

Chair's address AGM 2017

- I would like to start by thanking our shareholders and customers for their ongoing support and advocacy, as without this we would not be celebrating the continuing success of our wonderful **Community Bank®** branch. You are our most valuable ambassadors and having you recommend your bank to friends and families by telling them about our wonderful achievements is a powerful way of supporting us
- I would also like to thank the other people who have worked so hard to ensure the success of Balnarring & District **Community Bank** Branch
 - Branch Manager Greg Hood has fitted in to the branch and to our community without a blink since he joined us in July last year. Greg is determined to see the bank and our communities prosper and works hard to achieve that goal, so we thank him for his commitment
 - Our staff team of Sharra Valentine, Glenys Wandmaker, Melinda Symes, Tracey Cullum and Joanna Albress continue to impress and are the face of our business. We could not ask for a more professional, caring and hard-working group and we thank them for their commitment to our bank.
 - I must thank my eight fellow directors and our hard-working Company Secretary and Administration Officer, Melinda Symes, all of whom bring to the Board a range of expertise and experience, which is invaluable as we plan and implement a broad range of strategic goals and work with Greg and his team to make our business even more successful. I could not ask for a more cohesive group of Directors working for the best interests of the company and our communities
 - The role of a voluntary Director on a **Community Bank®** board continues to become more complex. We firmly believe that a successful company such as ours must operate with absolute professionalism, so we are committed to the employment of an Administration Officer, which ensures that all aspects of governance are dealt with in the best possible manner. This will benefit both shareholders and customers in terms of efficiency and compliance and make the work of the Board even more effective
 - I would also like to thank our Regional Manager Simon Sponza, Regional Community Manager Tania Hansen and their team, along with Financial Planner Catriona Smith and Business Banker Mick Radecki, for their support and invaluable advice. No request is too much trouble and we are very grateful to have such a helpful and knowledgeable group of people with whom to work. In the same way as we have responsibilities to our shareholders and customers, we also have mutual responsibilities with Bendigo and Adelaide Bank and the broader **Community Bank®** network and we believe that we acquit ourselves very well in this area
- Today there are 313 **Community Bank®** communities across every state and territory in Australia, which have returned more than \$165 million to communities and initiatives and we are an increasingly significant part of that network
- As detailed in our Annual Report, the full year operating profit for 2016/17 before tax and community contributions was \$177,403. Our business has again achieved results above budget, but I will leave it to Greg to share those success stories with you
- The end of the 2016/17 financial year saw a total return of some \$823,800 to our communities as donations, grants, sponsorships, dividend payments and funds held for future payments, since the branch opened in 2008. We are exceptionally proud of this achievement and know that the unique **Community Bank®** model of which we are all a part, delivers real and tangible results to our community
- During 2016/17 we paid our fifth dividend of 6.0 cents per share, with a total payment to shareholders of \$50,400. The Board was pleased to again recognise their support, whilst

continuing to be prudent and ensure that adequate capital reserves continue to be in place and that profits are equitably shared between shareholders and our communities

- Since 2008 our loyal customers have allowed us to support an incredible 100 different community groups and organisations across our district and we are very proud of investments such as:
 - A \$50,000 contribution to the fit-out of the new pavilion at Balnarring Recreation Reserve to assist the Balnarring & District Netball Club, the Balnarring Junior Football Club and the Balnarring Cricket Club with the significant financial commitment they had to finance to the redevelopment of the reserve
 - Supporting the Flinders community to build their new fire station with a \$10,000 contribution
 - Continuing to support the amazing Riding for the Disabled Mornington Carriage Driving Centre and its many dedicated volunteers who enable those who cannot mount a horse to still enjoy and benefit from, equestrian activities
- Staff and Directors are honoured to work with these inspiring people who are involved with the many community groups with which we partner. This is what community building is all about and why we all work so hard to make our communities even better places in which to live
- It is worth repeating what I wrote in the Annual Report - these impressive results are a wonderful affirmation of the vision of those members of our community who worked so hard to establish our **Community Bank**[®] company and the many shareholders who invested in this dream. Without their hard work and support, our branch would not exist and our local communities would not have a locally-owned bank which provides excellent banking services, local employment, and ongoing funds for community projects, so on behalf of our company and our community, I salute you
- As you may have read in the recent Company Announcement posted on our website, the Board approved a transfer to the Funds Transfer Pricing (FTP) model for **Community Bank**[®] Revenue Share effective 1 July 2017. The ongoing growth of our business, continuing diversification and changes to income share applicable to all companies on the old revenue share model to ensure a 50/50 share of margin, mean that Balnarring & District Community Services Limited will be financially advantaged by this transfer
- Balnarring & District **Community Bank**[®] Branch has a dream to return \$1 million to our communities by our 10th birthday on 13 June 2018. So, if you're not banking with us already, drop by, be part of something bigger and help make our \$1 million contribution a reality. If you are already a customer, get involved and tell everyone you know how banking with our **Community Bank**[®] branch can make great things happen in our community
- Thank you for coming along tonight and showing your support for your **Community Bank**[®] We appreciate this and look forward to your ongoing support as we continue to work together to make many more great things happen right across our district