

Freycinet Coast Financial Services Limited
Financial Statements
as at
31 December 2010

Freycinet Coast Financial Services Limited
ABN 32 127 068 222
Directors' Report

Your Directors submit their report of the Company for the half year ended 31 December 2010.

Directors

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

Robert Woolley

Ann Browning

Jennifer Crawford

Harvey Cuthill

Kenneth Dean

Miranda Randall

Shayne Williams

John Austwick

Jennifer Logie

Derek Freeman

Bruce Dunbabin (Appointed 26 July 2010)

Nadine Ozols

Gregory Raspin (Appointed 26 July 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 & Adelaide Bank Limited.

Review and results of operations

The net loss of the Company for the financial period was \$52,475 (2009: \$90,489).

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.

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Directors' Report

Significant changes in the state of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial period under review not otherwise disclosed in this report.

Auditor Independence Declaration

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

Richmond Sinnott & Delahunty
Chartered Accountants



Level 2, 10-16 Forest Street
PO Box 30
Bendigo. 3552
Ph. 03 5443 1177
Fax. 03 5444 4344
E-mail: rsd@rsdadvisors.com.au

Auditor's Independence Declaration

In relation to our review of the financial report of Freycinet Coast Financial Services Limited for the half year ended 31 December 2010, 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
7 February 2011

Signed in accordance with a resolution of the Directors at Bicheno
on 7 February 2011.

A handwritten signature in black ink that reads "Rob Woolley". The signature is written in a cursive style and is positioned above a horizontal dotted line.

Robert Woolley, Director

Freycinet Coast Financial Services Limited
ABN 32 127 068 222
Condensed Statement of Comprehensive Income
for the half-year ended 31 December 2010

	2010	2009
	\$	\$
Revenue from ordinary activities	195,723	139,646
Salaries and employee benefit expense	(103,866)	(99,036)
Charitable donations and sponsorship	(3,281)	(4,347)
Depreciation and amortisation expense	(21,088)	(20,974)
Other expenses from ordinary activities	<u>(142,788)</u>	<u>(144,895)</u>
Loss from ordinary activities before income tax expense	(75,300)	(129,606)
Income tax benefit relating to ordinary activities	<u>(22,825)</u>	<u>(39,117)</u>
Net loss	(52,475)	(90,489)
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income	<u><u>(52,475)</u></u>	<u><u>(90,489)</u></u>
Earnings per share (cents per share)		
- basic for loss for the half year	(4.48)	(7.72)
- diluted for loss for the half year	(4.48)	(7.72)

The accompanying notes form part of these financial statements

Freycinet Coast Financial Services Limited
ABN 32 127 068 222
Condensed Statement of Financial Position
as at 31 December 2010

	31-Dec 2010 \$	30-Jun 2010 \$
Current Assets		
Cash and cash equivalents	134,674	202,353
Receivables	45,277	44,555
Total Current Assets	<u>179,951</u>	<u>246,908</u>
Non-Current Assets		
Property, plant and equipment	257,662	277,750
Deferred income tax asset	200,480	177,655
Intangibles	4,931	5,931
Total Non-Current Assets	<u>463,073</u>	<u>461,336</u>
Total Assets	<u>643,024</u>	<u>708,244</u>
Current Liabilities		
Payables	30,011	36,083
Provisions	21,270	23,096
Loans and borrowings	11,882	9,934
Total Current Liabilities	<u>63,163</u>	<u>69,113</u>
Non-Current Liability		
Loans and borrowings	-	6,795
Total Non-Current Liability	<u>-</u>	<u>6,795</u>
Total Liabilities	<u>63,163</u>	<u>75,908</u>
Net Assets	<u>579,861</u>	<u>632,336</u>
Equity		
Issued capital	1,153,788	1,153,788
Accumulated losses	(573,927)	(521,452)
Total Equity	<u>579,861</u>	<u>632,336</u>

The accompanying notes form part of these financial statements

Freycinet Coast Financial Services Limited
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Condensed Statement of Cash Flows
for the half-year ended 31 December 2010

	2010	2009
	\$	\$
Cash Flows From Operating Activities		
Cash receipts in the course of operations	206,787	143,632
Cash payments in the course of operations	(276,952)	(251,027)
Interest received	<u>7,333</u>	<u>6,960</u>
Net cash flows used in operating activities	(62,832)	(100,435)
Cash Flows From Investing Activities		
Payments for property, plant and equipment	<u>-</u>	<u>(2,305)</u>
Net cash flows used in investing activities	-	(2,305)
Cash Flows From Financing Activities		
Repayment of borrowings	<u>(4,847)</u>	<u>(4,403)</u>
Net cash flows from / (used in) financing activities	<u>(4,847)</u>	<u>(4,403)</u>
Net decrease in cash held	(67,679)	(107,143)
Cash and cash equivalents at start of period	<u>202,353</u>	<u>373,035</u>
Cash and cash equivalents at end of period	<u><u>134,674</u></u>	<u><u>265,892</u></u>

The accompanying notes form part of these financial statements

Freycinet Coast Financial Services Limited
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Condensed Statement of Changes in Equity
for the half-year ended 31 December 2010

	<u>Notes</u>	Issued Capital \$	Accumulated Losses \$	Total Equity \$
As at 1 July 2010		1,153,788	(521,452)	632,336
Net loss for the period		-	(52,475)	(52,475)
Issue of share capital		-	-	-
Dividends paid	5	-	-	-
As at 31 December 2010		<u>1,153,788</u>	<u>(573,927)</u>	<u>579,861</u>

		Issued Capital \$	Accumulated Losses \$	Total Equity \$
As at 1 July 2009		1,153,788	(371,824)	781,964
Net loss for the period		-	(90,489)	(90,489)
Issue of share capital		-	-	-
Dividends paid	5	-	-	-
As at 31 December 2009		<u>1,153,788</u>	<u>(462,313)</u>	<u>691,475</u>

The accompanying notes form part of these financial statements

Freycinet Coast Financial Services Limited
ABN 32 127 068 222
Notes to the Financial Statements
for the half-year ended 31 December 2010

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

(a) Basis of accounting

Freycinet Coast Financial Services Limited ('the Company') is domiciled in Australia. The financial statements for the half year ending 31 December 2010 are presented in Australian dollars. The Company was incorporated in Australia and the principal operations involve providing community banking services.

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 Freycinet Coast Financial Services Limited as at 30 June 2010. It is also recommended that this half year financial report be considered together with any public announcements made by Freycinet Coast Financial Services Limited during the half year ended 31 December 2010 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. Australian Accounting Standards that have been recently issued or amended, but are not yet effective, have not been adopted in the preparation of this financial report.

(c) Summary of significant accounting policies

The accounting policies have been consistently applied and are consistent with those applied in the 30 June 2010 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.

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Notes to the Financial Statements
for the half-year ended 31 December 2010

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 Freycinet Coast, Tasmania.

5. Dividends Paid

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

Freycinet Coast Financial Services Limited
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Directors Declaration
for the half-year ended 31 December 2010

In accordance with a resolution of the directors of Freycinet Coast Financial Services Limited, 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 2010 and its performance for the half-year ended on that date; and
 - (ii) comply with Accounting Standard AASB 134, "Interim Financial Reporting", the Corporations Act 2001 and other mandatory reporting requirements; 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.



.....
Robert Woolley, Director

Signed in Bicheno on 7 February 2011