

# Shareholder Newsletter

December 2021



## Great reasons to celebrate.

Without a doubt, it has been a very challenging yet successful year. It has not come without its trials and tribulations, but here we are at the end with lots of good reasons to celebrate.

At our AGM held on 3 December 2021, Trentham & Districts Community Bank was just shy of reaching \$100 Million on the books. Now, at the end of December, it's official - we made the 100 million dollar mark, which we celebrated with cake and smiles. We are pleased to share with our shareholders that we have reached that pivotal milestone in a year where we also celebrated ten years of operation. What an incredible achievement!

Next year is sure to be another big year, with a lot in the pipeline. We will continue with our Community Investments and are looking into other diverse avenues of growth that can sustainably support and contribute to our growing, thriving community.



## Scholarship

The scholarship program is something that the bank is particularly proud of and Charles Sherlock is with us tonight, who instigated this program some years ago and we're continuing on with it. It's great to be able to invest particularly in the young people in our community. And it's all the more relevant that Jade is studying agriculture - that's good to hear.



### Jade Gled

I started my studies this year - I'm studying agriculture at the University of Melbourne. And it's been a great experience so far. I've met so many new people, made a lot of new friends and it's definitely helped me explore agriculture in Australia a lot. I've gained a better understanding and appreciation for the farmers in our community and what they're doing.

I was lucky enough to have my first semester on campus. Unfortunately, I haven't been back since because of COVID but that's ok. Hopefully, next year, things are better.

The scholarship has meant a lot to me. It's helped me fund a lot of the expenses, like train trips to transport me into Melbourne when I was on campus. Also, all the textbooks and stuff - some of the physics textbooks are the biggest I think I've ever seen in my life!

But it's a bit more than that as well. It's allowed me to focus on my studies a lot. It's taken a bit of the pressure off financially, which has been fantastic. So, I've been able to put in my best effort for my studies this year. And that's really showing in my results. I'm looking forward to next year - thanks to the Bank for the support.



Jade Gled  
2021 Scholarship Winner  
Agricultural Science  
Bachelor degree



# Wrapping up the year

Extracts from CCCE AGM – 3 December 2021

## **Brain Hood – Co-Chair:**

Notice of the meeting and a copy of the annual report was circulated by email to all shareholders. We'll take that as read. I can confirm that they were approved by the Board and signed by the Chair in accordance with the provisions of the Corporations Act.

I want to acknowledge Joel and all the staff - it has been tough for all businesses, with COVID, the storms and even earthquakes. In terms of financial results, the bank conditions have been tight, with interest rates at a historic low, therefore margins are quite low too. That puts a lot of pressure on the bottom line, but we've recorded another strong result. We reached a significant milestone of ten years in operation and were able to pay our sixth year of fully-franked dividends. For a business that's only ten years old, that's a performance of which we can be pretty proud.

Throughout the year, we've been involved in a number of community investments that reflect our business model. We are looking to strengthen and grow the banking business, particularly in the direction of Woodend. The bank is well established, is trading well and in a good financial position to diversify into other fields that generate good value for shareholders. We think the timing is right and look forward to sharing with the shareholders these developments as they evolve.

## **Jane Williams – Co-Chair**

It's been a very pleasing year, not just in terms of financial return, but our community investment. Looking at our future and moving forward, we are making a concerted effort to strengthen partnerships at a government level, as well as with people in the community and community groups. In the annual report, we mention the Trentham Sustainability Group. We've invested in the first phase of a feasibility study that looks at Trentham's Energy Security Project, which is timely,



particularly after the great storm when we were without electricity and essential services for many days. These are the things that we will continue to look at, to strengthen those partnerships within the community.

## **Joel Condon – Bank Manager**

I'd like to highlight the resilience of the branch team over the past few years, especially during COVID, ongoing lockdowns, and the storms. It has affected not just themselves but also their family and everyone in the community. Thank you, Cathy and Pauline, for the ten years of service to the business. Pauline has now formally retired, which she is enjoying thoroughly, and Cathy remains an integral part of our business to this day.

Business over the ten-year journey has been quite remarkable, with a steady growth which has accelerated particularly over the last three years. We were at \$98.5 million at our last meeting and are now very close to knocking on the door of that magical \$100 million mark.



## Historical Society

I'm Tony Van Rensburg and I'm here to represent Michael Worthington, who's just taken over as president. The members of the Historical Society are extremely grateful to the Community Bank for its support.

The new building is called an Archive. It's all about preserving the collection - the research, the storage and the presentation of that information. The conditions that existed prior to the new building was simply untenable and not able to serve the community in an appropriate and sustainable way.

The next step is to beautify the police precinct with landscaping & painting, and we will be demarcating the administrative part of the Historical Society. Our Vice President, Susie Spence, has taken responsibility for this part of the project.

We're also working on establishing a historic timeline for Trentham, which is something we've been wanting to do for a long time. We're using the work of Charles and Peta Sherlock, who have done some super work for the society over the years and their work will be used as the basis within the timeline.

So, it just remains for me to say that we are most grateful to the Trentham & Districts Community Bank and that we have undertaken to work with you to ensure that wherever we can we provide the support.

We all agree that in any community, it's important to preserve our history and to capture & record all that material - particularly in a small community with a rich history, like Trentham. We look forward to seeing the building take further shape.





### **Brian Hood**

*'We joke with the team that the bells will be ringing in the street when they hit the \$100 million.'*

Shareholders might recall that we resolved to change Auditors to RSD Audits at last year's Annual General Meeting. We've been with the previous firm for several years, and it's always good practice to get a fresh set of eyes regularly.

*'From an accounting perspective, RSD was very easy to deal with, making only a couple of changes to the annual report that we thought better articulated the position.'* Paul Podbury

### **Paul Podbury – CCCE Treasurer**

It's been a very successful year, congratulations to the branch and the staff on doing such a fantastic job across what's been a challenging probably 24 months.

The footings have been really strong with Business on the Books up again, and we are up about \$8 million. The revenue has been flat from 2020 to 2021, with low-interest rates and margins making it a little tighter. Even though business continues to grow, our revenue line stayed flat last year.

Our reduced profit and loss were with wages and salary cuts last year when Chrissie left the branch. There was an increase in marketing and advertising which was up on the previous year.

We invested \$87,000 with local organisations and CEF Community Investments, which allowed us to declare a profit of \$15,000. This allowed us to bank and use franking credits to continue to pay fully-franked dividends. A dividend of five cents in the dollar, fully-franked, was paid. Overall, this is an excellent result from the bank in what have been a challenging couple of years.

The banks' balance sheet is really strong and we still have a retained equity of \$680,000 at the end of this Financial Year.

### **Stan Falloon – CCCE Director**

I'm very proud to be on the board - it's a fantastic experience, it's quite different and challenging. We've got a great team. Charl and I have been able to promote the bank through videos and marketing, and it's been fantastic to see the community's support. It amazes me that many people and groups still don't understand what a 'Community Bank' is all about, which only confirms that we can venture out into these other towns and explain what a 'Community Bank' is all about. We will continue to come up with bright ideas and ventures that support the future of our community.

### **Helen van der Werff – CCCE Director**

I think the bank has an incredibly important job to play in our community. I am on several committees in town, and the bank makes an enormous difference. But it's more than that. In this community, the people I speak to say the bank is more than money. It's an important service that we provide. That's why Corina, Wendy and all the people who did the really hard yards 10 years ago made this happen for our community. It's so important that we stay connected to our community with the staff and the board working together to make a difference in our community.



Happy New Year from the team at  
Trentham & Districts Community Bank  
and CCCE Directors.