

**South Burnett**  
**Community Enterprises Limited**  
**Financial Statements**  
**as at**  
**31 December 2008**

**South Burnett Community Enterprises Limited**  
**ABN 57 113 889 768**  
**Directors' Report**

Your Directors submit the financial 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 as below:

David Wayne Emms

Ross Christopher Begent

John Henry Harwood

Cr Noel Leslie Strohfeld

Terrence Edward Dhann

Keith Roy Carroll (*Resigned 31 December 2008*)

Brenton Lester McLennan

Francis Edward Smith

Peter McDade (*Resigned 31 October 2008*)

James Alan Beveridge

Lee Ryan Evans

David Francis Robinson (*Appointed 4 November 2008, Resigned 2 December 2008*)

Jeffery Bruce Connor (*Appointed 4 November 2008*)

David Frances Robinson (*Appointed 31 December 2008*)

**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**

Operations have continued to perform in line with expectations. The net profit of the company for the financial period was: \$10,800 [2007: \$456]. During the period the company changed name from Yarraman Financial Services Limited to South Burnett Community Enterprises Limited.

**Matters subsequent to the end of the reporting period**

There are no matters or circumstances that have arisen since the end of the half year reporting period that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

**Auditor's independence declaration**

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

Signed in accordance with a resolution of the Directors at Yarraman, Queensland on 17 March 2009.



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David Wayne Emms, Chairman

### **Auditor's Independence Declaration**

As lead auditor for the review of South Burnett Community Enterprises Limited I declare that, to the best of my knowledge and belief, in relation to the review of the half year ended 31 December 2008 there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the audit.



**David Hutchings**  
**Auditor**

**Andrew Frewin & Stewart**  
Bendigo, Victoria

Dated this 17th day of March 2009

**South Burnett Community Enterprises Limited**  
**ABN 57 113 889 768**  
**Income Statement**  
**for the half-year ended 31 December 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Revenue from ordinary activities	232,707	186,045
Other revenue	3,672	2,667
Salaries and employee benefit expense	(120,610)	(104,069)
Occupancy and associated costs	(21,062)	(16,764)
Advertising and promotion expenses	(12,161)	(5,882)
Systems costs	(12,232)	(11,844)
Depreciation and amortisation expense	(8,258)	(8,090)
General administration expenses	(46,101)	(32,531)
	<hr/>	<hr/>
<b>Profit before income tax expense</b>	15,955	9,532
Income tax expense	(5,155)	(9,076)
	<hr/>	<hr/>
<b>Profit for the period</b>	10,800	456
	<hr/>	<hr/>
<b>Profit attributable to members of the entity</b>	10,800	456
	<hr/> <hr/>	<hr/> <hr/>
 <b>Earnings per Share</b>		
	<u>c</u>	<u>c</u>
Earnings per share for the period were:	2.54	0.11

*The accompanying notes form part of these financial statements.*

**South Burnett Community Enterprises Limited**  
**ABN 57 113 889 768**  
**Balance Sheet**  
**as at 31 December 2008**

	<b>31-Dec 2008 \$</b>	<b>30-Jun 2008 \$</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash assets	142,154	119,815
Trade and other receivables	40,827	44,856
<b>Total Current Assets</b>	<u>182,981</u>	<u>164,671</u>
<b>Non-Current Assets</b>		
Property, plant and equipment	45,817	44,933
Deferred tax asset	33,627	38,782
Intangible assets	88,274	94,274
<b>Total Non-Current Assets</b>	<u>167,718</u>	<u>177,989</u>
<b>Total Assets</b>	<u>350,699</u>	<u>342,660</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	49,558	32,319
Provisions	18,923	16,531
<b>Total Current Liabilities</b>	<u>68,481</u>	<u>48,850</u>
<b>Non-Current Liabilities</b>		
Provisions	7,256	4,148
<b>Total Non-Current Liabilities</b>	<u>7,256</u>	<u>4,148</u>
<b>Total Liabilities</b>	<u>75,737</u>	<u>52,998</u>
<b>Net Assets</b>	<u>274,962</u>	<u>289,662</u>
<b>Equity</b>		
Issued capital	401,292	401,292
Retained earnings	(126,330)	(111,630)
<b>Total Equity</b>	<u>274,962</u>	<u>289,662</u>

*The accompanying notes form part of these financial statements.*

**South Burnett Community Enterprises Limited**  
**ABN 57 113 889 768**  
**Statement of Changes in Equity**  
**for the half-year ended 31 December 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Total equity at the beginning of the period	289,662	249,950
Net profit for the period	10,800	456
Net income/expense recognised directly in equity	-	-
Dividends provided for or paid	(25,500)	-
Shares issued during period	-	-
Total equity at the end of the period	<u><b>274,962</b></u>	<u><b>250,406</b></u>

*The accompanying notes form part of these financial statements.*

**South Burnett Community Enterprises Limited**  
**ABN 57 113 889 768**  
**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>		
Receipts from customers	247,861	179,188
Payments to suppliers and employees	(226,608)	(170,630)
Interest received	4,253	1,212
Interest paid	(25)	-
<b>Net cash provided by operating activities</b>	<u>25,481</u>	<u>9,770</u>
<b>Cash Flows From Investing Activities</b>		
Payments for property, plant and equipment	(3,142)	(3,446)
<b>Net cash used in investing activities</b>	<u>(3,142)</u>	<u>(3,446)</u>
<b>Net increase in cash held</b>	22,339	6,324
Cash at the beginning of the financial year	119,815	64,951
<b>Cash at the end of the half-year</b>	<u><u>142,154</u></u>	<u><u>71,275</u></u>

*The accompanying notes form part of these financial statements.*

**South Burnett Community Enterprises Limited**  
**ABN 57 113 889 768**  
**Notes to the financial statements**  
**for the half-year ended 31 December 2008**

**1. Basis of preparation of the half-year financial statements**

**Statement of compliance**

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB').

**Basis of accounting**

The half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly the report shall be read in conjunction with the financial report for the year ended 30 June 2008 and any public pronouncements made by the company during the period.

The accounting policies set out below have been applied in preparing the financial statements for the half-year ended 31 December 2008. All accounting policies are consistent with those applied in the 30 June 2008 financial statements except as set out below.

*Reporting basis and convention*

The half-year financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

**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 service sector where it facilitates community banking services pursuant to a franchise agreement with Bendigo and Adelaide Bank Limited. The economic entity operates in one geographic area being Yarraman and district, Queensland.

**5. Contributed equity**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
425,000 Ordinary shares of \$1 each (2007: 425,000)	425,000	425,000
Less: equity raising expenses	(23,708)	(23,708)
	<u>401,292</u>	<u>401,292</u>

**6. Related parties**

Arrangements with related parties continue to be in place. For details on these arrangements, refer to the 30 June 2008 annual financial report.



**South Burnett Community Enterprises Limited**  
**ABN 57 113 889 768**  
**Notes to the financial statements**  
**for the half-year ended 31 December 2008**

**7. Dividends Paid**

Period ended 31 December 2008	<b>2008 Cents</b>	<b>2008 \$</b>	<b>2007 Cents</b>	<b>2007 \$</b>
Final dividend declared	6	25,500	-	-

The Directors have resolved that an unfranked dividend will be paid to ordinary shareholders. The dividend will be paid on the 18 February 2009 based on the shareholdings as at 4 February 2009. The aggregate amount of the dividend has been recognised as a liability at the end of the half year.

**South Burnett Community Enterprises Limited**  
**ABN 57 113 889 768**  
**Directors' Declaration**

In the opinion of the directors of Yarraman Financial Services Limited ("the Company"):

- 1 The financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
  - (a) giving a true and fair view of the financial position of the entity as at 31 December 2008 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date;
  - (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
- 2 there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors



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**David Wayne Emms, Chairman**

Dated this 17th day of March 2009.

## INDEPENDENT AUDITOR'S REPORT

To the members of South Burnett Community Enterprises Limited

We have reviewed the accompanying half year financial report of South Burnett Community Enterprises Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the half year then ended and other selected explanatory notes and the directors' declaration.

### Directors Responsibility for the Financial Report

The directors are responsible for the preparation and fair presentation of the half year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the entity's financial position as at 31 December 2008 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of South Burnett Community Enterprises Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

## **Independence**

In conducting our audit we have compiled with the independence requirements of the Corporations Act 2001.

## **Auditor's Opinion**

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 financial report of South Burnett Community Enterprises Limited is not in accordance with the *Corporations Act 2001* including:

- a) Giving a true and fair view of the consolidated entity's financial position at 31 December 2008 and of its performance for the half-year ended on that date; and
- b) Complying with Accounting Standard AASB 134 *Interim Financial Report* and the *Corporations Regulations 2001*



**DAVID HUTCHINGS**

**ANDREW FREWIN & STEWART**

61-65 Bull Street, Bendigo, 3550

Dated this 17th day of March 2008