

29 September 2010

Release to the Australian Securities Exchange

Please find attached Wide Bay Australia Ltd's (WBB) audited financial statements for the year ended 30 June 2010.

Wide Bay Australia's full Annual Report will be available to the market in due course.

Yours faithfully



RE Hancock AM
Managing Director



wide bay australia ltd
financial statements
2009 » 2010

ABN 40 087 652 060

Opportunity

statement of comprehensive income

for the year ended
30 June 2010

	Note	CONSOLIDATED		CHIEF ENTITY	
		\$ 2010	\$ 2009	\$ 2010	\$ 2009
Interest revenue	2	159,137,212	165,512,264	157,642,901	165,121,928
Borrowing costs	2	104,435,930	117,325,542	104,603,423	117,486,567
Net interest revenue		54,701,282	48,186,722	53,039,478	47,635,361
Share of profit of associate	11	700,000	742,000	700,000	742,000
Other non interest revenue	3	15,555,335	18,672,613	13,378,936	16,122,942
Employee benefits expense		14,734,108	15,366,157	14,734,108	15,366,157
Depreciation expense		1,666,546	1,726,222	1,595,986	1,726,222
Amortisation expense		348,353	360,989	348,353	360,989
Occupancy expense		2,294,243	2,377,211	2,419,060	2,377,211
Bad and doubtful debts expense	10	606,603	(1,467)	288,399	(2,743)
Other expenses	3	19,420,170	22,625,005	17,792,676	15,479,926
Profit before income tax		31,886,594	25,147,218	29,939,832	29,192,541
Income tax expense	4	9,618,346	8,077,278	8,280,869	8,932,539
Profit from continuing operations		22,268,248	17,069,940	21,658,963	20,260,002
Other comprehensive income					
Gain on revaluation of land and buildings		-	1,326,275	-	1,326,275
Less deferred tax relating to comprehensive income		-	397,883	-	397,883
Other comprehensive income for the year		-	928,392	-	928,392
Total comprehensive income for the year		22,268,248	17,998,332	21,658,963	21,188,394
Profit attributable to:					
Owners of the parent entity		22,302,436	17,052,761	21,658,963	20,260,002
Non-controlling		(34,188)	17,179	-	-
		22,268,248	17,069,940	21,658,963	20,260,002
Total comprehensive income attributable to:					
Owners of the parent entity		22,302,436	17,981,153	21,658,963	21,188,394
Non-controlling interests		(34,188)	17,179	-	-
		22,268,248	17,998,332	21,658,963	21,188,394
Earnings per share					
Basic earnings per share (cents per share)	29	70.54	56.41		
Diluted earnings per share (cents per share)	29	70.54	56.41		

statement of financial position

as at 30 June 2010

		CONSOLIDATED		CHIEF ENTITY	
	Note	\$ 2010	\$ 2009	\$ 2010	\$ 2009
ASSETS					
Cash and cash equivalents	6	89,170,509	78,173,076	67,691,995	66,286,332
Due from other financial institutions	7	82,899,729	28,326,272	82,899,729	28,326,272
Accrued receivables	8	20,711,433	23,147,287	20,100,628	16,897,737
Financial assets	9	195,176,010	126,571,204	189,445,095	126,571,204
Loans and advances	10	2,254,836,504	2,140,142,376	2,257,726,331	2,143,584,461
Other investments	11	7,831,508	7,481,582	28,252,552	23,402,626
Property, plant and equipment	12	20,510,077	22,176,951	16,706,412	18,306,951
Deferred income tax assets	13	2,994,597	3,144,313	1,489,840	1,371,222
Other assets	14	8,723,374	6,875,599	8,303,564	5,878,390
Goodwill	15	42,057,110	42,057,110	43,316,012	43,316,012
Total assets		2,724,910,851	2,478,095,770	2,715,932,158	2,473,941,207
LIABILITIES					
Deposits and short term borrowings	16	1,309,886,612	1,247,635,277	1,312,924,633	1,255,535,748
Due to other financial institutions	17	275,834,809	214,763,918	275,834,809	214,686,528
Payables and other liabilities	18	31,783,085	32,937,986	28,151,366	28,236,510
Securitised loans	10	903,600,893	790,455,746	903,600,893	790,455,746
Income tax payable	19	4,171,993	2,179,745	3,084,276	2,085,549
Deferred income tax liabilities	19	3,842,290	3,489,184	3,349,222	2,996,116
Provisions	20	10,204,477	10,655,724	2,430,587	2,387,855
Subordinated capital notes	21	25,000,000	25,000,000	25,000,000	25,000,000
Total liabilities		2,564,324,159	2,327,117,580	2,554,375,786	2,321,384,052
Net assets		160,586,692	150,978,190	161,556,372	152,557,155
EQUITY					
Parent entity interest in equity					
Contributed equity	22	124,647,825	117,814,059	124,647,825	117,814,059
Reserves	23	15,867,456	15,867,456	15,867,456	15,867,456
Retained profits		20,541,948	17,733,024	21,041,091	18,875,640
Total parent entity interest in equity		161,057,229	151,414,539	161,556,372	152,557,155
Non-controlling interests					
Contributed equity	24	1,000	1,000		
Retained profits		(471,537)	(437,349)		
Total non-controlling interests		(470,537)	(436,349)		
Total equity		160,586,692	150,978,190	161,556,372	152,557,155

statement of cash flows

for the year ended
30 June 2010

		CONSOLIDATED		CHIEF ENTITY	
	Note	\$ 2010	\$ 2009	\$ 2010	\$ 2009
CASH FLOWS FROM OPERATING ACTIVITIES					
Interest received		158,778,562	165,443,900	157,284,251	165,053,564
Dividends received		500,221	570,855	3,000,221	1,320,855
Borrowing costs		(103,706,676)	(115,504,247)	(103,874,169)	(115,665,272)
Other non interest income received		18,571,936	16,640,528	11,171,489	15,375,585
Cash paid to suppliers and employees		(38,066,676)	(39,672,086)	(38,361,399)	(37,924,032)
Income tax paid		(7,310,520)	(5,047,456)	(7,047,655)	(5,504,980)
Net cash flows from operating activities	25	28,766,847	22,431,494	22,172,738	22,655,720
CASH FLOWS FROM INVESTING ACTIVITIES					
Net increase in investment securities		(59,587,250)	(30,326,838)	(53,856,335)	(32,129,093)
Net increase in amounts due from other financial institutions		(63,591,014)	(13,430,108)	(63,591,014)	(13,430,108)
Net increase in loans		(115,266,972)	(145,071,987)	(114,714,714)	(145,398,571)
Net increase in other investments		(150,002)	(5,325,548)	(4,650,002)	(4,933,521)
Purchase of non current assets		(477,456)	(1,100,206)	(473,231)	(983,226)
Proceeds from sale of property, plant & equipment		-	5,210	-	5,210
Net cash used in investing activities		(239,072,694)	(195,249,477)	(237,285,296)	(196,869,309)
CASH FLOWS FROM FINANCING ACTIVITIES					
Net increase in deposits and other borrowings		61,879,498	120,030,998	57,017,049	126,117,108
Purchase (redemption) of subordinated capital notes		-	5,000,000	-	5,000,000
Net increase in amounts due to other financial institutions and other liabilities		171,882,378	60,734,766	171,959,769	61,046,862
Proceeds from share issue		904,971	8,337,488	904,971	8,337,488
Dividends paid		(13,363,567)	(15,472,440)	(13,363,568)	(15,472,440)
Net cash flows from financing activities		221,303,280	178,630,812	216,518,221	185,029,018
NET INCREASE/(DECREASE) IN CASH HELD					
		10,997,433	5,812,829	1,405,663	10,815,429
Cash at beginning of financial year		78,173,076	72,360,247	66,286,332	55,470,903
CASH AT END OF FINANCIAL YEAR		89,170,509	78,173,076	67,691,995	66,286,332

For the purposes of the Statement of Cash Flows, cash includes cash on hand and deposits on call.
The cash at the end of the year can be agreed directly to the Statement of Financial Position.

statement of changes in equity

for the year ended
30 June 2010

	Share Capital Ordinary	Retained Profits	Asset Revaluation Reserve	General Reserve	Statutory Reserve	Doubtful Debts Reserve	Non- Controlling Interests	Total
	\$	\$	\$	\$	\$	\$	\$	\$
CONSOLIDATED								
Balance at 01 July 2008	105,930,517	19,611,935	4,041,244	5,833,939	2,676,071	2,387,810	(453,528)	140,027,988
Total comprehensive income for year:								
Profit attributable to members of parent company	-	17,052,761	-	-	-	-	-	17,052,761
Profit attributable to non-controlling interests	-	-	-	-	-	-	17,179	17,179
Increase due to revaluation increment on land and buildings	-	-	1,326,275	-	-	-	-	1,326,275
Deferred tax liability adjustment on revaluation increment on land and buildings	-	-	(397,883)	-	-	-	-	(397,883)
Subtotal	105,930,517	36,664,696	4,969,636	5,833,939	2,676,071	2,387,810	(436,349)	158,026,320
Issue of share capital for staff share plan	904,689	-	-	-	-	-	-	904,689
Issue of share capital for dividend reinvestment plan	3,459,233	-	-	-	-	-	-	3,459,233
Issue of share capital for non-renounceable rights issue	7,912,475	-	-	-	-	-	-	7,912,475
Share issue costs	(392,855)	-	-	-	-	-	-	(392,855)
Dividends provided for or paid - ordinary shares	-	(18,931,672)	-	-	-	-	-	(18,931,672)
Balance at 30 June 2009	117,814,059	17,733,024	4,969,636	5,833,939	2,676,071	2,387,810	(436,349)	150,978,190
Balance at 01 July 2009	117,814,059	17,733,024	4,969,636	5,833,939	2,676,071	2,387,810	(436,349)	150,978,190
Total comprehensive income for year:								
Profit attributable to members of parent company	-	22,302,436	-	-	-	-	-	22,302,436
Profit attributable to non-controlling interests	-	-	-	-	-	-	(34,188)	(34,188)
Subtotal	117,814,059	40,035,460	4,969,636	5,833,939	2,676,071	2,387,810	(470,537)	173,246,438
Issue of share capital for staff share plan	703,822	-	-	-	-	-	-	703,822
Issue of share capital for dividend reinvestment plan	6,129,944	-	-	-	-	-	-	6,129,944
Dividends provided for or paid - ordinary shares	-	(19,493,512)	-	-	-	-	-	(19,493,512)
Balance at 30 June 2010	124,647,825	20,541,948	4,969,636	5,833,939	2,676,071	2,387,810	(470,537)	160,586,692

statement of changes in equity continued

for the year ended
30 June 2010

	Share Capital Ordinary	Retained Profits	Asset Revaluation Reserve	General Reserve	Statutory Reserve	Doubtful Debts Reserve	Non- Controlling Interests	Total
	\$	\$	\$	\$	\$	\$	\$	\$
CHIEF ENTITY								
Balance at 01 July 2008	105,930,517	17,547,310	4,041,244	5,833,939	2,676,071	2,387,810	-	138,416,891
Total comprehensive income for year:								
Profit attributable to members of parent company	-	20,260,002	-	-	-	-	-	20,260,002
Increase due to revaluation increment on land and buildings	-	-	1,326,275	-	-	-	-	1,326,275
Deferred tax liability adjustment on revaluation increment on land and buildings	-	-	(397,883)	-	-	-	-	(397,883)
Subtotal	105,930,517	37,807,312	4,969,636	5,833,939	2,676,071	2,387,810	-	159,605,285
Issue of share capital for staff share plan	904,689	-	-	-	-	-	-	904,689
Issue of share capital for dividend reinvestment plan	3,459,233	-	-	-	-	-	-	3,459,233
Issue of share capital for non-renounceable rights issue	7,912,475	-	-	-	-	-	-	7,912,475
Share issue costs	(392,855)	-	-	-	-	-	-	(392,855)
Dividends provided for or paid - ordinary shares	-	(18,931,672)	-	-	-	-	-	(18,931,672)
Balance at 30 June 2009	117,814,059	18,875,640	4,969,636	5,833,939	2,676,071	2,387,810	-	152,557,155
Balance at 01 July 2009	117,814,059	18,875,640	4,969,636	5,833,939	2,676,071	2,387,810	-	152,557,155
Total comprehensive income for year:								
Profit attributable to members of parent company	-	21,658,963	-	-	-	-	-	21,658,963
Subtotal	117,814,059	40,534,603	4,969,636	5,833,939	2,676,071	2,387,810	-	174,216,118
Issue of share capital for staff share plan	703,822	-	-	-	-	-	-	703,822
Issue of share capital for dividend reinvestment plan	6,129,944	-	-	-	-	-	-	6,129,944
Dividends provided for or paid - ordinary shares	-	(19,493,512)	-	-	-	-	-	(19,493,512)
Balance at 30 June 2010	124,647,825	21,041,091	4,969,636	5,833,939	2,676,071	2,387,810	-	161,556,372

notes to the financial statements for the year ended 30 June 2010

note 1

BASIS OF PREPARATION

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The financial report has also been prepared on a historical cost basis, except for land and buildings, derivative financial instruments and available-for-sale financial assets that have been measured at fair value.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ("AIFRS"). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ("IFRS").

The financial report covers the consolidated group of Wide Bay Australia Ltd and controlled entities, ("consolidated entity/economic entity") and Wide Bay Australia Ltd as an individual parent entity ("the society/company"). Wide Bay Australia is a listed public company, incorporated and domiciled in Australia.

a) Principles of consolidation

A controlled entity is any entity Wide Bay Australia Ltd has the power to control the financial and operating policies of so as to obtain benefits from its activities.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent company.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Minority equity interests (non-controlling interests) in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

b) Income tax

The economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any non-assessable or disallowed items.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Tax consolidation legislation

The company and all its wholly-owned Australian resident entities are part of a tax-consolidated group under Australian taxation law as of the financial year ended 30 June 2008. Wide Bay Australia Ltd is the head entity in the tax consolidation group, and as a consequence recognises current and deferred tax amounts relating to transactions, events and balances of the wholly-owned Australian controlled entities in this group as if those transactions, events and balances were its own, in addition to the current and deferred tax amounts arising in relation to its own transactions, events and balances. The tax consolidated group has not entered into a tax sharing agreement.

c) Property, plant & equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation periods used for each class of depreciable assets are:

- Buildings - 40 years
- Plant and equipment - 4 to 6 years
- Leasehold improvements - 4 to 6 years or the term of the lease, whichever is the lesser

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

d) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, that are transferred to entities in the economic entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

e) Financial instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the group is recognised as a separate asset or liability.

The group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the statement of comprehensive income in the period in which they arise.

note 1 continued

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method, less any impairment losses.

Held-to-maturity investments

These investments have fixed maturities and it is the group's intention to hold these investments to maturity. Any held-to-maturity investments held by the group are stated at amortised cost using the effective interest rate method, less any impairment losses.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Share capital - Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

f) Investments in associates

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting where significant influence is exercised over an investee. Significant influence exists where the investor has the power to participate in the financial and operating policy decisions of the investees but does not have control or joint control over those policies.

The financial statements of the associate are used by the group to apply the equity method. The reporting dates of the associate and the group are identical and both use consistent accounting policies.

The investment in the associate is carried in the consolidated and chief entity statement of financial position at cost plus post-acquisition changes in the group's share of net assets of the associate, less any impairment in value. The consolidated and chief entity statement of comprehensive income reflects the group's share of the results of operations of the associate.

Where there has been a change recognised directly in the associate's equity, the group recognises its share of any changes and discloses this, when applicable, in the consolidated and chief entity statement of changes in equity.

g) Goodwill

Goodwill acquired in a business combination is initially measured at its cost, being the excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised at the date of the acquisition. Goodwill is subsequently measured at its cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units, or groups of cash-generating units, expected to benefit from the synergies of the business combination. Cash-generating units or groups of cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently if events or changes in circumstances indicate that goodwill might be impaired.

h) Intangibles

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

i) Employee benefits

Provision is made for the economic entity's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been

measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

j) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

k) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

l) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

m) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

Interest is recognised as it accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Dividend revenue is recognised when the shareholder's right to receive the payment is established.

Fees and commissions are recognised as revenue or expenses on an accrual basis.

Premium Revenue - Mortgage Risk Management Pty Ltd

Premiums have been brought to account as income from the date of attachment of risk. Direct Premiums comprise amounts charged to the policy holder, excluding stamp duties collected on behalf of the statutory authorities. The earned portion of premiums received and receivable is recognised as revenue.

n) Loans and advances - Doubtful Debts

The society has extended its lending to incorporate limited fully secured commercial lending. It continued and will continue to insure the majority of new residential mortgage loans approved, in particular existing MRM insured borrowers and new loans less than 75% LVR, with the society's wholly owned subsidiary, Mortgage Risk Management Pty Ltd, a registered lender's mortgage insurer.

The society's general policy is to insure the majority of all other residential mortgage loans with Genworth Financial Mortgage Insurance Pty Limited.

There are no loans on which interest is not being accrued and no specific provision for doubtful debts for any type of loan.

Specific provisions for doubtful debts and write-off of debts are in respect of overdrawn savings accounts, leases, secured commercial loans and relevant non recoverable amounts.

o) Adoption of new and revised accounting standards

The group has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- the replacement of Income Statement with Statement of Comprehensive Income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- the adoption of the single statement approach to the presentation of the Statement of Comprehensive Income;
- other financial statements are renamed in accordance with the Standard; and

Business Combinations and Consolidation Procedures

Revised AASB 3 is applicable prospectively from 1 July 2008. Changes introduced by this Standard, or as a consequence of amendments to other Standards relating to business combinations which are expected to affect the group, include the following:

- All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method which prohibits the recognition of contingent liabilities of the acquiree at

note 1 continued

acquisition date that do not meet the definition of a liability. Costs incurred that relate to the business combination are expensed instead of comprising part of the goodwill acquired on consolidation. Changes in the fair value of contingent consideration payable are not regarded as measurement period adjustments and are recognised through profit or loss unless the change relates to circumstances which existed at acquisition date.

- Unrecognised deferred tax assets of the acquiree may be subsequently realised within 12 months of acquisition date on the basis of facts and circumstances existing at acquisition date with a consequential reduction in goodwill. All other deferred tax assets subsequently recognised are accounted for through profit or loss.
- The proportionate interest in losses attributable to non-controlling interests is assigned to non-controlling interests irrespective of whether this results in a deficit balance. Previously, losses causing a deficit to non-controlling interests were allocated to the parent entity.
- Where control of a subsidiary is lost, the balance of the remaining investment account shall be re-measured to fair value at the date that control is lost.

Revenue Recognition

Dividends received from a subsidiary, joint venture or associate shall be recognised as dividend revenue in the profit or loss irrespective of whether such dividends may have been paid out of pre-acquisition profits. Previously, such dividends were treated as a return of capital invested. Such dividends may be an indicator of impairment where the carrying amount of the investment exceeds the consolidated net assets relating to that investment or where the dividend exceeds the total comprehensive income of the respective investee in the period the dividend is declared.

p) New standards and interpretations not yet adopted

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The group has decided against early adoption of these standards. A discussion of those future requirements and their impact on the group follows:

AASB 9 *Financial Instruments* includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the project to replace AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 9 will become mandatory for the group's 30 June 2014 financial statements. Retrospective application is generally required, although there are exceptions, particularly if the entity adopts the standard for the year ended 30 June 2012 or earlier. The group has not yet determined the potential effect of the standard.

AASB 124 *Related Party Disclosures* (revised December 2009) simplifies and clarifies the intended meaning of the definition of a related party and provides a partial exemption from the disclosure requirements for government-related entities. The amendments, which will become mandatory for the group's 30 June 2012 financial statements, are not expected to have any impact on the financial statements.

AASB 2009-4 *Amendments to the Australian Accounting Standards* arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2009-5 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* [AASB 5, 8, 101, 107, 117, 118, 136 & 139] (applicable for annual reporting periods commencing from 1 January 2010). These standards detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the group.

AASB 2009-5 *Further amendments to Australian Accounting Standards arising from the Annual Improvements Process* affect various AASBs resulting in minor changes for presentation, disclosure recognition and measurement purposes. The amendments, which become mandatory for the group's 30 June 2011 financial statements, are not expected to have a significant impact on the financial statements.

AASB 2009-8 *Amendments to Australian Accounting Standards - Group Cash-settled Share-based Payment Transactions* resolves diversity in practice regarding the attribution of cash-settled sharebased payments between different entities within a group. As a result of the amendments AI 8 Scope of AASB 2 and AI 11 AASB 2 - *Group and Treasury Share Transactions* will be withdrawn from the application date. The amendments, which become mandatory for the group's 30 June 2011 financial statements, are not expected to have a significant impact on the financial statements.

AASB 2009-9 *Amendments to Australian Accounting Standards - Additional Exemptions for First-time Adopters* [AASB 1] (applicable for annual reporting periods commencing on or after 1 January 2010). These amendments specify requirements for entities using the full cost method in place of the retrospective application of Australian Accounting Standards for oil and gas assets, and exempt entities with existing leasing contracts from reassessing the classification of those contracts in accordance with Interpretation 4 when the application of their previous accounting policies would have given the same outcome. These amendments are not expected to impact the group.

AASB 2009-10 *Amendments to Australian Accounting Standards - Classification of Rights Issue* [AASB 132] (October 2010) clarify that rights, options or warrants to acquire a fixed number of an entity's own equity

instruments for a fixed amount in any currency are equity instruments if the entity offers the rights, options or warrants pro-rata to all existing owners of the same class of its own non-derivative equity instruments. The amendments, which will become mandatory for the group's 30 June 2011 financial statements, are not expected to have any impact on the financial statements.

AASB 2009-12 *Amendments to Australian Accounting Standards* [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011). This standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of International Financial Reporting Standards by the IASB. The standards also amend AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. These amendments are not expected to impact the group.

AASB 2009-13 *Amendments to Australian Accounting Standards arising from Interpretation 19* [AASB 1] (applicable for annual reporting periods commencing on or after 1 July 2010). This standard makes amendments to AASB 1 arising from the issue of Interpretation 19. The amendments allow a first-time adopter to apply the transitional provisions in Interpretation 19. This standard is not expected to impact the group.

AASB 2009-14 *Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement - AASB 14* make amendments to Interpretation 14 AASB 119 - *The Limit on a Defined Benefit Asset, Minimum Funding Requirements* removing an unintended consequence arising from the treatment of the prepayments of future contributions in some circumstances when there is a minimum funding requirement. The amendments will become mandatory for the group's 30 June 2012 financial statements, with retrospective application required. The amendments are not expected to have any impact on the financial statements.

AASB Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments* addresses the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability. AASB Interpretation 19 will become mandatory for the group's 30 June 2011 financial statements, with retrospective application required. The group has not yet determined the potential effect of the interpretation.

The group does not anticipate early adoption of any of the above reporting requirements and does not expect these requirements to have any material effect on the group's financial statements.

In June 2010, the *Corporations Act 2001* and *Corporations Regulations 2001* were amended. The amendments have resulted in the requirement for the annual financial report of a company group to include financial statements for the consolidated entity only, with certain disclosures for the parent entity required in the notes to the financial statements. However, the directors have decided to apply ASIC Class Order [CO 10/654] which allows inclusion of the parent entity financial statements in the annual financial report.

q) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

r) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity. Details on critical estimates and judgements in respect of impairment of receivables, impairment of investments and impairment of goodwill are disclosed in Note 1 n), Note 11 and Note 15 respectively.

note 2

INTEREST REVENUE AND INTEREST EXPENSE

The following tables show the average balance for each of the major categories of interest bearing assets and liabilities, the amount of interest revenue or expense and the average interest rate. Month end averages are used as they are representative of the entity's operations during the period.

	\$ Average balance	\$ Interest	% Average interest rate
INTEREST REVENUE 2010			
Deposits with other financial institutions	117,505,245	4,961,947	4.22
Investment securities	106,313,301	5,525,777	5.20
Loans and advances	2,255,968,405	148,061,488	6.56
Other	7,794,558	588,000	7.54
	2,487,581,509	159,137,212	6.40

note 2 continued

BORROWING COSTS 2010

	\$ Average balance	\$ Interest	% Average interest rate
Deposits from other financial institutions	1,142,013,350	50,406,928	4.41
Customer deposits	1,293,720,881	51,470,714	3.98
Subordinated notes	25,000,000	2,558,288	10.23
	2,460,734,231	104,435,930	4.24

Net interest revenue 2010

	54,701,282
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INTEREST REVENUE 2009

Deposits with other financial institutions	47,200,908	2,075,789	4.40
Investment securities	153,085,725	7,942,250	5.19
Loans and advances	2,095,053,750	154,756,342	7.39
Other	18,916,081	737,883	3.90
	2,314,256,464	165,512,264	7.15

BORROWING COSTS 2009

Deposits from other financial institutions	1,008,137,373	56,874,217	5.64
Customer deposits	1,193,867,105	59,380,871	4.97
Subordinated notes	14,375,000	1,070,454	7.45
	2,216,379,478	117,325,542	5.29

Net interest revenue 2009

	48,186,722
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CONSOLIDATED		CHIEF ENTITY	
\$ 2010	\$ 2009	\$ 2010	\$ 2009

note 3

PROFIT BEFORE INCOME TAX

Profit before income tax includes the following revenues and expenses whose disclosure is relevant in explaining the financial performance of the consolidated group.

Profit relating to mortgage insurance activities (also refer note 1.m)

Premium revenue	3,941,671	3,925,157	-	-
Reinsurance expense (also refer note 11)	-	(978,761)	-	-
	3,941,671	2,946,396	-	-

note 3 continued

Included in the profit before income tax are the following revenue items:

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Other revenue				
Dividends				
Controlled entities	-	-	2,500,000	750,000
Other corporations	145	769	145	769
Fees and commissions	9,967,444	12,118,990	9,967,444	12,118,990
Signup payment	-	2,272,727	-	2,272,727
Other revenue	1,646,075	1,333,731	911,347	980,456
	15,555,335	18,672,613	13,378,936	16,122,942

The profit before income tax is arrived at after charging the following items:

Other expenses				
Fees and commissions	6,176,496	4,336,313	6,176,496	4,336,313
Provisions for employee entitlements	89,000	263,000	89,000	263,000
General and administration expenses	12,064,123	11,419,361	11,527,180	10,880,613
Impairment losses (also refer note 11)	-	4,866,000	-	-
Underwriting expenses	1,090,551	1,740,331	-	-
	19,420,170	22,625,005	17,792,676	15,479,926

note 4

INCOME TAX

Major components of tax expense for the year are:

Current income tax	9,000,019	9,200,085	7,930,877	8,807,270
Deferred income tax	618,327	(1,122,807)	349,992	125,269
	9,618,346	8,077,278	8,280,869	8,932,539

The prima facie tax on profit before income tax differs from the income tax provided as follows:

Prima facie tax on profit before income tax at 30% (2009 - 30%)	9,565,978	7,544,166	8,981,950	8,757,762
Tax effect of permanent differences				
Depreciation of buildings	45,823	47,745	45,823	47,745
Franked dividends	(150,066)	(171,256)	(150,066)	(171,256)
Other items - net	121,483	118,332	118,034	(15,003)
Equity accounting income	-	(51,574)	-	(51,574)
Intra-group dividend (MRM)	-	-	(750,000)	(225,000)
Overprovision for taxation in prior year	35,128	589,865	35,128	589,865
Income tax expense attributable to profit from ordinary activities	9,618,346	8,077,278	8,280,869	8,932,539

note 5

DIVIDENDS PAID

Dividends paid during the year

	10,120,928	9,259,440	10,120,928	9,259,440
Interim for current year				
Fully franked dividend on ordinary shares				
Final for previous year	9,372,584	9,672,232	9,372,584	9,672,232
Fully franked dividend on ordinary shares				

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
	10,120,928	9,259,440	10,120,928	9,259,440
	9,372,584	9,672,232	9,372,584	9,672,232
	19,493,512	18,931,672	19,493,512	18,931,672

In accordance with Accounting Standards, dividends are only provided for as declared or paid. Subsequent to the reporting date, the Board declared a dividend of 31 cents per ordinary share (\$9.920 million), for the six months to 30 June 2010, payable on 05 October 2010.

The final dividend for the six months to 30 June 2009 (\$9.372 million) was paid on 02 October 2009, and was disclosed in the 2008/09 financial accounts in accordance with Accounting Standards.

The tax rate at which the dividends have been franked is 30% (2009 - 30%).

The amount of franking credits available for the subsequent financial year are:

Balance as at the end of the financial year	7,974,317	5,313,053	7,974,317	5,313,053
Credits that will arise from the payment of income tax payable per the financial statements	4,171,993	1,997,248	4,171,993	1,997,248
Debits that will arise from the payment of the proposed dividend	(4,251,588)	(4,016,822)	(4,251,588)	(4,016,822)
	7,894,722	3,293,479	7,894,722	3,293,479

Dividends - cents per share

Dividend proposed

Fully franked dividend on ordinary shares	31.0	30.0	31.0	30.0
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Interim dividend paid during the year

Fully franked dividend on ordinary shares	32.0	30.0	32.0	30.0
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Final dividend paid for the previous year

Fully franked dividend on ordinary shares	30.0	33.0	30.0	33.0
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note 6

CASH AND CASH EQUIVALENTS

Cash on hand and at banks	26,794,812	32,927,200	26,791,995	32,886,332
Deposits on call	62,375,697	45,245,876	40,900,000	33,400,000
	89,170,509	78,173,076	67,691,995	66,286,332

note 7

DUE FROM OTHER FINANCIAL INSTITUTIONS

Bank term deposits	78,778,082	24,204,625	78,778,082	24,204,625
Deposits with SSP's	3,997,062	3,997,062	3,997,062	3,997,062
Subordinated loans	124,585	124,585	124,585	124,585

Maturity analysis

Up to 3 months	63,971,111	13,855,400	63,971,111	13,855,400
From 3 to 12 months	14,756,971	10,349,225	14,756,971	10,349,225
From 1 to 5 years	50,000	-	50,000	-
No maturity specified	4,121,647	4,121,647	4,121,647	4,121,647

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
	82,899,729	28,326,272	82,899,729	28,326,272
	63,971,111	13,855,400	63,971,111	13,855,400
	14,756,971	10,349,225	14,756,971	10,349,225
	50,000	-	50,000	-
	4,121,647	4,121,647	4,121,647	4,121,647
	82,899,729	28,326,272	82,899,729	28,326,272

note 8

ACCRUED RECEIVABLES

Interest receivable	2,017,352	1,526,769	2,017,352	1,526,769
Securitisation receivables	17,687,968	14,432,265	17,687,968	14,432,265
Other	1,006,113	7,188,253	395,308	938,703
	20,711,433	23,147,287	20,100,628	16,897,737

note 9

FINANCIAL ASSETS

Financial assets held to maturity				
Bills of exchange and promissory notes	51,592,387	107,684,306	51,592,387	107,684,306
Certificates of deposit	27,671,515	9,096,789	27,671,515	9,096,789
Notes - Securitisation program & other	86,766,315	9,790,109	86,766,315	9,790,109

Financial assets available for sale

RMBS Investments	29,145,793	-	23,414,878	-
	195,176,010	126,571,204	189,445,095	126,571,204

Maturity analysis

Up to 3 months	86,949,512	105,492,618	86,949,512	105,492,618
From 3 to 12 months	15,729,268	11,288,477	15,729,268	11,288,477
From 1 to 5 years	5,730,915	-	-	-
Later than 5 years	86,766,315	9,790,109	86,766,315	9,790,109

	195,176,010	126,571,204	189,445,095	126,571,204
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note 10

LOANS AND ADVANCES

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Term loans	1,718,078,820	1,621,405,241	1,718,078,820	1,621,405,241
Loans to controlled entities	-	-	3,150,820	4,418,611
Continuing credit loans	536,819,424	517,795,281	536,819,424	517,795,281
Leases receivable	352,055	1,066,630	-	-
	2,255,250,299	2,140,267,152	2,258,049,064	2,143,619,133
Provision for impairment	(413,795)	(124,776)	(322,733)	(34,672)
Total loans	2,254,836,504	2,140,142,376	2,257,726,331	2,143,584,461
Provision for impairment				
Specific provision				
Opening balance	(124,776)	(195,051)	(34,672)	(80,136)
Bad and doubtful debts provided for during the year	(289,019)	70,275	(288,061)	45,464
Total provision for impairment	(413,795)	(124,776)	(322,733)	(34,672)
Charge to profit and loss for bad and doubtful debts comprises:				
Specific provision	(289,019)	70,275	(288,061)	45,464
Bad debts recognised directly	(317,584)	(68,808)	(338)	(42,721)
	(606,603)	1,467	(288,399)	2,743
Maturity analysis				
Up to 3 months	1,626,753	1,738,533	1,613,860	1,696,941
From 3 to 12 months	288,891	796,403	151,052	556,569
From 1 to 5 years	37,876,993	40,173,176	37,675,549	39,387,852
Later than 5 years	2,215,043,867	2,097,434,264	2,218,285,870	2,101,943,099
	2,254,836,504	2,140,142,376	2,257,726,331	2,143,584,461

The economic entity has entered into securitisation transactions on residential mortgage loans that do not qualify for derecognition. The special purpose entity established for the securitisation is considered to be controlled in accordance with Australian Accounting Standards & Australian Accounting Interpretations. The economic entity is entitled to any residual income of the securitisation program after all payments due to investors and costs of the program have been met, to this extent the economic entity retains credit and liquidity risk.

The impact on the consolidated and chief entity is an increase in liabilities - securitised loans - of \$903.601 million (30 June 2009 - \$790.456 million).

Concentration of risk

The loan portfolio of the society does not include any loan which represents 10% or more of capital.

note 11

OTHER INVESTMENTS

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Unlisted shares - at Directors' valuation	501,506	351,504	501,386	351,384
Controlled entities - at cost	-	-	20,421,164	15,921,164
Investment in associate	7,315,002	7,115,078	7,315,002	7,115,078
Interest in joint venture - at cost	15,000	15,000	15,000	15,000
	7,831,508	7,481,582	28,252,552	23,402,626

Investment in controlled entities comprises:

Name	Country of incorporation	June 2010 %	June 2009 %	Contribution to consolidated operating profit after income tax	Investment carrying value
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Chief entity

Wide Bay Australia Ltd	Australia			18,458,963	18,768,002
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Controlled entities

Mortgage Risk Management Pty Ltd	Australia	100	100	2,881,836	(2,377,505)	20,420,000	15,920,000
Wide Bay Australia Mini Lease Pty Ltd	Australia	51	51	(35,584)	17,881	1,041	1,041
Mackay Permanent Building Society Ltd	Australia	100	100	-	-	-	-
MPBS Insurance Pty Ltd	Australia	100	100	-	(1,103)	2	2
MPBS Holdings Pty Ltd	Australia	100	100	297,221	(96,514)	1	1
F.I. Software Solutions Pty Ltd	Australia	100	100	-	-	120	120
				3,143,473	(2,457,241)	20,421,164	15,921,164

Investment in associate comprises:

Financial Technology Securities Pty Ltd	Australia	25	25	700,000	742,000	7,315,002	7,115,078
				22,302,436	17,052,761	27,736,166	23,036,242

The carrying amounts of unlisted shares were reassessed by the Directors as at 30 June 2010 with the reassessments being based on the projections of the current market values of the shares.

note 11 continued

Controlled entities

Mortgage Risk Management Pty Ltd ("MRM") is a wholly owned subsidiary of Wide Bay Australia Ltd and is a registered lenders' mortgage insurance provider. The company acts solely for the purpose of insuring the society's residential mortgages and has received APRA approval.

The operations of MRM are subject to and under the supervision of APRA in respect of compliance and capital requirements.

MRM meets APRA's acceptable LMI test and all residential mortgage loans insured with the company qualify for a concessional risk-weight for capital adequacy purposes.

MRM was restructured in the prior financial year in light of the deterioration in credit ratings of MRM's reinsurer, Radian Guaranty Inc ("Radian") and the unavailability of a suitable alternative. The company will use MRM and Genworth Financial Mortgage Insurance Pty Limited for mortgage insurance on future lending.

In the year ended 30 June 2009 MRM commuted its reinsurance arrangements with Radian in return for a one-off payment of \$5,472,466, which includes a refund of premiums representing unearned reinsurance premiums and a refund of a proportion of earned premiums due to no claims being made during the term of the contract.

On termination of the reinsurance agreement the unearned reinsurance expense of \$4,411,756 was written off.

While restructuring MRM's operations in the year ended 30 June 2009 the Directors reviewed the financial instruments held to maturity and held at fair value. Two actuarial experts were retained to determine the fair value of the investments. As a result, MRM made a provision for impairment losses of \$4,866,000, and in addition incurred a realised loss of \$803,415 on the sale of NAB Income Securities.

The society controls a 51% share in Wide Bay Australia Mini Lease Pty Ltd. This company provides leasing and rental finance for businesses to acquire plant and equipment. The Directors have resolved not to issue new leasing and rental contracts and to wind the business down as existing contracts are paid out.

The society has entered into a joint venture with Tamsu Pty Ltd as trustee for the FT(WBC)Unit Discretionary Trust to establish a vehicle for the provision of financial planning and services. The company, Wide Bay Australia Financial Planning Services Pty Ltd, is a 50/50 structure and acts as an authorised representative of an Australian Financial Services licence holder.

Mackay Permanent Building Society Ltd

On 11 January 2008, the company announced the fulfilment of conditions pertaining to the off-market takeover of shares in Mackay Permanent Building Society Ltd as set out in the bidder's statement and gave notice that the offer was unconditional effective 10 January 2008.

MPBS Holdings Pty Ltd is a wholly owned subsidiary which holds the property at 73 Victoria Street Mackay.

MPBS Insurance Pty Ltd is a wholly owned subsidiary which is no longer actively trading.

F.I. Software Solutions Pty Ltd is a wholly owned subsidiary which is no longer actively trading.

Investment accounted for using the equity method

On 29 July 2005, Wide Bay Australia Ltd acquired a 25% interest in Financial Technology Securities Pty Ltd.

Financial Technology has operated since 1993 as financial planners using a plan that utilises investor equity for wealth creation, with Wide Bay Australia being one of their preferred lenders and Navigator their investment platform during that period. The company operates primarily in South East Queensland and New South Wales, with a large clientele developed over the years.

Financial Technology Securities Pty Ltd is not listed on any public exchange and therefore there is no published quotation price for the fair value of this investment. The reporting date of the associate is the same as Wide Bay Australia Ltd.

There were no impairment losses relating to the investment in the associate or other commitments relating to the associate.

The following table illustrates summarised information of the investment in Financial Technology Securities Pty Ltd:

	\$ June 2010	\$ June 2009
Share of associate's balance sheet:		
Current Assets	712,931	554,494
Non-current assets	667,714	716,429
Current Liabilities	(535,615)	(589,330)
Non-current liabilities	-	-
Net Assets	845,030	681,593
Share of associate's revenue and profit:		
Revenue	2,596,460	2,948,769
Profit before income tax	974,056	837,134
Adjustment of accrual	36,563	205,417
Income tax	(310,619)	(300,551)
Profit after income tax	700,000	742,000

We note that the above figures were based on the unaudited accounts of Financial Technology Securities Pty Ltd.

note 12

PROPERTY, PLANT AND EQUIPMENT

Freehold land and buildings

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
At independent valuation - June 2009	12,655,000	12,655,000	12,655,000	12,655,000
Provision for depreciation	252,925	-	252,925	-
Land and buildings - 73 Victoria St Mackay	3,870,000	3,870,000	-	-
At independent valuation - July 2009				
Land and buildings - 73 Victoria St Mackay	4,225	-	-	-
At cost				
Provision for depreciation	70,560	-	-	-
	16,205,740	16,525,000	12,402,075	12,655,000

Movement in carrying amount

Carrying amount at beginning of year	16,525,000	15,327,170	12,655,000	11,574,150
Additions	4,225	220,572	-	-
Revaluation increment (net)	-	1,303,297	-	1,326,275
Depreciation	323,485	326,039	252,925	245,425
Carrying amount at end of year	16,205,740	16,525,000	12,402,075	12,655,000

Plant and equipment

At cost	23,490,456	23,146,656	23,490,456	23,146,656
Provision for depreciation	19,186,119	17,494,705	19,186,119	17,494,705
	4,304,337	5,651,951	4,304,337	5,651,951

Movement in carrying amount

Carrying amount at beginning of year	5,651,951	6,564,674	5,651,951	6,564,674
Additions	343,799	1,378,734	343,799	1,378,734
Additions due to business combinations	-	-	-	-
Disposals	-	449,671	-	449,671
Depreciation	1,691,413	1,841,786	1,691,413	1,841,786
Carrying amount at end of year	4,304,337	5,651,951	4,304,337	5,651,951
	20,510,077	22,176,951	16,706,412	18,306,951

The land and buildings at 73 Victoria Street Mackay were acquired with the purchase of shares in Mackay Permanent Building Society Ltd. The land and buildings were valued at 29 July 2009 by certified practising valuer, Barry Deacon AAPI of Herron Todd White.

All other land and buildings were revalued as at 30 April 2009 by independent registered valuers Jim Webb AAPI and Brad Hooper AAPI of Propell National Valuers.

The valuations were based on current market values.

The society's policy is to revalue freehold land and buildings every three years.

note 13

DEFERRED INCOME TAX ASSETS

Deferred income tax assets are attributable to:

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Employee leave provisions	713,700	687,000	713,700	687,000
Other provisions	124,139	37,433	96,820	10,402
Property, plant & equipment	529,549	460,273	386,293	224,151
Takeover expenses	18,166	36,333	18,166	36,333
Unrealised losses on investments	1,425,622	1,459,800	-	-
MPBS project costs	240,690	377,834	240,690	377,834
Other items	(57,269)	85,640	34,171	35,502
	2,994,597	3,144,313	1,489,840	1,371,222

In respect of each temporary difference the adjustment was charged to income.

note 14

OTHER ASSETS

Prepayments	8,723,374	6,875,599	8,303,564	5,878,390
	8,723,374	6,875,599	8,303,564	5,878,390

note 15

GOODWILL ON CONSOLIDATION

Pursuant to a bidder's statement lodged with the Australian Securities & Investments Commission on 15 November 2007, the company issued an off-market takeover offer for 100% of the ordinary shares in Mackay Permanent Building Society Ltd (MPBS).

On 11 January 2008 the company announced the fulfilment of conditions pertaining to the off-market takeover offer set out in the bidder's statement and gave notice that the offer was unconditional effective 10 January 2008.

In accordance with APRA's approval for the transfer of business the financial and accounting records of the entities were merged on 01 June 2008.

The financial accounting for this business combination was prepared in accordance with Australian Accounting Standards and as set out in note 1g), and recognises the acquisition date as 10 January 2008.

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Goodwill	42,057,110	42,057,110	43,316,012	43,316,012
	42,057,110	42,057,110	43,316,012	43,316,012

Impairment testing

The cash-generating unit selected for impairment testing of goodwill was the Wide Bay Australia Ltd chief entity, as it is impractical to identify a separate MPBS cash generating unit within the chief and consolidated entity.

The goodwill disclosed in the Statement of Financial Position at 30 June 2010 was supported by the impairment testing and no impairment adjustment was required.

Impairment testing of goodwill was carried out by comparing the net present value of cash flows from the cash-generating unit to the carrying value of the goodwill in the balance sheet. The cash flows were based on projections of future earnings before taxation, depreciation and amortisation, plus expected receipts from the sale of capital assets.

The cash flows have been projected over a period of nine years as the MPBS entity has been acquired for the long term and there is no currently foreseeable intention to dispose of that business. The terminal value of the business beyond the year nine has been determined using a constant growth perpetuating formula.

The key assumptions used in carrying out the impairment testing were as follows:

- the trading results for the financial year ending 30 June 2010 represents the cash-generating potential of the consolidated entity;
- the estimated growth in the cash-generating unit cash flows over the testing period was 4.0% which compares to budgeted growth for the consolidated group of 8.0%;
- the net present value discount rate used in the impairment testing was 4.92% which represents the cost of funds to the consolidated group at 30 June 2010.

The estimated growth of 4% is considered to be a conservative parameter as the growth in the loan book of the consolidated entity has averaged 8.02% over the previous 5 years.

CONSOLIDATED

\$ 2010 \$ 2009

CHIEF ENTITY

\$ 2010 \$ 2009

note 16

DEPOSITS AND SHORT TERM BORROWINGS

Call deposits	385,587,924	422,707,879	388,625,945	430,608,350
Term deposits	924,298,688	824,927,398	924,298,688	824,927,398
	1,309,886,612	1,247,635,277	1,312,924,633	1,255,535,748
Maturity analysis				
On call	435,958,703	422,707,879	438,996,724	430,608,350
Up to 3 months	319,790,990	317,841,462	319,790,990	317,841,462
From 3 to 12 months	522,875,023	473,662,125	522,875,023	473,662,125
From 1 to 5 years	31,261,896	33,423,811	31,261,896	33,423,811
	1,309,886,612	1,247,635,277	1,312,924,633	1,255,535,748

The society's deposit portfolio does not include any deposit which represents 10% or more of total liabilities.

note 17

DUE TO OTHER FINANCIAL INSTITUTIONS

Secured loans	275,834,809	214,763,918	275,834,809	214,686,528
Maturity analysis				
Up to 3 months	72,408,925	-	72,408,925	-
From 3 to 12 months	203,425,884	214,763,918	203,425,884	214,686,528
	275,834,809	214,763,918	275,834,809	214,686,528

The loans to the chief entity are secured by charges held over internally securitised registered mortgage documents. The carrying amount of these mortgages is \$322,100,000 (2009 - \$242,800,000).

note 18

PAYABLES AND OTHER LIABILITIES

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Trade creditors	5,835,505	5,327,155	5,835,505	5,327,155
Accrued interest payable	15,892,158	13,699,077	15,892,158	13,699,077
Other creditors	10,055,422	13,911,754	6,423,703	9,210,278
	31,783,085	32,937,986	28,151,366	28,236,510
Maturity analysis				
Up to 3 months	21,393,908	24,670,556	17,762,189	19,969,080
From 3 to 12 months	9,860,141	7,692,793	9,860,141	7,692,793
From 1 to 5 years	529,036	574,637	529,036	574,637
	31,783,085	32,937,986	28,151,366	28,236,510

note 19

DEFERRED INCOME TAX LIABILITIES

Provision for taxation	4,171,993	2,179,745	3,084,276	2,085,549
Deferred income tax liabilities are attributable to:				
Asset revaluation reserve	2,622,912	2,622,912	2,129,844	2,129,844
Prepayments	553,922	426,103	553,922	426,103
Equity accounting revenue	308,051	222,600	308,051	222,600
Accrued interest	136,141	217,569	136,141	217,569
MPBS acquisition adjustments	221,264	-	221,264	-
	3,842,290	3,489,184	3,349,222	2,996,116
	8,014,283	5,668,929	6,433,498	5,081,665

In respect of each temporary difference the adjustment was charged to income.

note 20

PROVISIONS

Employee entitlements				
Balance at beginning of year	2,290,000	2,027,000	2,290,000	2,027,000
Annual leave and long service leave provided for during the year	89,000	263,000	89,000	263,000
Balance at end of year	2,379,000	2,290,000	2,379,000	2,290,000
Unearned direct premiums and outstanding claims				
Balance at beginning of year	8,267,869	7,771,253	-	-
Transfers to the provision during the year	3,199,430	4,510,471	-	-
Payments from the provision during the year	3,693,410	4,013,855	-	-
Balance at end of year	7,773,889	8,267,869	-	-

Premium revenues are earned over 10 years in accordance with actuarial advice based on historical claim patterns. The unearned portion is recognised as unearned premium liability.

The outstanding claims liability is based on independent actuarial advice and estimates of claims incurred but not settled at balance date. The estimation is based on statistical analyses of historical experience.

Other provisions	51,588	97,855	51,587	97,855
Total provisions	10,204,477	10,655,724	2,430,587	2,387,855

note 21

SUBORDINATED CAPITAL NOTES

Inscribed debenture stock	25,000,000	25,000,000	25,000,000	25,000,000
Maturity analysis				
Up to 3 months	25,000,000	25,000,000	25,000,000	25,000,000

note 22

CONTRIBUTED EQUITY

Fully paid ordinary shares

All ordinary shares have equal voting, dividend and capital repayment rights.

	SHARES JUNE 2010		SHARES JUNE 2009	
	No.	\$	No.	\$
Balance at beginning of year	31,241,947	117,814,059	29,305,155	105,930,517
Issued during the year				
Staff share plan	84,594	703,822	124,957	904,689
Dividend reinvestment plan	674,658	6,129,944	545,839	3,459,233
Non-renounceable rights issue	-	-	1,265,996	7,912,475
Share issue costs	-	-	-	(392,855)
Balance at end of year	32,001,199	124,647,825	31,241,947	117,814,059

Effective 1 July 1998, the Company Law Review Act abolished the concept of par value shares and the concept of authorised capital. Accordingly, the company does not have authorised capital or par value in respect of its issued shares.

Staff Share Plan

24 November 2009 - 84,594 ordinary shares were issued.

Shares issued pursuant to the society's staff share plan were at a price of 90% of the weighted average price of the society's shares traded on the Australian Securities Exchange for the 10 days prior to the issue of the invitation to subscribe for the shares.

The members of the society approved a staff share plan in 1992 enabling the staff to participate to a maximum of 10% of the shares of the society. The share plan is available to all employees under the terms and conditions as decided from time to time by the Directors, but in particular, limits the maximum loan to each participating employee to 40% of their gross annual income. The plan requires employees to provide a deposit of 10% with the balance able to be repaid over a period of 5 years at no interest.

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
The total number of shares issued to employees since the inception of the staff share plan was	2,234,949	2,150,355	2,234,949	2,150,355
The total number of shares issued to employees during the financial year was	84,594	124,957	84,594	124,957
The total market value at date of issue, 24 November 2009 (11 December 2008) was	786,724	862,203	786,724	862,203
The total amount paid or payable for the shares at that date was	703,822	904,689	703,822	904,689

note 22 continued

Dividend Reinvestment Plan (DRP)

02 October 2009 - 313,653 ordinary shares were issued.

26 March 2010 - 361,005 ordinary shares were issued.

Shares issued under the plan rank equally in every respect with existing fully paid permanent ordinary shares and participate in all cash dividends declared after the date of issue.

The shares issued under the DRP on 02 October 2009 and 26 March 2010 were issued at a discount of 7.5% on the weighted sale price of the company's shares sold during the five trading days immediately following the Record Date.

Non-renounceable Rights Issue

31 December 2008 - 1,265,996 ordinary shares were issued.

The company undertook a non-underwritten non-renounceable rights issue of 1 new ordinary share for every 12 existing fully paid ordinary shares.

Shares issued under the Rights Issue rank equally in every respect with existing fully paid ordinary shares and participate in all cash dividends declared after the date of issue.

The shares were issued under the Rights Issue at a price of \$6.25 which represented a discount of 10.7% to the closing price of the shares on 26 November 2008.

note 23

RESERVES

Movements in reserves

Asset revaluation reserve

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Balance at beginning of year	4,969,636	4,041,244	4,969,636	4,041,244
Increase due to revaluation increment on land and buildings	-	1,326,275	-	1,326,275
Deferred tax liability adjustment on revaluation increment on land and buildings	-	(397,883)	-	(397,883)
Balance at end of year	4,969,636	4,969,636	4,969,636	4,969,636
The balance of this reserve represents the excess of the independent valuation over the original cost of the land and buildings.				

Statutory reserve - Building Societies Fund Act 1993

Balance at end of year	2,676,071	2,676,071	2,676,071	2,676,071
This is a statutory reserve created on a distribution from the Queensland Building Society Fund.				

General reserve

Balance at end of year	5,833,939	5,833,939	5,833,939	5,833,939
A special reserve was established upon the society issuing fixed share capital in 1992. The special reserve represented accumulated members profits at that date and was transferred to the general reserve over a period of 10 years being finalised in 2001/2002.				

note 23 continued

Doubtful debts reserve

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Balance at end of year	2,387,810	2,387,810	2,387,810	2,387,810
Under APRA Harmonised Standards the society is required to establish a general reserve for doubtful debts.				
The amount is generally up to 0.5% of Risk Weighted Assets.				

Total reserves	15,867,456	15,867,456	15,867,456	15,867,456
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note 24

OUTSIDE EQUITY INTEREST

Reconciliation of outside equity interest in controlled entities:

Opening balance	(436,349)	(453,528)
Share of operating (profit)/loss	(34,188)	17,179
Closing balance	(470,537)	(436,349)

note 25

CASH FLOW STATEMENT

Reconciliation of profit from ordinary activities after tax to the net cash flows from operations:

Profit after tax from continuing operations	22,268,248	17,069,940	21,658,963	20,260,002
Depreciation & amortisation	2,014,898	2,087,211	1,944,338	2,087,211
Bad debts expense	606,603	(1,467)	288,399	(2,743)
(Profit)/Loss on disposal of non-current assets	-	(5,210)	-	(5,210)
(Increase)/Decrease in Assets				
Accrued interest on investments	(263,798)	189,826	(263,798)	189,826
Prepayments	(2,425,174)	316,764	(2,425,174)	316,764
Inventories	693	25,719	693	25,719
Sundry debtors	3,971,817	(1,326,916)	1,728,372	1,119,389
Future income tax benefit	149,715	(613,323)	(118,619)	695,329

note 25 continued

Increase/(Decrease) in Liabilities

Increase in creditors & accruals	(306,090)	820,901	(2,315,756)	(6,296,349)
Increase in deferred tax payable	353,106	575,223	353,106	575,223
Increase in income tax payable	2,307,829	3,029,826	1,233,214	3,427,559
Increase in employee entitlement provisions	89,000	263,000	89,000	263,000

Net cash flows from operating activities	28,766,847	22,431,494	22,172,738	22,655,720
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Cash flows arising from the following activities are presented on a net basis:

Deposits to and withdrawals from customer deposit accounts.
Advances and repayments on loans, advances and other receivables.
Sales and purchases of investment securities.
Insurance and reinsurance premiums.
(Profit)/Loss on disposal of fixed assets.

note 26

EXPENDITURE COMMITMENTS

Capital expenditure commitment

Capital expenditure contracted for within one year	336,357	129,433	336,357	129,433
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Lease expenditure commitments

Non cancellable operating leases				
Up to 1 year	2,125,962	2,061,071	2,125,962	2,061,071
From 1 to 2 years	1,541,336	1,624,557	1,541,336	1,624,557
From 2 to 5 years	1,844,162	1,978,237	1,844,162	1,978,237
Later than 5 years	-	67,748	-	67,748

Total lease expenditure	5,511,460	5,731,613	5,511,460	5,731,613
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note 27

EMPLOYEE ENTITLEMENTS AND SUPERANNUATION COMMITMENTS

Employee entitlements

The aggregate employment entitlement liability is comprised of:

Provisions - (note 20)	2,379,000	2,290,000	2,379,000	2,290,000
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note 28

CONTINGENT LIABILITIES AND CREDIT COMMITMENTS

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Approved but undrawn loans	51,023,606	78,892,808	51,023,606	78,892,808
Approved but undrawn credit limits	122,390,693	122,004,205	122,390,693	122,004,205
	173,414,299	200,897,013	173,414,299	200,897,013

note 29

EARNINGS PER SHARE

Basic earnings per share (cents per share)	70.54	56.41
Diluted earnings per share (cents per share)	70.54	56.41

	BASIC		DILUTED	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Information relating to the calculation of the earnings per share is as follows:				
Calculation of numerator				
Net profit attributable to shareholders	22,302,436	17,052,761	22,302,436	17,052,761
Less dividends paid on preference shares	-	-	-	-
Numerator	22,302,436	17,052,761	22,302,436	17,052,761
Weighted average number of shares				
Ordinary shares	31,614,740	30,230,440	31,614,740	30,230,440
Potential ordinary shares	-	-	-	-
Total weighted average ordinary shares	31,614,740	30,230,440	31,614,740	30,230,440

note 30

KEY MANAGEMENT PERSONNEL AND RELATED PARTY DISCLOSURES

a) Details of key management personnel

The following were key management personnel for the entire reporting period:

i) Directors

JS Humphrey	Chairman - Non-executive Director
JH Fell	Director - Non-executive
RE Hancock	Managing Director
FM McLeod	Executive Director and Chief Operating Officer
JF Pressler	Director - Non-executive
PJ Sawyer	Director - Non-executive

note 30 continued

ii) Executives

IR Pokarier	Operations Manager
WR Schafer	Chief Financial Officer and Company Secretary
SV Butler	Loans Manager
DA Hancock	Manager Structured Finance, Products and Interstate Operations
AR Ashton	Internal Auditor

Each of the key management personnel, relatives of key management personnel and related business entities which hold share capital and/or deposits with the society do so on the same conditions as those applying to all other members of the society.

b) Key management personnel compensation

Remuneration for the year ended 30 June 2010

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Short term benefits				
Cash salary and fees	2,377,679	2,276,873	2,377,679	2,276,873
Cash bonus	-	-	-	-
Non-monetary	62,834	68,212	62,834	68,212
Post employment benefits				
Superannuation	336,688	512,264	336,688	512,264
Retirement benefits	-	-	-	-
Termination benefits	-	-	-	-
Share based payments	-	-	-	-
Other long term benefits	-	-	-	-
	2,777,201	2,857,349	2,777,201	2,857,349

c) Loans to key management personnel

The following table outlines the aggregate of loans to key management personnel. Details are provided on an individual basis for each of the key management personnel whose indebtedness exceeded \$100,000 at any time during this reporting period.

Loans have been made in accordance with the normal terms and conditions offered by the society and charged at the Benchmark Interest Rate for the Fringe Benefits Tax year as set by the Australian Taxation Office. This Benchmark Interest Rate would approximate an arms' length interest rate offered by the society.

Loans are also made in accordance with the Staff Share Plan approved by shareholders in 1992. The loans are repayable over 5 years at 0% interest, with the loans being secured by a lien over the relevant shares. Such loans are only available to employees of the society and there is no applicable arm's length interest to take into account in this note.

\$ Balance 01 July 2009	\$ Interest Charged	\$ Write-off	\$ Balance 30 June 2010	Number in Group 30 June 2010
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note 30 continued

Loans for the year ended 30 June 2010

Directors	(2,089,791)	44,461	-	(2,004,004)	3
Executives	(2,003,196)	126,596	-	(2,524,581)	5
Total:					
Key management personnel	(4,092,987)	171,057	-	(4,528,585)	8

\$ Balance 01 July 2008	\$ Interest Charged	\$ Write-off	\$ Balance 30 June 2009	Number in Group 30 June 2009
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Loans for the year ended 30 June 2009

Directors	(2,050,727)	68,225	-	(2,089,791)	3
Executives	(1,942,840)	117,720	-	(2,003,196)	5
Total:					
Key management personnel	(3,993,567)	185,945	-	(4,092,987)	8

\$ Balance 01 July 2009	\$ Interest* Charged	\$ Write-off	\$ Balance 30 June 2010	\$ Highest in period
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Individuals with loans above \$100,000 in reporting period

Directors					
JH Fell	(1,264,712)	19,205	-	(493,122)	(1,264,824)
RE Hancock	(539,549)	16,679	-	(1,228,884)	(1,228,884)
FM McLeod	(285,530)	8,577	-	(281,998)	(455,857)
Executives					
IR Pokarier	(470,865)	14,935	-	(456,542)	(487,033)
WR Schafer	(426,516)	42,343	-	(912,932)	(921,388)
DA Hancock	(544,102)	32,742	-	(604,817)	(618,825)
SV Butler	(561,713)	36,576	-	(550,290)	(560,995)

Does not include AR Ashton as his loan was less than \$100,000.

* Actual interest charged is affected by the use of the society's offset account.

A loan and a line of credit facility has been provided to Edals Investments Pty Ltd during the year. RE Hancock and DA Hancock are two of five equal shareholders in Edals Investments Pty Ltd, along with three other direct family members. The balance of the loan together with the drawn amount on the line of credit facility at 30 June 2010 was \$3,015,488.50.

note 30 continued

d) Equity holdings and transactions

The following table is in respect of ordinary shares held directly, indirectly or beneficially by key management personnel.

	Balance 01 July 2009	Received as Remuneration	Options Exercised	Net Change Other	Balance 30 June 2010
Directors					
JS Humphrey	30,000	-	-	-	30,000
JH Fell	417,026	-	-	5,505	422,531
RE Hancock	1,962,743	-	-	68,747	2,031,490
FM McLeod	111,458	-	-	6,362	117,820
JF Pressler	-	-	-	-	-
PJ Sawyer	553,878	-	-	38,634	592,512
Executives					
IR Pokarier	319,650	-	-	10,738	330,388
WR Schafer	17,181	-	-	(13,681)	3,500
DA Hancock	70,007	-	-	1,627	71,634
SV Butler	4,750	-	-	-	4,750
AR Ashton	10,187	-	-	4,267	14,454
Total	3,496,880	-	-	122,199	3,619,079

While Mr J F Pressler does not hold shares individually or in a related body corporate he is a director of Hestearn Pty Ltd, which holds 308,543 shares. Mr Pressler does not have a controlling interest in Hestearn Pty Ltd.

There were no shares granted during the reporting period as compensation.

e) Other key management personnel transactions

The following persons and entities related to key management personnel have provided services to the society.

In each case the transactions have occurred within a normal supplier - customer relationship on terms and conditions no more favourable than those available to other suppliers.

Mallesons Stephen Jaques, a related party due to having a common director being John S Humphrey, received fees for legal services and corporate advice (2009 - non-renounceable rights issue) totalling:

CONSOLIDATED		CHIEF ENTITY	
\$ 2010	\$ 2009	\$ 2010	\$ 2009
4,421	95,897	4,421	95,897

note 31

REMUNERATION OF AUDITORS

Amounts received or due and receivable by the auditors of the chief entity are as follows:

	CONSOLIDATED		CHIEF ENTITY	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Audit or review of the financial statements of the entity and any other entity in the economic entity	115,607	107,316	115,607	107,316
Additional costs relating to audit or review of the financial statements of the economic entity for the 2008 year	-	54,644	-	54,644
Tax return subsidiaries	5,786	4,601	5,786	4,601
Tax advice	11,725	39,440	11,725	39,440
Other services	8,219	-	8,219	-
Accrual adjustment	3,663	-	3,663	-
	145,000	206,001	145,000	206,001

Amounts received or due and receivable by the auditors of Mortgage Risk Management Pty Ltd are as follows:

Audit or review of the financial statements of the entity	25,000	24,500	-	-
Other regulatory audit services (APRA Return)	10,000	27,500	-	-
	35,000	52,000	-	-
KPMG related practices:				
Other regulatory audit services	11,200	10,800	-	-
	11,200	10,800	-	-
	191,200	268,801	145,000	206,001

note 32

EVENTS SUBSEQUENT TO BALANCE DATE

The financial statements were authorised for issue by the Directors on the date the Directors' Declaration was signed.

note 33

BUSINESS AND GEOGRAPHICAL SEGMENT INFORMATION

The society operates predominantly in one industry. The principal activities of the society are confined to the raising of funds and the provision of finance for housing. The society operates principally within the States of Queensland, New South Wales, Victoria and South Australia.

note 34

CONCENTRATION OF ASSETS AND LIABILITIES AND OFF BALANCE SHEET ITEMS

The Directors are satisfied that there is no undue concentration of risk by way of geographical area, customer group or industry group.

note 35

FINANCIAL INSTRUMENTS

a) Capital Risk Management

The Australian Prudential Regulation Authority's ("APRA's") Prudential Standard APS110 aims to ensure that authorised deposit-taking institutions ("ADI's") maintain adequate capital, on both an individual and group basis, to act as a buffer against the risks associated with the group's activities. APRA requires capital to be allocated against credit, market and operational risk, and the group has adopted the 'standard model' approach to measure the capital adequacy ratio.

The group's management prepares a 3 year capital plan and monitors actual risk-based capital ratios on a monthly basis to ensure the capital ratio complies with APRA's guidelines. APRA requires the capital adequacy ratio for the group to be maintained above 12%. During the 2010 and 2009 financial years the consolidated and chief entity complied with APRA's prescribed minimum capital requirements at all times.

The capital adequacy calculations at 30 June 2010 and 30 June 2009 have been prepared in accordance with the revised prudential standards incorporating the Basel II principles.

APRA Prudential Standards and Guidance Notes for ADI's provide guidelines for the calculation of capital and specific parameters relating to Tier 1 and Tier 2 capital and deductions from capital, including a requirement for Tier 1 capital to comprise at least 50% of total capital. Tier 1 capital comprises the highest quality components of capital and includes ordinary share capital, reserves and retained earnings less specific deductions. Tier 2 capital comprises other capital components including general reserve for credit losses, asset revaluation reserve and term subordinated debt less specific deductions.

Tier 2 capital is divided between "Upper Tier 2 capital" and "Lower Tier 2 capital" with Upper Tier 2 capital comprising components of capital that are more permanent in nature, with Lower Tier 2 capital comprising instruments that are not permanent. Lower Tier 2 capital net of specific deductions cannot exceed 50% of net Tier 1 capital.

The total risk weighted assets calculations are based on:

- i) credit risk arising from on-balance sheet and off-balance sheet exposures;
- ii) market risk arising from trading activities;
- iii) operational risk associated with banking activities; and
- iv) securitisation risks.

Details of the capital adequacy ratio on a chief entity and consolidated basis are set out below:

	CONSOLIDATED		CHIEF ENTITY	
	\$ June 2010	\$ June 2009	\$ June 2010	\$ June 2009
Total risk weighted assets	799,882,787	778,589,658	798,305,694	778,054,463
Capital base	98,584,203	95,109,544	98,582,973	95,311,786
Risk-based capital ratio	12.32%	12.22%	12.35%	12.25%

note 35 continued

b) Interest Rate Risk Management

The Asset and Liability Management Committee ("ALMC") is responsible for the analysis and management of interest rate risk inherent in the balance sheet through balance sheet and financial derivative alternatives. These risks are quantified in the Rate Sensitive Asset and Liability Gap Analysis Report (the "Gap Analysis Report"). ALMC's function and role are:

- to review and analyse the interest rate exposures (as set out in the Gap Analysis Report) in the context of current wholesale interest setting;
- to compare the interest rate exposures set out in the Gap Analysis Report against the limits prescribed under the Interest Rate Risk Management Policy; and
- to ascertain whether the risks manifested in the Gap Analysis Report are appropriate given the committee's view on interest rates.

At the reporting date, if interest rates had been 1.0% higher or lower and all other variables were held constant, the group's net profit would decrease by \$811,445 or increase by \$811,445 (2009: decrease by \$104,237 or increase by \$104,237). This is mainly due to the society's exposures to fixed and variable rate loans, and deposit and securitisation liabilities.

The sensitivity analysis was derived from the Gap Analysis Report which calculates risk associated with movements in interest rates through the input of parameters for all financial assets and liabilities. The parameters used were consistent with those adopted for the prior period.

c) Liquidity Risk Management

The Board of Directors have built an appropriate liquidity risk management framework for the management of the group's short, medium and long-term funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves, credit facilities and reserve borrowing facilities, and continually monitoring forecast and actual cash flows.

Liquidity is monitored on a daily basis by management and a projection of near future liquidity (10 weeks) is calculated weekly. This information is used by management to manage liquidity.

An additional reserve equivalent to a minimum of 5% of the society's liability base assessed on a quarterly basis is set aside and isolated as additional liquidity available in a crisis situation.

d) Credit Risk Management

Under the direction of the Board of Directors, management has developed risk management policies and procedures to establish and monitor the credit risk of the society. The risk management procedures define the credit principles, lending policies and the decision making processes which control the credit risk of the society.

Credit risk is minimised by the availability and application of insurances including lender's mortgage insurance, title insurance, property insurance, mortgage protection insurance and consumer credit insurance. Credit risk in the loan portfolio is managed by protecting the majority of new residential mortgage loans, particularly in excess of 75% LVR, with either one of the recognised mortgage insurers or through the society's wholly owned subsidiary Mortgage Risk Management Pty Ltd, an approved lenders' mortgage insurer, and by securing the loans by first mortgages over residential property.

The society has a diversified branch network consisting of 42 branches and agencies across Queensland, branches in Sydney and Melbourne and a lending centre in Adelaide. As a result the geographic risk is widely disbursed. All regional loan staff and panel valuers are locally based ensuring an in depth knowledge of the local economy and developments in the real estate market.

note 35 continued

The Board of Directors and management receive reports on a monthly basis to monitor and supervise the past due loans in the portfolio and ensure credit procedures are adhered to on a timely and accurate basis.

The economic entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet. The maximum credit risk exposure does not take into account the value of any security held or the value of any mortgage or other insurance to cover the risk exposure.

The past due loans and advances for the group comprise:

	CONSOLIDATED		CHIEF ENTITY	
	\$ June 2010	\$ June 2009	\$ June 2010	\$ June 2009
Less than 30 days	58,469,060	54,417,111	58,465,705	54,360,037
30 days and less than 60 days	24,925,788	20,792,313	24,923,337	20,790,732
60 days and less than 90 days	12,125,244	8,559,640	12,121,729	8,541,911
90 days and less than 182 days	5,456,942	5,411,288	5,224,695	5,399,733
182 days and less than 273 days	3,846,056	2,619,129	3,835,943	2,614,086
273 days and less than 365 days	381,007	173,012	354,269	157,124
365 days and over	1,039,001	1,828,595	758,249	1,758,849
	106,243,098	93,801,088	105,683,927	93,622,472

Concentration of credit risk

The society minimises concentrations of credit risk in relation to loans receivable by undertaking transactions with a large number of customers principally within the states of Queensland, New South Wales, Victoria and South Australia.

The concentration of the loans and advances throughout Australia are as follows:

	% 2010	% 2009
Queensland	80.00	79.3
Victoria	9.2	9.6
New South Wales	9.0	9.7
South Australia	1.2	1.0
Western Australia	0.4	0.4
Tasmania	0.1	-
Northern Territory	0.1	-
	100.0	100.0

Credit risk in loans receivable is managed by protecting the majority of new residential mortgage loans, particularly in excess of 75% LVR, with either one of the recognised mortgage insurers or through the society's wholly owned subsidiary Mortgage Risk Management Pty Ltd, an approved lenders' mortgage insurer, and by securing the loans by first mortgages over residential property.

note 35 continued

Terms, conditions and accounting policies

The economic entity's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at the balance date, are as follows:

Recognised Financial Instruments	Notes to Accounts	Accounting Policies	Terms and Conditions
Financial assets			
Short term deposits	6 7	Short term deposits are stated at amortised cost. Interest is recognised when earned.	Short term deposits have an effective interest rate of 4.47% (2009 - 4.96%)
Accrued Receivables	8	Amounts receivable are recorded at their recoverable amount.	
Bills of exchange and promissory notes	9	Bills of exchange and promissory notes are stated at amortised cost.	Bills of exchange and promissory notes have an effective interest rate of 4.56% (2009 - 5.61%)
Certificates of deposit	9	Certificates of deposit are carried at amortised cost. Interest revenue is recognised when earned.	Certificates of deposit have an effective interest rate of 4.20% (2009 - 5.51%)
Notes	9	Notes are carried at amortised cost.	These notes are an overcover required as part of the securitisation of loans. They have an effective interest rate of 5.16% (2009 - 5.30%)
Loans and advances	10	Loan interest is calculated on the closing daily outstanding balance and is charged in arrears to the customer's account on a monthly basis. Loans and advances are recorded at amortised cost.	The majority of new mortgage loans approved, in particular in excess of 75% LVR, are protected with either one of the recognised mortgage insurers or through the society's wholly owned subsidiary Mortgage Risk Management Pty Ltd, an approved lenders' mortgage insurer, and are secured by first mortgage over residential property. Loans made for the purchase of staff shares are secured by the shares themselves. The loan to subsidiary is secured by a fixed and floating charge over all property, assets and rights of the subsidiary. Certain of the society's loans have been securitised and continue to be managed by the society. Further details are disclosed in note 10. The securitisation notes have a maturity period of greater than 30 years. The securitisation notes are eligible for repayment once the balance of the trust falls below 10% of the invested amount. Interest paid to the note holders is repriced on a monthly basis.
Financial liabilities			
Deposits	16	Deposits are recorded at the principal amount. Interest is brought to account on an accrual basis.	Details of maturity of the deposits are set out in note 16. Interest is calculated on the daily balance.
Due to other financial institutions	17	Amounts due to other financial institutions are initially recorded at cost, being fair value of the consideration received net of issue costs. Subsequently they are measured at amortised cost.	
Payables and other liabilities	18	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the economic entity.	Trade creditors are normally settled on 30 day terms.
Dividends payable	5	Dividends payable are recognised when declared by the company.	Details of the final dividend declared by the company for the financial year ended 30 June 2010 are disclosed in note 5.
Subordinated capital notes	21	The subordinated capital notes are inscribed debenture stock.	These notes are issued for an initial period of 5 years and thereafter can be redeemed on an annual basis until the final redemption date of 10 years.

note 35 continued

Derivatives

Each of the securitisation trusts has an Interest Rate Swap in place to hedge against fixed rate loans held in the trust.

The mark to market values at the end of the year were as follows:

	\$ 2010	\$ 2009
WB Trust No.3	343,534	5,993,239
WB Trust No. 4	46,479	-
WB Trust 2009-1	477,960	-
WB Trust 2008-1	(141,484)	2,079,691
WB Trust 2006-1	233,566	992,466
WB Trust 2005-1	140,376	682,932
WB Trust 2004-1	118,343	559,860

Interest rate risk

The economic entity's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instruments	Floating interest rate		Fixed interest rate maturing in				Non interest bearing		Total carrying amount per balance sheet		Weighted average effective interest rate	
	\$ 2010	\$ 2009	1 year or less \$ 2010	\$ 2009	from 1 to 5 years \$ 2010	\$ 2009	\$ 2010	\$ 2009	\$ 2010	\$ 2009	% 2010	% 2009
Financial assets												
Cash and cash equivalents	83,821,169	70,460,569	-	-	-	-	5,349,340	7,712,507	89,170,509	78,173,076	4.65	4.98
Due from other financial institutions	4,026,647	4,026,647	78,778,082	24,204,625	-	-	95,000	95,000	82,899,729	28,326,272	4.24	4.56
Accrued receivables	-	-	-	-	-	-	20,667,988	23,103,149	20,667,988	23,103,149	-	-
Investment securities	17,807,665	8,790,109	102,678,780	116,781,095	74,689,565	1,000,000	-	-	195,176,010	126,571,204	4.53	5.53
Loans and advances	1,924,186,833	1,715,988,676	191,755,087	220,171,200	139,308,379	204,107,276	-	-	2,255,250,299	2,140,267,152	6.64	7.45
Other investments	-	-	-	-	-	-	6,597,287	6,247,364	6,597,287	6,247,364	-	-
Other assets	-	-	-	-	-	-	8,302,896	5,877,722	8,302,896	5,877,722	-	-
Total financial assets	2,029,842,314	1,799,266,001	373,211,949	361,156,920	213,997,944	205,107,276	41,012,511	43,035,742	2,658,064,718	2,408,565,939		
Financial liabilities												
Deposits and short term borrowings	383,798,069	420,747,975	894,826,647	793,463,491	31,261,896	33,423,811	-	-	1,309,886,612	1,247,635,277	3.99	4.99
Due to other financial institutions	-	-	275,834,808	144,191,795	-	77,391	-	-	275,834,809	144,269,186	4.38	4.74
Payables and other liabilities	-	-	-	-	-	-	31,783,085	32,937,986	31,783,085	32,937,986	-	-
Securitised loans	770,955,198	633,758,785	76,829,640	81,314,891	55,816,055	75,382,070	-	-	903,600,893	790,455,746	4.59	5.92
Provisions	-	-	-	-	-	-	10,204,477	10,655,724	10,204,477	10,655,724	-	-
Subordinated capital notes	-	-	25,000,000	25,000,000	-	-	-	-	25,000,000	25,000,000	10.23	6.94
Total financial liabilities	1,154,753,267	1,054,506,760	1,272,491,095	1,043,970,177	87,077,951	108,883,272	41,987,562	43,593,710	2,556,309,876	2,250,953,919		

note 35 continued

Net fair values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at the balance date are as follows:

	Total carrying amount per balance sheet		Aggregate net fair value	
	\$ 2010	\$ 2009	\$ 2010	\$ 2009
Financial assets				
Cash and cash equivalents	89,170,509	78,173,076	89,170,509	78,173,076
Due from other financial institutions	82,899,729	28,326,272	83,195,147	28,417,039
Accrued receivables	20,667,988	23,103,149	20,667,988	23,103,149
Investment securities	195,176,010	126,571,204	196,449,685	127,890,109
Loans and advances	2,255,250,299	2,140,267,152	2,258,581,413	2,144,919,806
Other investments	6,597,287	6,247,364	6,597,287	6,247,364
Other assets	8,302,896	5,877,722	8,302,896	5,877,722
Total financial assets	2,658,064,718	2,408,565,939	2,662,964,925	2,414,628,265
Financial liabilities				
Deposits and short term borrowings	1,309,886,612	1,247,635,277	1,305,944,851	1,244,033,092
Due to other financial institutions	275,834,809	144,269,186	274,800,428	143,727,015
Payables and other liabilities	31,783,085	32,937,986	31,783,085	32,937,986
Securitized loans	903,600,893	790,455,746	904,935,556	792,174,091
Provisions	10,204,477	10,655,724	10,204,477	10,655,724
Subordinated capital notes	25,000,000	25,000,000	25,000,000	25,000,000
Total financial liabilities	2,556,309,876	2,250,953,919	2,552,668,397	2,248,527,908

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

Cash and cash equivalents - The carrying amount approximates fair value because these assets are receivable on demand or have a short term to maturity.

Due from other financial institutions - The fair values of amounts due from other financial institutions are estimated using discounted cash flow analysis, based on current lending rates for similar types of investments. The carrying amount approximates fair value.

Accrued receivables - The carrying amount approximates fair value as they are short term in nature.

Investment securities - For the financial instruments traded in organised financial markets, fair value is the current quoted market price adjusted for any realisation costs.

Loans and advances - The fair values of loans receivable are estimated using discounted cash flow analysis, based on current lending rates for similar types of loans.

Other investments - The carrying amount for other investments is considered to be the reasonable estimate of net fair value.

Other assets - The carrying amount for these prepaid fees and expenses is considered to be the reasonable estimate of net fair value.

Deposits and short term borrowings - The fair values of deposits are estimated using discounted cash flow analysis, based on current lending rates for similar types of deposits.

Due to other financial institutions - The fair values of these liabilities are estimated using discounted cash flow analysis, based on current borrowing rates for similar types of borrowing arrangements.

Payables and other liabilities - This includes interest payable and trade payables for which the carrying amount is considered to be a reasonable estimate of net fair value. For the liabilities which are long term the fair value is estimated using discounted cash flow analysis, based on current rates for similar types of liability.

Securitized loans - The fair values of securitized loans are estimated using discounted cash flow analysis, based on current lending rates for similar types of loans.

Provisions - The carrying amount approximates fair value.

Subordinated capital notes - The carrying amount approximates fair value.

note 35 continued

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
CONSOLIDATED 2010				
Available-for-sale financial assets	-	23,414,878	-	23,414,878
Financial assets designated at fair value through profit or loss	-	5,730,915	-	5,730,915
	-	29,145,793	-	29,145,793
CHIEF ENTITY 2010				
Available-for-sale financial assets	-	23,414,878	-	23,414,878
Financial assets designated at fair value through profit or loss	-	-	-	-
	-	23,414,878	-	23,414,878

directors' declaration

- In the opinion of the Directors of Wide Bay Australia Ltd ("the company"):
 - the financial statements and notes and the remuneration disclosures that are contained in the Remuneration Report are in accordance with the Corporations Act 2001, including:
 - giving a true and fair view of the financial position of the company and consolidated entity as at 30 June 2010 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and
 - complying with Australian Accounting Standards (including the Australian Accounting Interpretation) and the Corporations Regulations 2001;
 - the financial report also complies with International Financial Reporting Standards as disclosed in note 1;
 - there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Managing Director and Chief Financial Officer for the financial year ended 30 June 2010. Signed in accordance with a resolution of the Directors.



R E Hancock AM
Managing Director

23 August 2010 - Bundaberg



J F Pressler OAM
Director

independent auditor's report to the members of Wide Bay Australia Ltd

for the year ended 30 June 2010

Report on the Financial Report

We have audited the accompanying financial report of Wide Bay Australia Ltd (the company) and Wide Bay Australia Ltd and Controlled Entities (the consolidated entity), which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Directors' Declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing 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. In note 1, the Directors also state, in accordance with Accounting Standard AASB101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ("IFRS") ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the Directors of Wide Bay Australia Ltd on 17 August 2010, would be in the same terms if provided to the Directors as at the date of this Auditor's Report.

Auditor's Opinion

In our opinion:

- a) the financial report of Wide Bay Australia Ltd and Wide Bay Australia Ltd and Controlled Entities is in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2010 and of their performance for the year ended on that date; and
 - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b) the financial report also complies with the International Financial Reporting Standards as disclosed in note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in the Directors' Statutory Report for the financial year ended 30 June 2010.

The Directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Wide Bay Australia Ltd for the financial year ended 30 June 2010 complies with section 300A of the Corporations Act 2001.

Bentley's
Brisbane Partnership

23 August 2010
Brisbane

P M Power
Partner

directors' statutory report

Review and Results of Operations

The consolidated net profit after income tax for the year was \$22,302,436. This compares with a figure of \$17,052,761 from last year. Total assets and funds under management now total \$2,724,910,851 representing an increase of 9.96%. Loans approved for the year totalled \$369,914,118.

Principal Activities and Significant Changes

There have been no significant changes in the principal activities during the financial year, which is the provision of banking facilities and financial services, including the raising of funds on deposits and the provision of finance over mortgages secured by residential property.

The society owns its own lender's mortgage insurance captive, Mortgage Risk Management Pty Ltd, ("MRM") which during 2009/2010 insured additional and the majority of new residential mortgage loans to our existing borrowers, as well as loans with 75% or less LVR. The majority of loans in excess of 75% LVR were insured with Genworth Financial Mortgage Insurance Pty Limited.

Wide Bay Australia Ltd is a company limited by shares and incorporated in Australia.

The number of full time equivalent employees at 30 June 2010 was 246.

Matters Subsequent to the End of the Financial Year and Future Developments

There has been no matter or circumstance since the end of the year that will significantly affect the results of operations in further years or the state of affairs of the society.

Capital adequacy as at 30 June 2010 was 12.32%.

Likely Developments

The society is forecasting a further strong result for 2010/2011, however the final results will be dependent on the activities of the housing sector which has over recent months showed a significant slowing.

We will continue to be active in maintaining our lending activities both from a competitors and products aspect and expect to develop some limited commercial lending during the year.

Business Strategies & Prospects for Future Financial Years

The society continues to focus on residential lending primarily through its own branches, and to a limited extent, broker introduced loans.

The Board intends that the society will continue to look at all opportunities as they emerge, particularly mergers of 'like' institutions and/or acquisitions that will complement the society's overall operations.

Dividends

Ordinary Shares

Dividends paid or declared by the society, since the end of the last financial year, are as follows:

- An interim fully franked dividend of 32 cents per ordinary share was paid on 26 March 2010 (23 March 2009 - 30 cents).
- A final fully franked dividend of 31 cents per ordinary share has been declared by the Directors and will be paid on 5 October 2010 (2 October 2009 - 30 cents).

Directors

The names and particulars of the Directors of the society in office during or since the end of the financial year are:

Mr John S Humphrey LL.B

Mr Humphrey was appointed to the Board on 19 February 2008 and was appointed Chairman following the November 2009 Annual General Meeting. He is a senior partner in the Brisbane office of national law firm, Mallesons Stephen Jaques, where he specialises in commercial law and corporate mergers and acquisitions. He is currently a non-executive Director of Horizon Oil Limited and Downer-EDI Limited. Mr Humphrey is an independent Director, a member of the Audit Committee and a member of the Group Board Remuneration Committee. He is aged 55.

Mr John H Fell FCA, FAICD, FIFS

Mr Fell was a Director and Secretary of the Gympie and North Coast Building Society from 1976 until merger with the society in 1981. He was a practising Chartered Accountant for many years. Mr Fell is Chairman of Mortgage Risk Management Pty Ltd, an independent Director, a member of the Audit Committee and a member of the Group Board Remuneration Committee. He is aged 60.

Mr Ronald E Hancock AM, FCA, FAICD, FIFS

Mr Hancock is the Managing Director. He was a foundation Director and Manager of the Burnett Permanent Building Society formed in 1966, which subsequently merged with other Queensland societies to form Wide Bay Capricorn Building Society Ltd, subsequently Wide Bay Australia Ltd.

Mr Hancock was a practising Chartered Accountant for 32 years and is a Director of Mortgage Risk Management Pty Ltd and Financial Technology Securities Pty Ltd. Mr Hancock is an executive Director and is aged 68.

Mrs Frances M McLeod MAICD, FIFS

Mrs McLeod was appointed to the Board in 2003. She is Chief Operating Officer of Wide Bay Australia Ltd and has a wide range of experience based on her involvement with the society for over 35 years. She is a Director of Mortgage Risk Management Pty Ltd. Mrs McLeod is an executive Director and is aged 52.

Mr John F Pressler OAM, FAICD, FIFS

Mr Pressler was appointed to the Board in 1988. After 12 years as Chairman he stepped down at the meeting following the November 2009 Annual General Meeting. He is a prominent figure in Emerald's agricultural and horticultural industries and is the Chairman of the listed Lindsay Australia Ltd. He is a Director of Mortgage Risk Management Pty Ltd, a member of the Audit Committee, is an independent Director and Chairman of the Group Board Remuneration Committee. He is aged 68.

Mr Peter J Sawyer FCA, FAICD, FIFS

Mr Sawyer has been a Director since 1987. Until August 2008, he was a partner of the firm Ulton, Chartered Accountants of Bundaberg, Hervey Bay, Maryborough and Gladstone. He is involved in a wide range of business activities. Mr Sawyer is the Chairman of the Audit Committee, is an independent Director and a member of the Group Board Remuneration Committee. He is aged 60.

The abovenamed Directors held office during the whole of the financial year.

Company Secretary

Mr William R Schafer B.Com CA

Mr Schafer was appointed Company Secretary in August 2001. He has extensive experience in public accounting and management (law firms). He is an Associate of the Institute of Chartered Accountants.

Directors' Meetings

During the financial year, 16 meetings of the Directors, 3 meetings of the Audit Committee and 1 meeting of the Remuneration Committee (comprising JF Pressler and RE Hancock) were held, in respect of which each Director attended the following number:

	Board		Audit		Remuneration	
	Held	Attended	Held	Attended	Held	Attended
JF Pressler	16	15	3	3	1	1
JH Fell	16	11	3	3	n/a	n/a
RE Hancock	16	15	3	3*	1	1
JS Humphrey	16	16	3	3	n/a	n/a
FM McLeod	16	15	3	3*	n/a	n/a
PJ Sawyer	16	15	3	3	n/a	n/a

* Messrs Hancock and McLeod, who are not members of the Audit Committee attended the Audit Committee meetings by invitation.

Directors' Shareholdings

The Directors currently hold shares of the company in their own name or a related body corporate as follows:

	Ordinary Shares
JH Fell	422,531
RE Hancock	2,031,490
JS Humphrey	30,000
FM McLeod	117,820
PJ Sawyer	592,512

While Mr J F Pressler does not hold shares individually or in a related body corporate he is a Director of Hestearn Pty Ltd, which holds 308,543 shares. Mr Pressler does not have a controlling interest in Hestearn Pty Ltd.

Related Party Disclosure

The following persons and entities related to key management personnel have provided services to the society. In each case the transactions have occurred within a normal supplier - customer relationship on conditions no more favourable than those available to other suppliers.

	\$ 2010	\$ 2009
Mallesons Stephen Jaques, a related party due to having a common Director being John S Humphrey, received fees for legal services and corporate advice (2009 - non-renounceable rights issue) totalling:	4,421	95,897

Remuneration Report

The fees payable for non-executive Directors are determined with reference to industry standards, the size of the society, performance and profitability. The Directors' fees are approved by the shareholders at the Annual General Meeting in the aggregate and the individual allocation is approved by the Board.

The remuneration of the Managing Director for 2009/10 was a matter for the non-executive Directors and is linked to his performance and responsibilities.

Remuneration of senior executives and other executive Directors for 2009/10 was subject to the Remuneration Committee, consisting of the Chairman and Managing Director and ratified by the Board. Relevant remuneration was based on the individual's performance throughout the year, the duties and responsibilities undertaken and is set so as to reflect the remuneration commensurate with the market place, given those duties and performances.

In accordance with the Prudential Standards a Group Board Remuneration Committee has been established consisting of all independent Directors and with Mr J Pressler as Chairman, effective for the 2010/11 financial year.

No company performance based payments were made to senior executives during the year.

Remuneration Report continued

Details of the nature and amount of each major element of the remuneration of each Director and each of the named officers of the society receiving the highest remuneration and the key management personnel are:

		Short Term Benefits			Post Employment Benefits	Termination Benefits	Share Based Payments	Other Long Term Benefits	Total
		Cash Salary and Fees	Cash Bonus	Non-Monetary	Superannuation	Retirement Benefits	Options		
		\$	\$	\$	\$	\$	\$	\$	\$
Specified Directors									
Hancock, RE	2009/10	1,034,798		17,607	50,000				1,102,405
<i>Managing Director</i>	2008/09	1,014,798		19,800	100,000				1,134,598
McLeod, FM	2009/10	235,649		4,255	44,350				284,254
<i>Director & Chief Operating Officer</i>	2008/09	237,192		4,879	54,706				296,777
Humphrey, JS	2009/10	86,998			7,830				94,828
<i>Chairman (non-exec)</i>	2008/09	63,000			15,750				78,750
Fell, JH	2009/10	28,750			50,000				78,750
<i>Director (non-exec)</i>	2008/09	20,000			58,750				78,750
Pressler, JF	2009/10	80,234			10,000				90,234
<i>Director (non-exec)</i>	2008/09	66,312			40,000				106,312
Sawyer, PJ	2009/10	28,750			50,000				78,750
<i>Director (non-exec)</i>	2008/09				78,750				78,750
Total Remuneration - Specified Directors									
	2009/10	1,495,179		21,862	212,180				1,729,221
	2008/09	1,401,302		24,679	347,956				1,773,937

		Short Term Benefits			Post Employment Benefits	Termination Benefits	Share Based Payments	Other Long Term Benefits	Total
		Cash Salary and Fees	Cash Bonus	Non-Monetary	Superannuation	Retirement Benefits	Termination Benefits	Options	
		\$	\$	\$	\$	\$	\$	\$	\$
Other Key Management Personnel									
Pokarier, IR	2009/10	246,000		4,912	50,000				300,912
Operations Manager	2008/09	219,008		4,849	91,952				315,809
Schafer, WR	2009/10	250,174		6,364	14,461				270,999
Chief Financial Officer	2008/09	256,819		9,464	13,744				280,027
Butler, SV	2009/10	136,881		11,160	14,461				162,502
Loans Manager	2008/09	146,306		12,405	13,744				172,455
Hancock, DA	2009/10	146,071		15,228	14,461				175,760
Manager - Structured Finance, Products and Interstate Operations	2008/09	150,076		16,815	13,744				180,635
Ashton, AR	2009/10	103,374		3,308	31,125				137,807
Internal Auditor	2008/09	103,362			31,124				134,486
Total Remuneration - Specified Executives									
	2009/10	882,500		40,972	124,508				1,047,980
	2008/09	875,571		43,533	164,308				1,083,412

Employment Contracts

All named Key Management Personnel, the Managing Director and Chief Operating Officer have employment contracts. Major provisions of those agreements are summarised below:

Managing Director - R E Hancock

- Contract dated - 21 May 2007
- Term of agreement - no fixed term
- Wide Bay Australia or R E Hancock may terminate this agreement by providing 4 months written notice or provide payment in lieu of the notice period.
- Payment on early termination due to a takeover or not being offered ongoing employment in Bundaberg in an equivalent position, equal to 6 months salary plus 2 weeks salary per year of service with a minimum payment of 20 weeks and a maximum payment of 104 weeks.

Executive Director & Chief Operating Officer - F M McLeod

- Contract dated - 21 May 2007
- Term of agreement - no fixed term
- Wide Bay Australia or F M McLeod may terminate this agreement by providing 4 months written notice or provide payment in lieu of the notice period.
- Payment on early termination due to a takeover or not being offered ongoing employment in Bundaberg in an equivalent position, equal to 6 months salary plus 2 weeks salary per year of service with a minimum payment of 20 weeks and a maximum payment of 104 weeks.

Operations Manager - I R Pokarier

- Contract dated - 21 May 2007
- Term of agreement - no fixed term
- Wide Bay Australia or I R Pokarier may terminate this agreement by providing 4 months written notice or provide payment in lieu of the notice period.
- Payment on early termination due to a takeover or not being offered ongoing employment in Bundaberg in an equivalent position, equal to 6 months salary plus 2 weeks salary per year of service with a minimum payment of 20 weeks and a maximum payment of 104 weeks.

Chief Financial Officer & Company Secretary - W R Schafer

- Contract dated - 28 May 2007
- Term of agreement - no fixed term

- Wide Bay Australia or W R Schafer may terminate this agreement by providing 4 months written notice or provide payment in lieu of the notice period.
- Payment on early termination due to a takeover or not being offered ongoing employment in Bundaberg in an equivalent position, equal to 6 months salary plus 2 weeks salary per year of service with a minimum payment of 20 weeks and a maximum payment of 104 weeks.

Loans Manager - S V Butler

- Contract dated - 18 May 2007
- Term of agreement - no fixed term
- Wide Bay Australia or S V Butler may terminate this agreement by providing 4 months written notice or provide payment in lieu of the notice period.
- Payment on early termination due to a takeover or not being offered ongoing employment in Bundaberg in an equivalent position, equal to 6 months salary plus 2 weeks salary per year of service with a minimum payment of 20 weeks and a maximum payment of 104 weeks.

Manager - Structured Finance, Products and Interstate Operations - D A Hancock

- Contract dated - 28 May 2007
- Term of agreement - no fixed term
- Wide Bay Australia or D A Hancock may terminate this agreement by providing 4 months written notice or provide payment in lieu of the notice period.
- Payment on early termination due to a takeover or not being offered ongoing employment in Bundaberg in an equivalent position, equal to 6 months salary plus 2 weeks salary per year of service with a minimum payment of 20 weeks and a maximum payment of 104 weeks.

Internal Auditor - AR Ashton

- Contract dated - 29 May 2007
- Term of agreement - no fixed term
- Wide Bay Australia or A R Ashton may terminate this agreement by providing 3 months written notice or provide payment in lieu of the notice period.
- Payment on early termination due to a takeover or not being offered ongoing employment in Bundaberg in an equivalent position, equal to 4 months salary plus 2 weeks salary per year of service with a minimum payment of 16 weeks and a maximum payment of 104 weeks.

Indemnities and Insurance Premiums for Officers and Auditors

During the financial year the society has paid premiums to indemnify Directors and officers against personal losses arising from their respective positions within the society. During the reporting period and subsequent to 30 June 2010, no amounts have been paid under the indemnities by the society.

The Directors and officers of the society and its subsidiaries are insured against certain liabilities arising in the course of their duties. This premium is paid by the society but under the confidentiality provisions of this policy, the Directors have not disclosed the nature of the liability, the insurer, the limit of liability or the premiums paid.

Non-Audit Services

During the year, Bentleys, the society's Auditor, has performed certain other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the year by the Auditor, and in accordance with advice provided by the Audit Committee, is satisfied that the provision of those non-audit services during the year by the Auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services were subject to the Corporate Governance procedures adopted by the society and have been reviewed by the Audit Committee to ensure they do not impact the integrity and objectivity of the Auditor, and
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 'Code of Ethics for Professional Accountants' issued by the Accounting Professional and Ethical Standards Board, as they did not involve reviewing or auditing the Auditor's own work, acting in a management or decision making capacity for the society, acting as an advocate for the society or jointly sharing risks and rewards.

A copy of the Auditor's Independence Declaration, as required under Section 307C of the Corporations Act, is included in the Directors' Statutory Report.

Non-audit services paid to Bentleys are as follows:

	\$ 2010	\$ 2009
Services provided in connection with the:		
Tax return subsidiaries	5,786	4,601
Tax advice	11,725	39,440
Other services	8,219	-
Total	25,730	44,041

auditors' independence declaration

under Section 307C of the Corporations Act 2001
to the Directors of Wide Bay Australia Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 there have been:

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

Bentleys

**Bentleys
Brisbane Partnership**

17 August 2010
Brisbane

Martin Power

**P M Power
Partner**

This Report is signed for and on behalf of the Board of Directors in accordance with a resolution of the Board of Directors.

R E Hancock

**R E Hancock AM
Managing Director**

23 August 2010
Bundaberg

J F Pressler

**J F Pressler OAM
Director**

Corporate Governance Practices

The Board of Directors of Wide Bay Australia Ltd has adopted a Board Charter which sets out the society's compliance with the Australian Securities Exchange (ASX) Corporate Governance, Principles of Good Corporate Governance and Best Practice Recommendations. The 'Board Charter' is available on the company's website www.widebayaust.com.au.

Wide Bay Australia has complied with the principles in accordance with the Board Charter.

Principle 1: Lay solid foundations for management and oversight

In accordance with the regulatory standards, the Board has established a Group Board Remuneration Committee, chaired by Mr J Pressler and comprising all independent Directors, to carry out a performance evaluation of the Managing Director and other senior executives and provided to the Board following a report of discussions between the Chairman of the Committee and the Managing Director.

Wide Bay Australia is in compliance with Principle 1 and full details of the 'Board Charter' are available on www.widebayaust.com.au.

Principle 2: Structure the Board to add value

Independent Directors being non-executive Directors who are free of any business or other relationships that can materially interfere with their independence or the exercise of their judgement were:

John Fell	29 years in office
John Humphrey	2 years in office
John Pressler	22 years in office
Peter Sawyer	23 years in office

The majority of independent non-executive Directors have many years of service and with their experience and knowledge of the industry, together with their diversified backgrounds, they continue to make an integral contribution to the ongoing development of the society.

An independent Director is classified as being:

1. not a substantial shareholder or an officer of the company;
2. not employed or previously employed in an executive capacity by the company or group;
3. not been a principal of a material professional adviser or a material consultant to the company or group within the last three years;
4. not a material supplier or customer of the company or group, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
5. does not have a material contractual relationship with the company or group other than as a Director.

The society's Board Charter provides for independent Directors to have access to professional advice where required at the expense of the society.

The executive Directors are:

Ron Hancock	31 years in office
Frances McLeod	7 years in office

Details of skills, experience and expertise relevant to each Director is set out in the Directors' Statutory Report.

Separately the Board does not have a formal Nomination Committee, with the full Board addressing such issues that would otherwise be considered by the Nomination Committee.

The Chairman conducts a performance evaluation in conjunction with the Directors of the Board on an annual basis. The performance also includes a 'fit and proper' test required under the APRA guidelines. The evaluation confirmed a satisfactory performance by the Board.

Wide Bay Australia is in compliance with Principle 2 and full details of the 'Board Charter' are available on www.widebayaust.com.au.

Principle 3: Promote ethical and responsible decision-making

Wide Bay Australia is in compliance with Principle 3 and full details are available on www.widebayaust.com.au under the Corporate Governance Section - 'ASX & Shareholder Disclosure' and 'Corporate Code of Conduct'.

Principle 4: Safeguard integrity in financial reporting

The Audit Committee has a documented Charter, approved by the Board. The 'Audit Committee Charter' is available on the company's website www.widebayaust.com.au and sets out the society's compliance with the principles of the ASX Corporate Governance Council's 'Principles of Good Corporate Governance and Best Practice Recommendations'.

The internal and external auditors, the Managing Director, the Chief Financial Officer and the Chief Operating Officer are invited to Audit Committee meetings at the discretion of the Committee.

The names and qualifications of the Audit Committee, the number of meetings held and the number of meetings attended are set out in the Directors' Statutory Report.

Wide Bay Australia is in compliance with Principle 4 and full details are available on www.widebayaust.com.au under the Corporate Governance Section - 'Audit Committee Charter' and 'Appointment of External Auditors' which includes 'Rotation of the External Audit Partners'.

Principle 5: Make timely and balanced disclosure

Wide Bay Australia is in compliance with Principle 5 and full details are available on www.widebayaust.com.au under the Corporate Governance section - 'ASX & Shareholder Disclosure'.

Principle 6: Respect the rights of shareholders

Wide Bay Australia is in compliance with Principle 6 and full details are available on www.widebayaust.com.au under the Corporate Governance section - 'ASX & Shareholder Disclosure'.

Principle 7: Recognise and manage risk

The Audit Committee also carries out various aspects of the financial risk management process and the controls applicable. They are required to review regularly with management the appropriateness of policies and programs in respect of management assessment and any other activities that may be deemed relevant having regard to the prudential standards, APRA requirements and the ASX Corporate Governance Council's 'Principles of Good Corporate Governance and Best Practice Recommendations'.

The Managing Director and Chief Financial Officer in accordance with Section 295A of the Corporations Act 2001 have declared in writing to the Board, that the risk management systems and internal controls are operating efficiently and effectively in all material respects in relation to the financial reporting risks and are founded on a sound system of risk management, internal compliance and control which implements the policies of the Board.

Wide Bay Australia is in compliance with Principle 7 and full details are available on www.widebayaust.com.au under the Corporate Governance section - 'Audit Committee Charter'.

Principle 8: Remunerate fairly and responsibly

The fees payable for non-executive Directors are determined with reference to industry standards, the size of the society, performance and profitability. The Directors' fees are approved by the shareholders at the Annual General Meeting in the aggregate and the individual allocation is approved by the Board.

The remuneration of the Managing Director for 2009/10 was a matter for the non-executive Directors and is linked to his performance and responsibilities. Senior executives and other executive Directors were subject to assessment by the Remuneration Committee comprising Chairman J Pressler and R Hancock.

In accordance with Prudential Standards, a Group Board Remuneration Committee was established in July 2010 replacing the former Remuneration Committee of J Pressler and R Hancock. Remuneration of the Managing Director, senior executives and other executive Directors is subject to the Group Board Remuneration Committee consisting of Mr J Pressler (Chairman) and independent Directors Messrs J Fell, P Sawyer and J Humphrey. Relevant remuneration is based on the individual's performance throughout the year, the duties and responsibilities undertaken and is set so as to reflect the remuneration commensurate with the market place, given those duties and performances.

No company performance based payments were made to senior executives during the year.

The names of the members of the Remuneration Committee and their attendance at meetings for 2009/10 are set out in the Directors' Statutory Report.

Wide Bay Australia is in compliance with Principle 8 and full details are available on www.widebayaust.com.au under the Corporate Governance section.

Issued Shares

Wide Bay Australia Ltd shares are listed on the Australian Securities Exchange under the code "WBB". The securities are permanent ordinary shares and at the date of this Report there were 32,001,199 shares.

Voting Rights of Shareholders

A shareholder is entitled to exercise one vote in respect of each fully paid ordinary permanent share held in accordance with the provisions of the Constitution.

Substantial Shareholders

The society's Register of Substantial Shareholders recorded the following substantial shareholders interests:

Permanent Ordinary Shares

	No. of Shares	% of Total
17 September 2010		
Hancock, R E	2,031,490	6.35
Drenwood Pty Ltd / Skipglen Pty Ltd (associated entities & associates)	1,276,910	3.99

Distribution of Shareholders

Permanent Ordinary Shares

17 September 2010

Range	No. of Shareholders
1 - 1,000	1,493
1,001 - 5,000	2,005
5,001 - 10,000	510
10,001 - 100,000	451
100,001 - over	53
Total number of shareholders	4,512

70 shareholders held less than a marketable parcel.

List of Top 20 Permanent Shareholders

Permanent Ordinary Shares

17 September 2010

	Name	No. of Shares	%
1	Hancock, RE & LP	957,163	2.99
2	Hancock, RE	808,751	2.53
3	Drenwood Pty Ltd	517,972	1.62
4	Skipglen Pty Ltd	499,953	1.56
5	Sawyer, K	462,719	1.45
6	RBC Dexia Investor Services Australia Nominees Pty Ltd (BKCust A/c)	413,573	1.29
7	Sawyer, PJ ATF The Peter Sawyer Family A/c	408,486	1.28
8	Sprake, BR & CL ATF RG Sprake & Co Super A/c	401,026	1.25
9	Milton Corporation Limited	334,968	1.05
10	Olsen, RC	330,520	1.03
11	Mertan Pty Ltd	318,960	1.00
12	Hestearn Pty Ltd	308,543	0.96
13	McBride, KG & PA	285,888	0.89
14	Wealthcoach Pty Ltd (Sunrise A/c)	285,236	0.89
15	Cockerill, GD & DM ATF Graham Cockerill Super Fund A/c	273,200	0.85
16	Cran, D	264,074	0.83
17	Drenwood Pty Ltd (Protection A/c)	258,985	0.81
18	Kennedy, JW & GJ	238,397	0.74
19	Emmertton DR & CA ATF Warambul Superannuation A/c	225,322	0.70
20	Cogent Nominees Pty Ltd	222,250	0.69
Top 20 Permanent Shareholders		7,815,986	24.41

Registered Office

The registered office and principal place of business of Wide Bay Australia Ltd is 5th Floor, Wide Bay Australia House, 16-20 Barolin Street, Bundaberg, Queensland telephone (07) 4150 4000

Secretary

The Secretary is Mr William Ray Schafer.

Share Register

The register of holders of Permanent Ordinary shares is kept at the office of Computershare Investor Services Pty Limited Level 19, 307 Queen Street, Brisbane, Queensland telephone 1300 552 270

On-Market Buy Back

There is no on-market buy back.

our corporate directory

Directors

John S Humphrey LLB (Chairman)
Ronald E (Ron) Hancock AM FCA FAICD FIFS (Managing Director)
John H Fell FCA FIFS
Frances M McLeod MAICD FIFS
John F Pressler OAM FAICD FIFS
Peter J Sawyer FCA FAICD FIFS

Secretary

William R (Bill) Schafer BCom CA

Registered Office

Level 5 Wide Bay Australia House
16-20 Barolin Street
Bundaberg QLD 4670
telephone (07) 4150 4000
facsimile (07) 4152 3499
email widebay@widebayaust.com.au
website www.widebayaust.com.au

Australian Securities Exchange Code

WBB

Principal Banker

Westpac Banking Corporation

Auditors

Bentleys
Brisbane Partnership
Chartered Accountants
Level 26 AMP Place
10 Eagle Street
Brisbane Qld 4000
telephone (07) 3222 9777
facsimile (07) 3221 9250
email admin@bris.bentleys.com.au

Principal Lawyers

MRH Lawyers
Level 6 Wide Bay Australia House
16-20 Barolin Street
Bundaberg Qld 4670
telephone (07) 4154 5500
facsimile (07) 4152 8819
email info@mrh.com.au

Share Register

Computershare Investor Services Pty Limited
Level 19
307 Queen Street
Brisbane Qld 4000
telephone 1300 552 270
facsimile (07) 3237 2152
email brisbane.services@computershare.com.au