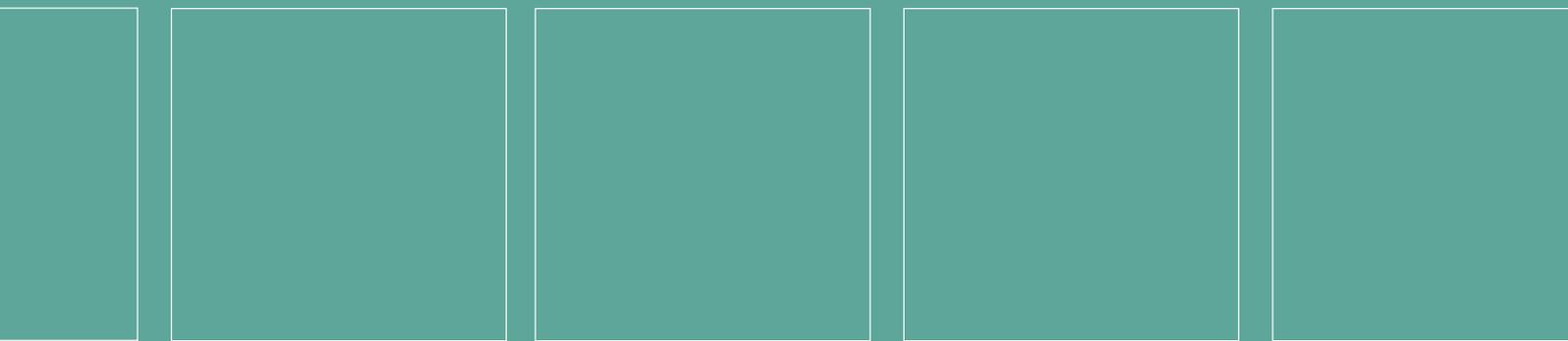


2008
annualreport



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Chairman's report

For year ending 30 June 2008

The Nightcliff **Community Bank**[®] Branch of Bendigo Bank commenced operations on 25 September 2008, therefore these financials represent pre-opening. As at the end of October 2008 business had exceeded expectations with business on the books passing the \$4 million milestone in combined deposits and lending.

During the past 12 months Directors have placed all their efforts into getting your branch up and running and raising the necessary capital for the establishment of your own **Community Bank**[®] branch. This culminated in the exciting launch of the branch on 24 September 2008 - finally bringing our vision to reality.

Directors have concentrated also on corporate governance issues that face all public companies. The Board is very aware of ethical standards, confidentiality and compliance as well as our responsibility to the community and our shareholders.

Share purchases have passed the \$850,000 mark from over 350 community shareholders. Applications are still available until 29 March 2009 (or until the maximum share subscription of \$900,000 is reached) when the prospectus closes. Please call into the branch if you wish to purchase further shares.

I would like to acknowledge and thank all Directors for their dedication and hard work that has faced them in the last three years. I welcome you as shareholders and encourage you to continue to promote your **Community Bank**[®] branch. I am sure those of you who are customers have experienced the difference. I look forward to the future growth that will enable our community to benefit.

Yours sincerely,



Gavan Keane
Vice Chairman

For Trevor Tschirpig, Chairman

Directors' report

For year ending 30 June 2008

Your Directors submit the financial report of the Company for the financial year ended 30 June 2008.

Directors

The names and details of the Company's Directors who held office during or since the end of the financial year:

Trevor Desmond Tschirpig

Chairman

Age: 54

Occupation: Licensed Conveyancing Agent

Brenton Paul Pedler

Secretary

Age: 53

Occupation: Teacher

Helen Tracey Scott

Treasurer

Age: 50

Occupation: Accountant

Gavan Blair Keane

Vice Chairman

Age: 47

Occupation: Real Estate Agency Principal

Deborah Kernich

Director

Age: 53

Occupation: Business Director

Lorraine Dawn Koch

Director (Appointed 16 July 2008)

Age: 61

Occupation: Retired

James Keith McDougall

Director

Age: 57

Occupation: Web Designer/Marketing Consultant

Tracey Leanne Myles

Director

Age: 37

Occupation: Home Duties

Jane Kathleen Ramsay

Director

Age: 49

Occupation: Home Duties

Christopher Carl Draffin

Director (Resigned 23 June 2008)

Age: 60

Occupation: Strategic Planner

Judith Maree Boland

Director (Resigned 16 January 2008)

Age: 69

Occupation: Teacher

Directors were in office since the registration date of 18 December 2007 unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the Company.

Directors' report continued

Company Secretary

The Company Secretary is Brenton Paul Pedler. Brenton was appointed to the position of Secretary on 16 July 2008 replacing Deborah Kernich. Brenton holds a degree in International Management, is the current Secretary, and previous Chairman, for 'Life. Be in it' NT and has also been a committee member for a number of sporting clubs.

Principal activities

The principal activities of the Company during the course of the financial year were in facilitating **Community Bank**[®] services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

There has been no significant changes in the nature of these activities during the year.

Operating results

The Company had not commenced operations during the year. The loss of the Company for the financial year after provision for income tax was:

Year ended
30 June 2008
\$

(2,516)

Dividends

No dividends were declared or paid for the previous year and the Directors recommend that no dividend be paid for the current year.

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 year under review not otherwise disclosed in this report or the financial report.

Matters subsequent to the end of the financial year

The Company opened the Branch for business on 25 September 2008. There were no other matters or circumstances that have arisen since the end of the financial year 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, in future years.

Likely developments

The Company begun its policy of facilitating banking services to the community.

Environmental regulation

The Company is not subject to any significant environmental regulation.

Directors' report continued

Directors' benefits

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company, controlled entity or related body corporate with a Director, a firm which a Director is a member or an entity in which a Director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the Company's accounts, or the fixed salary of a full-time employee of the Company, controlled entity or related body corporate.

Indemnification and Insurance of Directors and Officers

The Company has indemnified all Directors and the Manager in respect of liabilities to other persons (other than the Company or related body corporate) that may arise from their position as Directors or Manager of the Company except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The Company has not provided any insurance for an Auditor of the Company or a related body corporate.

Remuneration report

No Director of the Company receives remuneration for services as a Company Director or Committee member.

There are no Executives within the Company whose remuneration is required to be disclosed.

Directors' meetings

The number of Directors meetings attended by each of the Directors of the Company during the year were:

	Number of Board meetings eligible to attend	Number attended
Trevor Desmond Tschirpigg	9	7
Brenton Paul Pedler	9	9
Helen Tracey Scott	9	5
Gavan Blair Keane	9	8
Deborah Kernich	9	1
Lorraine Dawn Koch (Appointed 16 July 2008)	-	-
James Keith McDougall	9	8
Tracey Leanne Myles	9	2
Jane Kathleen Ramsay	9	4
Christopher Carl Draffin (Resigned 23 June 2008)	9	3
Judith Maree Boland (Resigned 16 January 2008)	9	-

Note: Attendance at Board meetings between incorporation on 18 December 2007 and 10 March 2008 were not recorded. Meetings were held weekly during this period.

Directors' report continued

Non Audit services

The Company may decide to employ the Auditor on assignments additional to their statutory duties where the Auditor's expertise and experience with the Company are important. Details of the amounts paid or payable to the Auditor (Andrew Frewin & Stewart) for audit and non audit services provided during the year are set out in the notes to the accounts.

The Board of Directors has considered the position, in accordance with the advice received from the audit committee and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for Auditors imposed by the Corporations Act 2001.

The Directors are satisfied that the provision of non-audit services by the Auditor, as set out in the notes did not compromise the Auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact on the impartiality and objectivity of the Auditor;
- none of the services undermine the general principles relating to Auditor independence as set out in Professional Statement F1, including reviewing or auditing the Auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

Auditors' independence declaration

A copy of the Auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7.

Signed in accordance with a resolution of the Board of Directors at Nightcliff, Northern Territory on 30 September 2008.



Gavan Blair Keane
Vice Chairman



Helen Tracey Scott
Treasurer

Auditor's independence declaration



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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the directors of Nightcliff Community Enterprises Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2008 there have been:

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

A handwritten signature in black ink, appearing to read 'David Hutchings', is written over the second bullet point of the declaration.

David Hutchings
Auditor

Andrew Frewin & Stewart
Bendigo, Victoria

Dated this 30th day of September 2008

Financial statements

Income statement For year ending 30 June 2008

	Note	2008 \$
Revenues from ordinary activities	3	184
Salaries and employee benefits expense		(4,087)
General administration expenses		(2,329)
Loss before income tax credit		(6,232)
Income tax credit	4	3,716
Loss for the period		(2,516)
Loss attributable to members of the entity		(2,516)
Earnings per share (cents per share)		¢
- basic for profit for the year	15	-

The accompanying notes form part of these financial statements.

Financial statements continued

Balance sheet As at 30 June 2008

	Note	2008 \$
Assets		
Current assets		
Cash assets	5	752,057
Trade and other receivables	6	589
Total current assets		752,646
Non-current assets		
Deferred tax assets	7	3,716
Total non-current assets		3,716
Total assets		756,362
Liabilities		
Current liabilities		
Trade and other payables	8	17,646
Total current liabilities		17,646
Total liabilities		17,646
Net assets		738,716
Equity		
Issued capital	9	741,232
Accumulated losses	10	(2,516)
Total equity		738,716

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of cash flows As at 30 June 2008

	Note	2008 \$
Cash flows from operating activities		
Receipts from customers		-
Payments to suppliers and employees		(5,805)
Interest paid		-
Interest received		184
Net cash used in operating activities	11	(5,621)
Cash flows from financing activities		
Proceeds from issues of equity securities		772,012
Payment for share issue costs		(14,334)
Net cash provided by financing activities		757,678
Net increase in cash held		752,057
Cash at the beginning of the financial year		-
Cash at the end of the half-year	5(a)	752,057

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of changes in equity As at 30 June 2008

	Note	2008 \$
Total equity at the beginning of the period		-
Net loss for the period		(2,516)
Net income/expense recognised directly in equity		-
Dividends provided for or paid		-
Shares issued during period		772,012
Costs of issuing shares		(30,780)
Total equity at the end of the period		738,716

The accompanying notes form part of these financial statements.

Notes to the financial statements

For year ending 30 June 2008

Note 1. Summary of significant accounting policies

Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001.

Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS). These financial statements and notes comply with IFRS.

Historical cost convention

The financial report has been prepared under the historical cost conventions on an accruals basis as modified by the revaluation of financial assets and liabilities at fair value through profit or loss and where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Revenue

Interest and fee revenue is recognised when earned. All revenue is stated net of the amount of Goods and Services Tax (GST). The gain or loss on disposal of property, plant and equipment is recognised on a net basis and is classified as income rather than revenue.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable for the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet. Cash flows are included in the statement of cash flows on a gross basis.

The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operation cash flows.

Notes to the financial statements continued

Note 1. Summary of significant accounting policies (continued)

Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities reflects the tax consequences that would follow from the manner in which the consolidated entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax and when the balances relate to taxes levied by the same taxation authority and the Company/consolidated entity intends to settle its tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

Notes to the financial statements continued

Note 1. Summary of significant accounting policies (continued)

Employee entitlements

The provision for employee benefits to wages, salaries and annual leave represents the amount which the Company has a present obligation to pay resulting from employees' services provided up to the balance date. The provision has been calculated on undiscounted amounts based on wage and salary rates expected to be paid and includes related on-costs.

The Company contributes to a defined contribution plan. Contributions to employee superannuation funds are charged against income as incurred.

Intangibles

The cost of the Company's franchise fee has been recorded at cost and is amortised on a straight line basis at a rate of 20% per annum.

Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Comparative figures

The Company was incorporated on 18 December 2007 therefore there were no operations during the year ending 30 June 2007.

Property, plant and equipment

Plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated at the rate equivalent to the available building allowance using the straight line method. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation:

- leasehold improvements	40 years
- plant and equipment	2.5 - 40 years
- furniture and fittings	4 - 40 years

Notes to the financial statements continued

Note 1. Summary of significant accounting policies (continued)

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Payment terms

Receivables and payables are non interest bearing and generally have payment terms of between 30 and 90 days.

Trade receivables and payables

Receivables are carried at their amounts due. The collectability of debts is assessed at balance date and specific provision is made for any doubtful accounts. Liabilities for trade creditors and other amounts are carried at cost that is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

Borrowings

All loans are initially measured at the principal amount. Interest is recognised as an expense as it accrues.

Provisions

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

Contributed equity

Ordinary shares are recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Notes to the financial statements continued

Note 1. Summary of significant accounting policies (continued)

Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Note 2. Financial risk management

The Company's activities expose it to a limited variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the entity. The entity does not use derivative instruments.

Risk management is carried out directly by the Board of Directors.

(i) Market risk

The Company has no exposure to any transactions denominated in a currency other than Australian dollars.

(ii) Price risk

The Company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. The Company is not exposed to commodity price risk.

(iii) Credit risk

The Company has no significant concentrations of credit risk. It has policies in place to ensure that customers have an appropriate credit history. The Company's franchise agreement limits the Company's credit exposure to one financial institution, being Bendigo and Adelaide Bank Limited.

(iv) Liquidity risk

Prudent liquidity management implies maintaining sufficient cash and marketable securities and the availability of funding from credit facilities. The Company believes that its sound relationship with Bendigo and Adelaide Bank Limited mitigates this risk significantly.

(v) Cash flow and fair value interest rate risk

Interest-bearing assets are held with Bendigo and Adelaide Bank Limited and subject to movements in market interest. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest-rate risk. The Company believes that its sound relationship with Bendigo and Adelaide Bank Limited mitigates this risk significantly.

Notes to the financial statements continued

	2008 \$
Note 3. Revenue from ordinary activities	
Operating activities:	
- services commissions	-
- other revenue	-
Total revenue from operating activities	-
Non-operating activities:	
- interest received	184
Total revenue from non-operating activities	184
Total revenues from ordinary activities	184

Note 4. Income tax expense

The components of tax expense comprise:

- Current tax	-
- Deferred tax on provisions	-
- Recoupment of prior year tax losses	-
- Future income tax benefit attributable to losses	(3,716)
	(3,716)

The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:

Operating loss	(6,232)
Prima facie tax on loss from ordinary activities at 30%	(1,869)
Add tax effect of:	
- non-deductible expenses	-
- timing difference expenses	-
- other deductible expenses	(1,847)
Current tax	(3,716)
Movement in deferred tax	-
	(3,716)

Notes to the financial statements continued

	2008
	\$
Note 5. Cash assets	
Cash at bank and on hand	1,399
Trust account	750,658
	752,057

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cashflows as follows:

5(a) Reconciliation of cash

Cash at bank and on hand	1,399
Term deposit	750,658
	752,057

Note 6. Trade and other receivables

Trade receivables	589
Prepayments and other	-
	589

Note 7. Deferred tax

Deferred tax asset

Tax losses - revenue	3,716
-----------------------------	--------------

Note 8. Trade and other payables

Trade creditors	-
Other creditors & accruals	17,646
	17,646

Note 9. Contributed equity

772,012 Ordinary shares fully paid of \$1 each	772,012
Less: equity raising expenses	(30,780)
	741,232

Notes to the financial statements continued

	2008
	\$
Note 10. Accumulated losses	
Balance at the beginning of the financial year	-
Net loss from ordinary activities after income tax	(2,516)
Dividends paid	-
Balance at the end of the financial year	(2,516)

Note 11. Statement of cash flows

Reconciliation of loss from ordinary activities after tax to net cash used in operating activities

Loss from ordinary activities after income tax	(2,516)
Non cash items:	
- depreciation	-
- amortisation	-
Changes in assets and liabilities:	
- increase in receivables	(589)
- increase in other assets	(3,716)
- increase in payables	1,200
Net cash flows used in operating activities	(5,621)

Note 12. Auditors' remuneration

Amounts received or due and receivable by the Auditor of the Company for:

- audit & review services	1,200
- non audit services	19,530
	20,730

Notes to the financial statements continued

Note 13. Director and related party disclosures

The names of Directors who have held office during the financial year are:

Trevor Desmond Tschirpig
Brenton Paul Pedler
Helen Tracey Scott
Gavan Blair Keane
Deborah Kernich
Lorraine Dawn Koch (Appointed 16 July 2008)
James Keith McDougall
Tracey Leanne Myles
Jane Kathleen Ramsay
Christopher Carl Draffin (Resigned 23 June 2008)
Judith Maree Boland (Resigned 16 January 2008)

No Director or related entity has entered into a material contract with the Company. No Director's fees have been paid as the positions are held on a voluntary basis.

Directors shareholdings	2008
Trevor Desmond Tschirpig	1,001
Brenton Paul Pedler	501
Helen Tracey Scott	500
Gavan Blair Keane	3,001
Deborah Kernich	2,501
Lorraine Dawn Koch (Appointed 16 July 2008)	1,001
James Keith McDougall	-
Tracey Leanne Myles	251
Jane Kathleen Ramsay	1,000
Christopher Carl Draffin (Resigned 23 June 2008)	805
Judith Maree Boland (Resigned 16 January 2008)	6,000

There was no movement in Directors shareholdings during the year. Each share held is valued at \$1.

Notes to the financial statements continued

Note 14. Key management personnel disclosures

No Director of the Company receives remuneration for services as a Company Director or Committee member.

There are no Executives within the Company whose remuneration is required to be disclosed.

2008
\$

Note 15. Earnings per share

(a) Loss attributable to the ordinary equity holders of the Company used in calculating earnings per share

(2,516)

2008
Number

(b) Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share

772,012

Note 16. Events occurring after the balance sheet date

There have been no events after the end of the financial year that would materially affect the financial statements.

Note 17. Contingent liabilities

There were no contingent liabilities at the date of this report to affect the financial statements.

Note 18. Segment reporting

The economic entity operates in the service sector where it facilitates **Community Bank**[®] services pursuant to a franchise agreement with Bendigo and Adelaide Bank Limited. The economic entity operates in one geographic area being Nightcliff suburb of Darwin, Northern Territory.

Note 19. Registered office/principal place of business

The registered office and principal place of business is:

Registered office

Unit 1/13 Travers Street,
Coconut Grove NT 0810

Principal place of business

Unit 1/13 Travers Street,
Coconut Grove NT 0810

Notes to the financial statements continued

Note 20. Financial instruments

Net fair values

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the Statement of Financial Position. The Company does not have any unrecognised financial instruments at the year end.

Credit risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the Statement of Financial Position and notes to the financial statements.

There are no material credit risk exposures to any single debtor or group of debtors under financial instruments entered into by the economic entity.

Interest rate risk

Financial instrument	Floating interest rate	Fixed interest rate maturing in			Non interest bearing	Weighted average effective interest rate
		1 year or less	Over 1 to 5 years	Over 5 years		
		2008	2008	2008		
	2008	2008	2008	2008	2008	
	\$	\$	\$	\$	\$	%
Financial assets						
Cash assets	1,398	-	-	-	-	0.05
Trust account	750,658	-	-	-	-	0.05
Receivables	-	-	-	-	589	N/A
Financial liabilities						
Payables	-	-	-	-	17,646	N/A

Director's declaration

In accordance with a resolution of the Directors of Nightcliff Community Enterprises Limited, we state that:

In the opinion of the Directors:

- (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2008 and of its performance for the financial year ended on that date; and
 - (ii) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional 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.
- (c) the audited remuneration disclosures set out in the remuneration report section of the Directors' report comply with Accounting Standard AASB174 Related Party Disclosures and the Corporations Regulations 2001.

This declaration is made in accordance with a resolution of the Board of Directors.



Gavan Blair Keane
Vice Chairman



Helen Tracey Scott
Treasurer

Signed on 30 September 2008.

Independent audit report



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ABN 51 061 795 337

INDEPENDENT AUDITOR'S REPORT

To the members of Nightcliff Community Enterprises Limited

We have audited the accompanying financial report of Nightcliff Community Enterprises Limited, which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

The company has disclosed information as required by paragraphs Aus 25.4 to Aus 25.7.2 of Accounting Standard 124 Related Party Disclosures ("Remuneration disclosures"), under the heading "Remuneration Report" in the directors' report, as permitted by Corporations Regulation 2M.6.04.

Directors Responsibility for the Financial Report

The directors are responsible for the preparation and fair presentation of the 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 controls 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. In note 1, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards. The directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that the remuneration disclosures comply with Accounting Standards AASB 124 Related Party Disclosures.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent audit report continued

Independence

In conducting our audit we have met the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report. In addition to our audit of the financial report and the remuneration disclosures, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Auditor's Opinion

In our opinion:

- 1) The financial report is in accordance with the Corporations Act 2001 including giving a true and fair view of the financial position of Nightcliff Community Enterprises Limited as of 30 June 2008 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- 2) The financial report also complies with International financial reporting standards as disclosed in Note 1.
- 3) The remuneration disclosures that are contained in the directors' report comply with Accounting Standards AASB 124 Related Party Disclosures.



DAVID HUTCHINGS
ANDREW FREWIN & STEWART
61-65 Bull Street, Bendigo, 3550

Dated this 30th day of September 2008

Nightcliff **Community Bank**[®] Branch
Shop 1, 40 Progress Drive, Nightcliff NT 0810

Franchisee: Nightcliff Community Enterprises Limited
Shop 1, 40 Progress Drive, Nightcliff NT 0810
ABN 64 128 953 748

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ABN 11 068 049 178. AFSL 237879. (BMPAR8036) (08/08)

