

**Form 388**

Corporations Act 2001  
294, 295, 298-300, 307, 308, 319, 321, 322  
Corporations Regulations  
1.0.08

# Copy of financial statements and reports

## Company details

Company name

**TONGALA & DISTRICT FINANCIAL  
SERVICES LIMITED**

ACN

**094 331 665**

## Lodgement details

Registered agent number

**23116**

Registered agent name

**R. DAVID BLANCHARD & ASSOCIATES**

## Reason for lodgement of statement and reports

A public company or a disclosing entity which is not a registered scheme or  
prescribed interest undertaking

Dates on which financial  
year ends

Financial year end date

**31-12-2008**

## Auditor's report

Were the financial statements audited?

**Yes**

Reasons for the auditor not being satisfied as to the matters referred to in  
s307?

**No**

Details of the deficiency, failure or shortcoming concerning any matter  
referred to in s307?

**No**

## Details of current auditor or auditors

Current auditor

Date of appointment **25-09-2001**

Name of auditor

**RICHMOND SINNOTT & DELAHUNTY**

Address

**10 FOREST STREET  
BENDIGO VIC 3550**

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## Certification

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I certify that the attached documents are a true copy of the original reports required to be lodged under section 319 of the Corporations Act 2001.

**Yes**

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## Signature

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Select the capacity in which you are lodging the form

**Agent**

I certify that the information in this form is true and complete and that I am lodging these reports as, or on behalf of, the company.

**Yes**

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## Authentication

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This form has been authenticated by

Name **R. DAVID BLANCHARD & ASSOCIATES**

This form has been authorised by

Name

Date

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### For help or more information

Telephone 1300 300 630  
Email [info.enquiries@asic.gov.au](mailto:info.enquiries@asic.gov.au)  
Web [www.asic.gov.au](http://www.asic.gov.au)

**Tongala & District Financial Services Ltd**  
**ABN 22 094 334 665**  
**Directors' Report**

Your Directors submit their report of the company for the half year ended 31 December 2008.

**Directors**

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

Richard Herbert

Jill Regan

Ian Johnstone

Ken Chapman

Lance Tomkins

Neil Pankhurst

Jean Courtney

David Blanchard

Ian Taylor (appointed 29 January 2009)

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 and Adelaide Bank Limited.

**Review and results of operations**

The net profit/(loss) of the company for the financial period was (\$12,488) (2007: \$24,570).

**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.

**Tongala & District Financial Services Ltd**  
**ABN 22 094 334 665**  
**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 Melvor Rd  
PO Box 30  
Bendigo. 3552  
Ph. 03 5443 1177  
Fax. 03 5444 4344  
E-mail: [rsd@rsdadvisors.com.au](mailto:rsd@rsdadvisors.com.au)

**Auditor's Independence Declaration**

In relation to our review of the financial report of Tongala & District Financial Services Ltd for the half year ended 31 December 2008, 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**  
**13 March 2009**

Signed in accordance with a resolution of the Directors at Tongala, Victoria on 11 March 2009.

A handwritten signature in black ink, appearing to read 'David Blanchard', written over a horizontal line.

David Blanchard, Director

**Tongala & District Financial Services Ltd**  
**ABN 22 094 334 665**  
**Condensed Income Statement**  
**for the half-year ended 31 December 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Revenue from ordinary activities	230,979	240,817
Salaries and employee benefit expense	(114,588)	(95,032)
Charitable donations and sponsorships	(8,403)	(11,814)
Depreciation and amortisation expense	(15,277)	(14,247)
Borrowing costs expense	(1,694)	(2,111)
Other expenses from ordinary activities	<u>(107,969)</u>	<u>(80,252)</u>
<b>Profit/(loss) from ordinary activities before income tax expense</b>	(16,952)	37,361
Income tax expense/(benefit) relating to ordinary activities	<u>(4,464)</u>	<u>12,791</u>
<b>Net profit/(loss)</b>	<u><u>(12,488)</u></u>	<u><u>24,570</u></u>
<b>Earnings per share (cents per share)</b>		
- basic for profit/(loss) for the half year	(3.66)	7.20
- diluted for profit/(loss) for the half year	(3.66)	7.20
- dividends paid per share	5      -	5.00

**Tongala & District Financial Services Ltd**  
**ABN 22 094 334 665**  
**Condensed Balance Sheet**  
**as at 31 December 2008**

	<b>31-Dec 2008 \$</b>	<b>30-Jun 2008 \$</b>
<b>Current Assets</b>		
Cash assets	202,730	190,575
Receivables	25,569	31,542
<b>Total Current Assets</b>	<u>228,299</u>	<u>222,117</u>
<b>Non-Current Assets</b>		
Property, plant and equipment	62,415	52,907
Deferred income tax asset	4,464	-
Intangibles	20,221	25,496
<b>Total Non-Current Assets</b>	<u>87,100</u>	<u>78,403</u>
<b>Total Assets</b>	<u>315,399</u>	<u>300,520</u>
<b>Current Liabilities</b>		
Payables	56,611	29,850
Interest bearing liabilities	20,954	7,021
Current tax liability	16,042	16,042
Provisions	18,629	14,197
<b>Total Current Liabilities</b>	<u>112,236</u>	<u>67,110</u>
<b>Non-Current Liabilities</b>		
Interest bearing liabilities	5,745	23,504
<b>Total Non-Current Liabilities</b>	<u>5,745</u>	<u>23,504</u>
<b>Total Liabilities</b>	<u>117,981</u>	<u>90,614</u>
<b>Net Assets</b>	<u>197,418</u>	<u>209,906</u>
<b>Equity</b>		
Issued capital	341,350	341,350
Accumulated losses	(143,932)	(131,444)
<b>Total Equity</b>	<u>197,418</u>	<u>209,906</u>

**Tongala & District Financial Services Ltd**  
**ABN 22 094 334 665**  
**Condensed Cash Flow Statement**  
**for the half-year ended 31 December 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows From Operating Activities</b>		
Cash receipts in the course of operations	251,675	253,222
Cash payments in the course of operations	(220,794)	(210,508)
Interest received	6,304	1,486
Interest paid	<u>(1,694)</u>	<u>(2,111)</u>
<b>Net cash flows from operating activities</b>	<u>35,491</u>	<u>42,089</u>
<b>Cash Flows From Investing Activities</b>		
Payments for property, plant & equipment	<u>(19,510)</u>	<u>(4,891)</u>
<b>Net cash flows used in investing activities</b>	<u>(19,510)</u>	<u>(4,891)</u>
<b>Cash Flows From Financing Activities</b>		
Repayment of borrowings	(3,826)	(3,410)
Dividends paid	<u>-</u>	<u>(17,068)</u>
<b>Net cash flows used in financing activities</b>	<u>(3,826)</u>	<u>(20,478)</u>
<b>Net increase in cash held</b>	12,155	16,720
Opening cash brought forward	<u>190,575</u>	<u>104,990</u>
<b>Closing cash carried forward</b>	<u><u>202,730</u></u>	<u><u>121,710</u></u>

**Tongala & District Financial Services Ltd**  
**ABN 22 094 334 665**  
**Condensed Statement of Changes in Equity**  
**for the half-year ended 31 December 2008**

	<b>Issued Capital \$</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b>As at 1 July 2008</b>	341,350	(131,444)	209,906
Net profit for the period	-	(12,488)	(12,488)
Issue of share capital	-	-	-
Equity dividends	-	-	-
<b>As at 31 December 2008</b>	<u>341,350</u>	<u>(143,932)</u>	<u>197,418</u>

	<b>Issued Capital \$</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b>As at 1 July 2007</b>	341,350	(172,508)	168,842
Net profit for the period	-	24,570	24,570
Issue of share capital	-	-	-
Equity dividends	-	(17,068)	(17,068)
<b>As at 31 December 2007</b>	<u>341,350</u>	<u>(165,006)</u>	<u>176,344</u>



**Tongala & District Financial Services Ltd**  
**ABN 22 094 334 665**  
**Notes to the Financial Statements**  
**for the half-year ended 31 December 2008**

**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 Tongala & District Financial Services Ltd as at 30 June 2008. It is also recommended that this half year financial report be considered together with any public announcements made by Tongala & District Financial Services Ltd during the half year ended 31 December 2008 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 2008 financial statements.

**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**

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

**Tongala & District Financial Services Ltd**  
**ABN 22 094 334 665**  
**Notes to the Financial Statements**  
**for the half-year ended 31 December 2008**

**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.

<b>5. Dividends Paid</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<i>Dividends paid during the half year</i>		
Final unfranked dividend for the year ended 30 June 2008 of nil cents (2007: 5 cents)	-	17,068

**6. Director and Related Party Disclosures**

The names of directors who have held office during the half year ended 31 December 2008 are:

Richard Herbert  
Jill Regan  
Ian Johnstone  
Ken Chapman  
Lance Tomkins  
Neil Pankhurst  
Jean Courtney  
David Blanchard  
Ian Taylor (appointed 29 January 2009)

Director Ian Johnstone was paid \$3,900 (2007: \$3,925) in rent payments for lease of property for the half year ended 31 December 2008. Company Secretary David Blanchard was paid \$6,000 (2007:\$6,000) for professional accounting and secretarial duties for the half year ended 31 December 2008. These payments were made under normal commercial terms and conditions.

No director's fees have been paid as the positions are held on a voluntary basis.

<b>Directors shareholdings</b>	<b>31-Dec 2008</b>	<b>30-Jun 2008</b>
Richard Herbert	500	500
Jill Regan	2,000	2,000
Ian Johnstone	5,000	5,000
Ken Chapman	8,000	8,000
Lance Tomkins	6,000	6,000
Neil Pankhurst	500	500
Jean Courtney	528	528
David Blanchard	1,500	1,500
Ian Taylor (appointed 29 January 2009)	1,000	1,000

There was no movement in directors shareholdings during the period. Each share held has a paid up value of \$1 and is fully paid. The above holdings are held personally or in associated entities.

**Tongala & District Financial Services Ltd**  
**ABN 22 094 334 665**  
**Directors Declaration**  
**for the half-year ended 31 December 2008**

In accordance with a resolution of the directors of Tongala & District 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 2008 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.

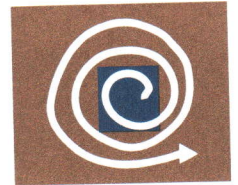
On behalf of the Board



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David Blanchard, Director

Signed in Tongala on this 13th day of March 2009



## **Independent Review Report**

**To the members of Tongala & District Financial Services Ltd**

### ***Scope***

The financial report comprises the condensed income statement, condensed balance sheet, condensed cash flow statement, condensed statement of changes in equity accompanying notes to the financial statements and the directors' declaration for Tongala & District Financial Services Ltd for the half-year ended 31 December 2008.

The company's directors are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company and that complies with Accounting Standard AASB 134 "Interim Financial Reporting", in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for accounting policies and accounting estimates inherent in the financial report.

### ***Review Approach***

We conducted an independent review of the half year financial report in order to make a statement about it to the members of the company, 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, in order to state whether, on the basis or procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the Corporations Act 2001, Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with our understanding of the company's financial position and of their performance as represented by the results of their operations and their cash flows.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than that given in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

### ***Independence***

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

### ***Review Statement***

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year 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 2008 and 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; and
- (b) other mandatory professional reporting requirements.

*Richmond Sinnott & Delahunty*

**Richmond Sinnott & Delahunty**  
**Chartered Accountants**

*W Sinnott*

**Warren Sinnott**  
**Partner**

Signed at Bendigo on 13 March 2009