

Daylesford District Community Developments Limited

Results of Meeting

At the Annual General Meeting of Daylesford District Community Developments Limited held on 23 November 2021 the following resolutions were passed unanimously on a show of hands.

Re-election of Directors retiring by rotation:

- 2 (a) That Marek (Mark) Rak be re-elected as a Director of the Company
- 2 (b) That Carol Ross be re-elected as a Director of the Company

Election of Directors appointed since the last Annual General Meeting:

- 2 (c) That Catherine (Kate) Redwood be elected as a Director of the Company
- 2 (d) That Peter Douglas be elected as a Director of the Company

The Chairman's Address is set out on pages 2 and 3 of this statement.



Trevor Shard
Company Secretary
24 November 2021

PO Box 571, Daylesford VIC 3460
Registered Address: 3/97 Vincent Street, Daylesford VIC 3460
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Daylesford District Community Developments Limited

Chairman's Address

Thanking you for joining the annual general meeting of Daylesford District Community Developments Limited (DDCDL).

I would like to start by thanking the branch staff that have performed exceptionally under difficult condition.

Led by our manager Melanie Tudball, the branch successfully negotiated the sudden resignation of our previous manager, outages due to storm damage and a myriad of challenges brought on by Covid-19 – including staff shortages, continual mask wearing and successfully complying with the operational changes required.

A special thanks to Melanie who has been well accepted by our customers and is performing very well. I would also like to mention Kate Boyle who has stepped up in a range of areas within the branch and provided great support throughout the year.

To the DDCDL Board – a special thank you - it has been a difficult year with nearly all meetings being via Zoom. Despite the challenges the board has performed at the highest level. As unpaid volunteers your efforts have been tremendous.

Victor Szwed is retiring from the Board. Victor has been an excellent contributor and chaired the Marketing Committee. Under his leadership the marketing for the branch has been enhanced significantly. We look forward to Victor remaining active with the Company especially in the area of community investments. We also wish Victor and Anna the best with their plans for more travel.

Trevor Shard – (Company Secretary) and Sandy Jennings – (Administration Assistant) continue to provide excellent support to the Board and also ensure that the company meet all its compliance obligations. Thank you.

The Annual Report details the financial performance of the company.
Highlighting some of the key items;

- a profit before tax and donations of \$287,472
- a profit after tax and donations of \$105,488
- growth in footings (deposits and loans) of \$9.1million to over \$129 million
- an 29.5% improvement in our equity position to \$339,243
- Sponsorships and Charitable donations of \$145,008

This enabled the company to pay a partially franked dividend of 8 cents per share.

The company also provided shareholders with the second return of capital - being 7 cents per share.

A key purpose of community banking is to provide community investments through sponsorships and grants.

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The Company maintains its four pillars approach to community investment – being:

1. Youth Engagement and Education
2. Community Infrastructure
3. Health and Aged Care
4. Sports Recreation and the Arts

The \$145,000 provided to the community this year was an exceptional effort and is an ongoing vindication for shareholders who committed to Community Bank ideal 10 years ago.

With the negative impact of Covid 19 on many community groups' ability to raise fund – the Company provided one off grants to some 30 groups to assist with meeting their financial obligations - a total approaching \$35,000 – this was provided without the normal need to apply for funding.

Other significant contributions were made to Daylesford Aged Care, The Daylesford Football Club and a special contribution of \$25,000 on a \$1: \$3 basis to the Daylesford Hospital redevelopment masterplan. It is gratifying that the masterplan appeal has achieved its target.

I also acknowledge our franchisor - the Bendigo and Adelaide Bank (BABL). The support provided by Bendigo Bank during the year enabled us to continue trading effectively during the year and respond appropriately to all the changing needs brought on the challenges of Covid and the storms. The nature of banking has changed significantly over the last 2 years with significant shifts in products used by customers. These changes impact on revenue, and present challenges going forward. While our footings have grown overall, we have seen a shift in the balance between loans and deposits. This is putting pressure on future profits and therefore distribution options. The Board is currently working with BABL to transition to an alternate revenue model - FTP (funds transfer pricing). The FTP model is better suited to the current product mix used by customers and is projected to provide a better outcome than the "Current State" arrangement for revenue sharing. The transition to FTP will necessitate a change to a new version of the BABL franchise agreement.

Lastly, I assure all shareholders that the Board of Directors is determined to continue to build a profitable Community Bank Branch that will provide shareholder dividends, funds for community investment. and ensuring that branch banking facilities remain available to the community in the Daylesford district.

Mark Rak
Chair
23 November 2021