

**Donnybrook Capel District Community Financial Services Ltd**  
**ABN 23 103 003 416**  
**Directors' Report**

Your Directors submit their report of the company for the half year ended 31 December 2009.

**Directors**

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

Walter Bruce Hearman

Kingsley John Smith (resigned 4 September 2009)

Sandra Jean Goddard

Robert Malcolm Witten

Filip Guglielmana (resigned 26 November 2009)

Neil Bjerring Riising (resigned 26 November 2009)

Bernard Kent Masters

Mark John Bennett (resigned 26 November 2009)

Angelo Terzo Logiudice

Linda Hay (appointed 28 January 2010)

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 of the company for the financial period was \$34,311 (2008: \$12,412).

**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.

**Donnybrook Capel District Community Financial Services Ltd**  
**ABN 23 103 003 416**  
**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@rsdadvisors.com.au](mailto:rsd@rsdadvisors.com.au)**

**Auditor's Independence Declaration**

In relation to our review of the financial report of Donnybrook Capel District Community Financial Services Ltd for the half year ended 31 December 2009, 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**  
**5 March 2010**

Signed in accordance with a resolution of the Directors at Donnybrook, Western Australia  
on 5 March 2010.

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Robert Malcolm Witten, Chairman

**Donnybrook Capel District Community Financial Services Ltd**  
**ABN 23 103 003 416**  
**Condensed Income Statement**  
**for the half-year ended 31 December 2009**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Revenue from ordinary activities	400,436	343,175
Salaries and employee benefit expense	(200,169)	(175,914)
Charitable donations and sponsorships	(5,840)	(8,504)
Depreciation and amortisation expense	(8,141)	(18,337)
Borrowings cost expense	(11,635)	(11,904)
Other expenses from ordinary activities	<u>(124,428)</u>	<u>(110,607)</u>
<b>Profit from ordinary activities before income tax expense</b>	50,223	17,909
Income tax expense relating to ordinary activities	<u>15,912</u>	<u>5,497</u>
<b>Net profit</b>	<u><u>34,311</u></u>	<u><u>12,412</u></u>
<b>Earnings per share (cents per share)</b>		
- basic for profit for the half year	5.20	1.88
- diluted for profit for the half year	5.20	1.88

**Donnybrook Capel District Community Financial Services Ltd**  
**ABN 23 103 003 416**  
**Condensed Balance Sheet**  
**as at 31 December 2009**

	<b>31-Dec 2009</b>	<b>30-Jun 2009</b>
	<b>\$</b>	<b>\$</b>
<b>Current Assets</b>		
Cash assets	30,025	13,890
Receivables	82,389	66,237
<b>Total Current Assets</b>	<u>112,414</u>	<u>80,127</u>
<b>Non-Current Assets</b>		
Property, plant and equipment	11,823	11,589
Deferred income tax asset	238,953	254,865
Intangibles	48,189	55,089
<b>Total Non-Current Assets</b>	<u>298,965</u>	<u>321,543</u>
<b>Total Assets</b>	<u>411,379</u>	<u>401,670</u>
<b>Current Liabilities</b>		
Payables	64,072	90,551
Interest bearing liabilities	300,000	300,938
Provisions	22,190	19,375
<b>Total Current Liabilities</b>	<u>386,262</u>	<u>410,864</u>
<b>Total Liabilities</b>	<u>386,262</u>	<u>410,864</u>
<b>Net Assets/(Liabilities)</b>	<u>25,117</u>	<u>(9,194)</u>
<b>Equity</b>		
Issued capital	660,435	660,435
Accumulated losses	<u>(635,318)</u>	<u>(669,629)</u>
<b>Total Equity</b>	<u>25,117</u>	<u>(9,194)</u>

**Donnybrook Capel District Community Financial Services Ltd**  
**ABN 23 103 003 416**  
**Condensed Cash Flow Statement**  
**for the half-year ended 31 December 2009**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows From Operating Activities</b>		
Cash receipts in the course of operations	423,867	382,696
Cash payments in the course of operations	(393,684)	(342,442)
Interest paid	(11,635)	(11,904)
	<u>18,548</u>	<u>28,350</u>
<b>Net cash flows from (used in) operating activities</b>		
<b>Cash Flows From Investing Activities</b>		
Purchase of property plant & equipment	(1,475)	(1,950)
Purchase of intangible assets	-	(20,830)
	<u>(1,475)</u>	<u>(22,780)</u>
<b>Net cash flows from financing activities</b>		
<b>Cash Flows From Financing Activities</b>		
Repayment of borrowings	-	(7,500)
	<u>-</u>	<u>(7,500)</u>
<b>Net cash flows from financing activities</b>		
<b>Net increase (decrease) in cash held</b>	17,073	(1,930)
Opening cash brought forward	<u>12,952</u>	<u>47,430</u>
<b>Closing cash carried forward</b>	<u><u>30,025</u></u>	<u><u>45,500</u></u>

**Donnybrook Capel District Community Financial Services Ltd**  
**ABN 23 103 003 416**  
**Condensed Statement of Changes in Equity**  
**for the half-year ended 31 December 2009**

	<b>Issued Capital \$</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b>As at 1 July 2009</b>	660,435	(669,629)	(9,194)
Net profit for the period	-	34,311	34,311
Issue of share capital	-	-	-
Equity dividends	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>As at 31 December 2009</b>	<u>660,435</u>	<u>(635,318)</u>	<u>25,117</u>

	<b>Issued Capital \$</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b>As at 1 July 2008</b>	660,435	(663,016)	(2,581)
Net profit for the period	-	12,412	12,412
Issue of share capital	-	-	-
Equity dividends	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>As at 31 December 2008</b>	<u>660,435</u>	<u>(650,604)</u>	<u>9,831</u>

**Donnybrook Capel District Community Financial Services Ltd**

**ABN 23 103 003 416**

**Notes to the Financial Statements  
for the half-year ended 31 December 2009**

**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 Donnybrook Capel District Community Financial Services Ltd as at 30 June 2009. It is also recommended that this half year financial report be considered together with any public announcements made by Donnybrook Capel District Community Financial Services Ltd during the half year ended 31 December 2009 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 2009 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.

**Donnybrook Capel District Community Financial Services Ltd**  
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**Notes to the Financial Statements**  
**for the half-year ended 31 December 2009**

**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 Donnybrook and Capel, Western Australia.

**5. Dividends Paid**

There were no dividends paid or proposed during the half year.



**Donnybrook Capel District Community Financial Services Ltd**  
**ABN 23 103 003 416**  
**Directors Declaration**  
**for the half-year ended 31 December 2009**

In accordance with a resolution of the directors of Donnybrook Capel District 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 2009 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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Robert Malcolm Witten, Chairman

Signed in Donnybrook on 5 March 2010