

# 8th Annual Report & Notice of Annual General Meeting 24th November 2009



Galston & District  
**Community Bank™** Branch



# Galston Financial Services Limited

ACN 097 581 854

## NOTICE OF ANNUAL GENERAL MEETING

The Eighth Annual General Meeting of Shareholders of Galston Financial Services Limited will be held at The Galston Club on **Tuesday 24th November** at 7.30 pm

### Agenda

1. **Welcome**
2. **Chairmans Report**  
The Chairman, Mr Gavin Koorey, will present his report on the operations of the Company for the year ended 30th June 2009.
3. **Financial Statements and Reports**  
To receive and consider the financial statements and reports to the shareholders comprising:-
  - a) the financial statements of the Company for the year ended 30th June 2009.
  - b) The directors' declaration and report for the financial year ended 30th June 2009.
  - c) The auditor's report for the financial year ended 30th June 2009.
4. **Directors**  
To consider, and if thought fit, to pass the following resolution as an ordinary resolution: That the following directors stand down: Diana Moes, John Gray & Dennis Phillips and that the following directors, John Gray, Dennis Phillips & Diana Moes offer themselves for re-appointment to the Board.
5. **General Business**  
To consider any other business that may lawfully be brought forward by the members of the Company.

By order of the Board

Gavin Koorey

Chairman

Dated

30th October 2009

# Galston Financial Services Limited

ACN 097 581 854

## PROXY FORM

I, .....  
(Full Name - BLOCK letters)

of .....  
(Address)  
being a member of Galston Financial Services Limited

HEREBY APPOINT .....  
.....

OR failing such appointment or the absence of that person, the Chair of the Meeting, as my Proxy to vote for me on my behalf (with discretion as to any business not referred to below) at the Annual General Meeting of members of the Company to be held on 24th November 2009.

(Voting instructions to be indicated by placing a tick in the appropriate box. If no instruction is given the Proxy may vote a that person thinks fit, or abstain.)

Business	FOR	AGAINST	ABSTAIN
1. Receive Financial Statements & Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Ratification of Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Individual Shareholder

Signature of Shareholder ..... Date .....

**Company Shareholder** ..... **Sole Director Company** Yes  No

Signature of Director ..... Date .....

Signature of Director ..... Date .....

THE RULES FOR VOTING BY PROXY ARE DETAILED ON PAGE 4 OF THIS ANNUAL GENERAL MEETING NOTICE

# CHAIRMAN'S REPORT

## Chairman's report

After a tumultuous year across the globe in the financial sector Galston Financial Services continued to perform well returning both a net profit before tax of approximately \$371,000 and more than \$107,000 in community grants. In addition it continues to operate with a strong asset base growing by 15.9% this last financial year. The board has approved a 10% fully franked dividend to be returned to shareholders. Although profits were reduced between November 2008 and March 2009, due to the dropping of interest rates at pace by the Reserve Bank, this has now turned around and we have seen profits return to normal if not above forecasts. Looking forward, Galston Financial Services is still in a strong position to confidently ride through a second downturn if it should eventuate.

The Manager, Bernie Triebe, and staff have played a vital role in the ongoing success and growth of the bank. The Board would like to thank them for their commitment.

We have some great projects underway with the board now considering different options to upgrade the exterior of the bank building to blend in with the new shopping centre. In addition a Galston Financial Services website is currently under construction allowing easier access to information for the community and shareholders. Also a dedicated Customer Relationship Officer – Jan Ede has

been appointed to assist customers one-on-one and also introduce them to other Bendigo Bank products and services to improve profitability.

Sponsorships and donations are increasing substantially each year and the community is now receiving the reward from the commitment made from shareholders, staff and Board members from the past and present. The general community is becoming a lot more aware of the level of support we are providing and we are excited about continuing and growing this support in the future.

In relation to the Board we have seen the resignation of Keith Todd as Chairman and John Gray as Acting Chairman. I would like to thank them personally and on behalf of the Board and shareholders for their dedication and time especially during an unstable economic climate. John Gray remains a director and Neil Turrell was elected on to the Board during the year.

Galston Financial Services will be continuing to maximise returns to shareholders and the community. We look forward to a smoother year ahead in the finance sector and building on our equity, increasing profit and customer numbers.

**Gavin Koorey**

**Chairman**

## RULES FOR VOTING BY PROXY

- (a) **Who may appoint a proxy?** Each shareholder has the right to appoint a proxy to attend and vote for the shareholder at this meeting.
- (b) **Shareholders appointing two proxies.** To enable a shareholder to divide their voting rights, a shareholder may appoint two proxies. Where two proxies are appointed:
- a separate Proxy Form should be used to appoint each proxy;
  - the Proxy Form may specify the proportion, or the number, of votes that the proxy may exercise, and if it does not do so the proxy may exercise half of the votes.
- (c) **Who may be a proxy?** A shareholder can appoint any other person to be their proxy. A proxy need not be a shareholder of the Company. The proxy appointed can be described in the Proxy Form by an office held, for example, "the Chair of the Meeting".
- (d) **Signature(s) where shareholder is an individual:** In the case of shareholders who are individuals, the Proxy Form must be signed:
- If the shares held by one individual, by that shareholder;
  - If the shares held in joint names, by any one of them.
- (e) **Signature(s) where shareholder is a company.** In the case of shareholders who are companies, the Proxy Form must be signed:
- If it has a sole director who is also sole company secretary, by that director (and stating the fact next to, or under, the signature on the Proxy Form);
  - In the case of any other company, by either two directors or a director and company secretary.
- The use of the common seal of the company, in addition to those required signatures, is optional.
- (f) **Authorised persons/attorneys.** If the person signing the Proxy Form is doing so under power of attorney, or is an officer of a company outside of (e) above but authorised to sign the Proxy Form, the power of attorney or other authorisation (or certified copy of it), as well as the Proxy Form, must be received by the Company by the time and at the place in (g) below.
- (g) **Where to lodge and deadline.** A Proxy Form accompanies this notice. To be effective, Proxy Forms (duly completed and signed) must be received by the Company at its registered office at 348 Galston Road, Galston, NSW, 2159 no later than 12 noon on Friday 13th November 2009 and marked for the Attention of the Company Secretary.

# MANAGER'S REPORT

By Bernie Triebe, Branch Manager

We are now in our eighth financial year and the branch has continued to grow and even though our margin income experienced a contraction we still managed to achieve our budget for the year. This means that our returns to shareholders and to our community will continue to be positive.

By the end of the 2009 financial year our Community Bank® branch achieved the following milestones:

- Number of accounts over 4,600.
- Total deposits over \$82.7 million
- Total loans over \$30.9 million
- Other business \$1.3 million
- Total business over \$114.9 million
- Net profit before tax achieved was over \$371,000.
- Dividends returned to shareholders were 10% fully franked.
- Sponsorships, donations and community grants paid totalled over \$107,000.

I believe the Board, shareholders, customers and staff can justifiably be proud of the above achievements especially in light of the prevailing economic circumstances.

For the first three months of this year our Community Bank® branch has actually retreated from the high point achieved as at 30 June 2009. The growth achieved in the latter part of the 2008/2009 year was mainly funds deposited into term deposits as people took advantage of the Governments guarantee of bank deposits. However, as the crises recedes, money is being

drawn back out and invested into other asset classes (shares, property, etc):

- Total growth minus (\$4.4 million)
- Total deposits minus (\$4.3 million)
- Total loans over \$1 million in growth.
- Total business now sits at over \$111.5 million
- Total number of accounts are now over 4,700
- Net profit before tax approximately \$123,000-
- Sponsorships, donations and community grants paid \$64,602- with another \$38,833 committed.

Even in these turbulent and difficult times we continue to maintain for Galston and surrounding districts a viable banking service whilst at the same time providing returns for local shareholders and making a great contribution back to the community.

I take this opportunity to thank the following:

- The Board of Directors for the great support and encouragement that they have given to myself and the branch.
- The staff for providing an efficient and professional service both to the branch and its customers.
- To the shareholders and all of our customers for the support that they have given to their local Community Bank® branch.

Galston & District **Community Bank™** Branch  **Bendigo Bank**

**Franchisee: Galston Financial Services Limited**

**348 Galston Road, Galston, NSW 2159**  
**Telephone (02) 9653 2227 Facsimilie (02) 9653 2811**

**Bendigo Bank Limited ACN 068 049 178**