nil	Nil

Consolidated statement of cash flows

Cash flows related to operating activities	Current period \$A	Previous corresponding period \$A
Receipts from customers	149,530	99,210
Payments to suppliers and employees	(139,826)	(84,798)
Dividends received		
Interest and other items of similar nature received		
Interest and other costs of finance paid		
Income taxes paid		
Other (provide details if material)		
Net operating cash flows	9,704	14,412
Cash flows related to investing activities		

Annexure 3A
Half Yearly/Yearly Disclosure

Payments for purchases of property, plant and equipment		(526)
Proceeds from sale of property, plant and equipment	500	
Payment for purchases of equity investments		
Proceeds from sale of equity investments		
Loans to other entities		
Loans repaid by other entities		
Other (provide details if material)		
Net investing cash flows	500	(526)
Cash flows related to financing activities		
Proceeds from issues of securities (shares, options, etc.)		
Proceeds from borrowings		
Repayment of borrowings	(1,999)	(2,687)
Dividends paid		
Other (provide details if material)		
Net financing cash flows	(1,999)	(2,687)
Net Increase (decrease) in cash held		
Cash at beginning of period (see Reconciliation of cash)	(5,235)	2,042
Exchange rate adjustments		
Cash at end of period (see Reconciliation of cash)	2,970	9,157

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

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Annexure 3A Half Yearly/Yearly Disclosure

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A	Previous corresponding period \$A
Cash on hand and at bank	2,970	9,157
Deposits at call		
Bank overdraft		
Other (provide details)		
Total cash at end of period	2,970	9,157

Ratios

	Current period	Previous corresponding period
Profit before tax/sales		
Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue	(4.07) %	(18.80) %
Profit after tax/equity interests		
Consolidated profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	(7.19) %	(18.70) %

Earnings per security (EPS)

	Current period	Previous corresponding period
Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share		
(a) Basic EPS	(0.017)	(0.061)
(b) Diluted EPS (if materially different from (a))	(0.017)	(0.061)

NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	.105	.087

Annexure 3A Half Yearly/Yearly Disclosure

Details of specific receipts/outlays, revenues/expenses

	Current period A\$	Previous corresponding period \$A
Interest revenue included		
Interest revenue included but not yet received (if material)		
Interest costs excluded from borrowing costs capitalised in asset values		
Outlays (excepts those arising from the acquisition of an existing business) capitalised in intangibles (if material)		
Depreciation (excluding amortisation of intangibles)	9,269	7,306
Other specific relevant items		

Control gained over entities having material effect

Name of entity

N/A

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity since the date in the current period on which control was acquired

\$

Date from which such profit has been calculated

Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period

\$

Loss of control of entities having material effect

Name of entity

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity for the current period to the date of loss of control

\$

Date from which the profit (loss) has been calculated

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period

\$

Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control

\$

Annexure 3A Half Yearly/Yearly Disclosure

Reports for industry and geographical segments

N/A

Segments

Operating Revenue

Sales to customers outside the economic entity

Inter-segment sales

Unallocated revenue

Total revenue

Segment result

Unallocated expenses

Consolidated profit from ordinary activities after tax (before equity accounting)

Segment assets

Unallocated assets

Total assets

) Comparative data for segment assets should be as at the
) end of the previous corresponding period
)

Dividends

Date the dividend is payable

Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm)

Amount per security

		Franking rate applicable	%	%	%
<i>(annual report only)</i>					
Final dividend:	Current year	¢	N/A	¢	N/A
	Previous year	¢	¢	¢	¢
<i>(Half yearly and annual statements)</i>					
Interim dividend:	Current year	¢	N/A	¢	N/A
	Previous year	¢	¢	¢	¢

Annexure 3A Half Yearly/Yearly Disclosure

Total annual dividend (distribution) per security
(Annual statement only)

	Current year	Previous year
Ordinary securities	\$	\$
Preference securities	\$	\$

Total dividend (distribution)

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$	\$
Preference securities	\$	\$
Total	\$	\$

Half yearly report – Interim dividend (distribution) on all securities or Annual report – final dividend (distribution) on all securities

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$	\$
Preference securities	\$	\$
Total	\$	\$

The dividend or distribution plans shown below are in operation.

The last date(s) for receipt of election notices to the dividend or distribution plans N/A

Any other disclosures in relation to dividends (distributions)

Annexure 3A Half Yearly/Yearly Disclosure

Equity accounted associated entities and other material interests

Equity accounting information attributable to the to the economic entity's share of investments in associated entities must be disclosed in a separate notice. See AASB 1016: Disclosure of Information about Investments in Associated Companies.

Entities share of:	Current period A\$'000	Previous corresponding period A\$'000
Profit (loss) from ordinary activities before tax.		
Income tax		
Profit (loss) from ordinary activities after tax		
Extraordinary items net of tax		
Net profit (loss)		
Outside equity interests		
Net profit (loss) attributable to members		

Material interests in entities which are not controlled entities

The entity has an interest (that is material to it) in the following entities.

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to profit (loss) from ordinary activities and extraordinary items after tax	
Equity accounted associates and joint venture entities	Current period	Previous corresponding period	Current period A\$'000	Previous corresponding period A\$'000
Total				
Other material interests				

Annexure 3A
Half Yearly/Yearly Disclosure

Total				

Issued and listed securities

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities

	Number issued	Number listed	Issue Price (cents)	Paid-up value (cents)
Preference securities <i>(description)</i>				
Changes during current period				
Ordinary securities	341,350	341,350	100	100
Changes during current period				
Convertible debt securities <i>(description and conversion factor)</i>				
Changes during current period				

			Exercise price	Expiry date
Options <i>(description and conversion factor)</i>				
Changes during current period				
Exercised during current period				
Expired during current period				

Annexure 3A
Half Yearly/Yearly Disclosure

Debentures		
Unsecured Notes		

Discontinuing Operations**Consolidated profit and loss account**

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Sales revenue or operation revenue						
Other revenue						
Expenses from ordinary activities						
Profit (loss) before tax						
Less tax						
Profit (loss) from ordinary activities after tax						

Consolidated statement of cash flows

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Net operating cash flows						
Net investing cash flows						

Annexure 3A
Half Yearly/Yearly Disclosure

Net financing cash flows					

Other disclosures

	Current period A\$	Previous corresponding period A\$'000
Carrying amount of items to be disposed of:		
- total assets	1,374.21	
- total liabilities		
Profit (loss) on disposal of assets or settlement of liabilities		
Related tax		
Net profit (loss) on discontinuance		

Description of disposals

Disposal of photocopier for consideration of \$ 500.00

Comments by directors**Basis of accounts preparation**

If this statement is a half yearly statement it should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period.

Annexure 3A
Half Yearly/Yearly Disclosure

Material factors affecting the revenues and expenses of the entity for the current period including seasonal or cyclical factors

--

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

--

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

--

Changes in accounting policies since the last annual report and estimates of amounts reported in prior years are disclosed as follows.

--

Changes in the amounts of contingent liabilities or assets since the last annual report are disclosed as follows.

--

Additional disclosure for trusts

Number of units held by the management company or responsible entity to their related parties.

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Annexure 3A Half Yearly/Yearly Disclosure

A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- Initial service charges
- Management fees
- Other fees

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Annual meeting

(Annual statement only)

The annual meeting will be held as follows:

Place

--

Date

--

Time

--

Approximate date the annual report will be available

--

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This statement, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 In the case of a half-yearly report the same accounting standards and methods of computation are/are not* (*delete one*) followed as compared with the most recent annual accounts.
- 4 This statement does give a true and fair view of the matters disclosed.
- 5 This statement is based on financial statements to which one of the following applies:

(Tick one)

☒

The financial statements have been audited.

☐

The financial statements have been subject to review by a registered auditor (or overseas equivalent).

☐


The financial statements are in the process of being audited or subject to review.

☐

The financial statements have *not* yet been audited or reviewed.

- 6 If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*).
- 7 The entity does not have a formally constituted audit committee.

Annexure 3A
Half Yearly/Yearly Disclosure

Sign here:  Date: 15/3/04
(Director/Company secretary)

Print name:Richard Herbert.....

Notes

True and fair view If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

Income tax If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

Additional information An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement.

ASIC registered agent number

7051 15 July 2001 1/1

lodging party or agent name

COLIN WELLS

office, level, building name or PO Box no.

street number & name

45 MANLYAN ST

suburb/city

TONGALA state/territory VIC postcode 3681

telephone

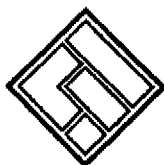
(03) 5859 1401

facsimile

(03) 5859 1407

DX number

suburb/city

ASS.
CASH.
PROC.REQ-A
REQ-P

Australian Securities & Investments Commission

notification of

form 7051

• Half Yearly Reports

(to be lodged within 75 days of the end of the accounting period)

(ASX Form 1001)
Corporations Act 2001
285(2), 286(1), 320

Disclosing entity

Please complete A, B or C.

A a company

name

TONGALA + DISTRICT FINANCIAL SERVICES

A.C.N.

094 401 665

B a body (other than a company)

name

A.R.B.N. (if applicable)

C a registered scheme

name

A.R.S.N.

Financial period

from

1/7/03

to

31/12/03

Certification

I certify that the attached documents comprise the half yearly reports together with every other document that is required to be lodged with the reports by a disclosing entity under the Corporations Act 2001.

Signature

This form is to be signed by:

If a company or a body

a director or secretary or the equivalent

If a registered scheme

a director or secretary of the responsible entity acting in that capacity

name of responsible entity

TONGALA + DISTRICT FINANCIAL SERVICES

A.C.N.

094 401 665

name of person signing (print)

RICHARD HERBERT

capacity

CHAIRMAN

sign here

date

12/7/04

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 20 mins

HALF YEARLY REPORTS

Richmond Sinnott & Delahunty

Chartered Accountants



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Bendigo. 3552
DX 55027 Bendigo
Ph. 03 5443 1177
Fax. 03 5444 4344

Email: rsd@rsdavisora.com.au
ABN 60 616 244 309

Independent Review Report

To the members of Tongala & District Financial Services Ltd.

Scope

We have reviewed the half-year financial report of Tongala & District Financial Services Ltd. for the half-year ended 31 December 2003, as set out on pages 2 to 6, including the Directors Declaration. The company's directors are responsible for the half-year financial report.

We have conducted an independent review of the half year financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the half year financial report is not presented fairly in accordance with Accounting Standard AASB 1029 'Interim Financial Reporting' and other mandatory professional reporting requirements and statutory requirements, and in order for the company to lodge the half year financial report with the Australian Securities and Investments Commission.

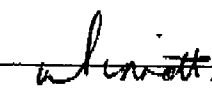
Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. Our review was limited primarily to inquiries of the disclosing entity's personnel and analytical review procedures applied to financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Review Statement

As a result of our review, we have not become aware of any matter that makes us believe that the half-year interim financial report of Tongala & District Financial Services Ltd. is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2003 and its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 1029 'Interim Financial Reporting' and the Corporations Regulations;
- (b) other mandatory professional reporting requirements.

Richmond Sinnott & Delahunty
Richmond Sinnott & Delahunty
Chartered Accountants


Warren Sinnott
Partner

Bendigo
9 March 2004

Tongala District Financial Services Ltd
ABN 22 094 331 665
Condensed Financial Statements
Directors' Report

Your Directors submit the financial report of the company for the half year ended 31 December 2003.

Directors

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

Richard Herbert
Chairman
Baker

Jill Regan
Director
Farmer

Michael Hare
Director
Resources coordinator

Ian Johnstone
Director
Farmer

Ken Chapman
Director
Farmer

Rohan Garth
Director
Engineer

Doug Kajewski
Director
Senior Purchasing Officer

Lance Tomkins
Director
Farmer

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: (\$5,929) (2002: (\$20,955)).

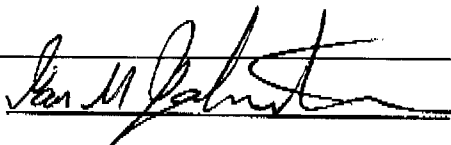
Matters subsequent to the end of the reporting period

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.

Signed in accordance with a resolution of the Directors at Tongala, Victoria
on 9 March 2004.



Richard Herbert, Chairman



Ian Johnstone, Director

Tongala District Financial Services Ltd
ABN 22 094 331 665
Condensed Statement of Financial Performance
For the half-year ended 31 December 2003

	2003	2002
	\$	\$
Revenue from ordinary activities	145,747	111,470
Salaries and employee benefit expense	(66,888)	(65,130)
Depreciation and amortisation expense	(20,154)	(19,564)
Other expenses from ordinary activities	<u>(64,634)</u>	<u>(47,731)</u>
Loss from ordinary activities before income tax expense	(5,929)	(20,955)
Income tax expense relating to ordinary activities	<u>-</u>	<u>-</u>
Net loss attributable to members of the entity	<u>(5,929)</u>	<u>(20,955)</u>
Total changes in equity other than those resulting from transactions with owners as owners	<u><u>(5,929)</u></u>	<u><u>(20,955)</u></u>

Tongala District Financial Services Ltd
ABN 22 094 331 665
Condensed Statement of Financial Position
As at 31 December 2003

	31-Dec 2003 \$	30-Jun 2003 \$
Current Assets		
Cash assets	2,970	-
Receivables	26,284	19,997
Other	5,627	1,452
Total Current Assets	<u>34,881</u>	<u>21,449</u>
Non-Current Assets		
Property, plant and equipment	63,737	73,007
Intangible assets	47,689	59,947
Total Non-Current Assets	<u>111,426</u>	<u>132,954</u>
Total Assets	<u>146,307</u>	<u>154,403</u>
Current Liabilities		
Bank overdraft	-	5,235
Payables	23,826	19,847
Interest bearing liabilities	4,351	4,655
Provisions	10,622	9,534
Total Current Liabilities	<u>38,799</u>	<u>39,271</u>
Non-Current Liabilities		
Interest bearing liabilities	23,961	25,656
Total Non-Current Liabilities	<u>23,961</u>	<u>25,656</u>
Total Liabilities	<u>62,760</u>	<u>64,927</u>
Net Assets	<u>83,547</u>	<u>89,476</u>
Equity		
Issued capital	341,350	341,350
Accumulated losses	(257,803)	(251,874)
Total Equity	<u>83,547</u>	<u>89,476</u>

Tongala District Financial Services Ltd
ABN 22 094 331 665
Condensed Statement of Cash Flows
For the half-year ended 31 December 2003

	2003	2002
	\$	\$
Cash Flows From Operating Activities		
Cash receipts in the course of operations	149,530	99,210
Cash payments in the course of operations	(139,826)	(84,798)
Net cash flows provided by operating activities	<u>9,704</u>	<u>14,412</u>
Cash Flows From Investing Activities		
Payments for property, plant and equipment	-	(526)
Proceeds from property, plant and equipment	500	-
Net cash flows provided by (used in) Investing activities	<u>500</u>	<u>(526)</u>
Cash Flows From Financing Activities		
Repayment of borrowings	(1,999)	(2,687)
Net cash flows used in financing activities	<u>(1,999)</u>	<u>(2,687)</u>
Net increase in cash held	8,205	11,199
Cash at the beginning of the financial period	(5,235)	(2,042)
Cash at the end of the financial period	<u>2,970</u>	<u>9,157</u>

Tongala District Financial Services Ltd
ABN 22 094 331 665
Notes to the condensed financial statements
For the half-year ended 31 December 2003

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

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.

It is recommended that this financial report be read in conjunction with the financial report for the year ended 30 June 2003 and any public announcements made by Tongala District Financial Services Ltd during the half year in accordance with any continuous disclosure obligations arising under the Corporations Act 2001.

The half year condensed financial statements are a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

The accounting policies have been consistently applied and are consistent with those applied in the 30 June 2003 financial statements.

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

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 Tongala, Victoria.

Tongala District Financial Services Ltd
ABN 22 094 331 665
Condensed Financial Statements
Directors' Declaration

In accordance with a resolution of the directors of Tongala District Financial Services Ltd,
we 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 2003 and its performance for the half-year ended on that date; and
 - (ii) comply with Accounting Standard AASB 1029, "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.



Richard Herbert, Chairman



Ian Johnstone, Director

Dated this 9 day of March 2004