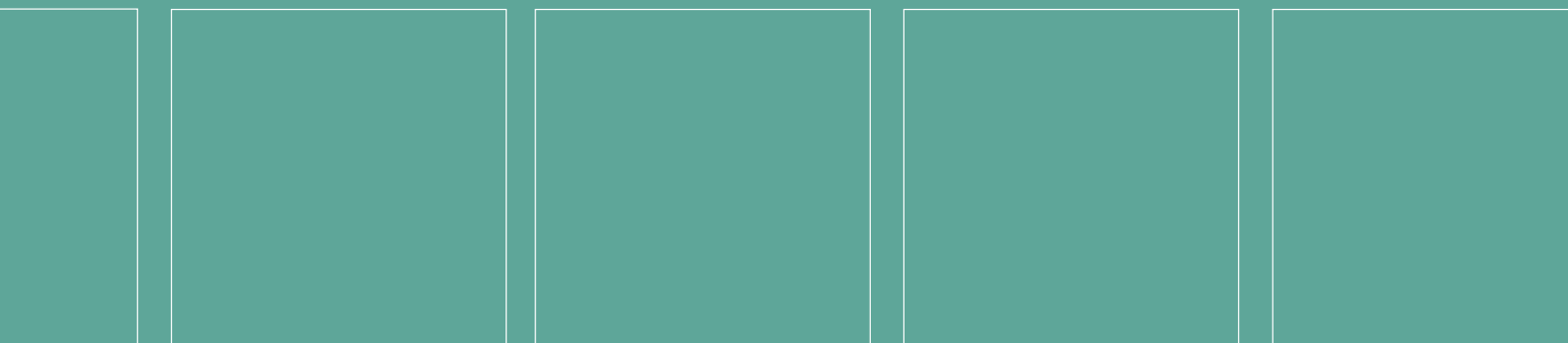


2008  
annualreport



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# Chairman's report

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For year ending 30 June 2008

It is with pleasure that I present this eighth Annual Report to shareholders.

## **Our vision**

Our vision is to be a key element in the success of our community's development, sustainability and prosperity. We will provide a level of service and community involvement which has people feeling left out if they are not banking with East Ivanhoe **Community Bank**<sup>®</sup> Branch.

## **Our mission**

Our mission is

- to grow a sound and profitable banking facility for East Ivanhoe and surrounding communities
- to provide value for our shareholders, staff, customers and the community
- to support community programs and groups in providing key benefits to their communities

## **Current position**

I proudly announce to you the 2008 year profit as \$ 281,238 before income tax. This is an improvement on last year's profit before tax of \$ 274,473.

This profit is reached after deducting our annual allocation toward Community Grants and sponsorships which this year totalled \$191,300.

During the last 12 months the number of accounts operated at the branch has grown and the value of our banking book has increased from \$106,000,000 to \$114,500,000.

At the 30 June, the East Ivanhoe Community Corporation had healthy retained earnings of \$289,606.

We believe this steady growth will continue over the next 12 month period ensuring a continuation of the successes we are enjoying.

## **Management and staff**

Branch Manager – Noel Donnelly, Customer Service Supervisor – Julie Bullen, Customer Relations Officer – Jo-Ann Downey, Customer Service Officers – Debbie, Sylvia, Amy, Kerry, Nita and Carole. Our highly experienced team are critical players in the successful results that we are enjoying. They are our windows to the community providing excellent service to our valuable customer base. The Board appreciate their energy and enthusiasm, and the strong commitment to our Company Vision and Values.

## **Business initiatives and development**

In January 2008, the East Ivanhoe community Corporation settled on the purchase of a property at Level 1, 223-225 Lower Heidelberg Rd in the East Ivanhoe Village. The Board saw this initiative as a positive investment ensuring our long-term tenancy in East Ivanhoe. It is not envisaged that our current location will

# Chairman's report continued

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alter from 233-235 Lower Heidelberg Rd where we enjoy a healthy business relationship with our current landlord. This purchase is seen as an astute investment, capitalising on this strong and tightly held area of real estate.

In April of this year the Board resolved to look at the opportunity of expanding with a second branch into the Burgundy Street area of Heidelberg. This initiative was reinforced by the closure of the Burgundy Street NAB in May. A ground swell of support resulted in a group of keen local community members joining to look further at this opportunity. It is with excitement that we await the progression of this exciting initiative.

The introduction of school banking at our local East Ivanhoe Primary School has been a most successful initiative on both a community and business level.

At the corporate level the merger of Adelaide and Bendigo Bank in November 2007 has been seen as a positive strategy with little or no disruption to our business.

## **Community contributions**

During this 12 month period the East Ivanhoe **Community Bank**<sup>®</sup> Branch of Bendigo Bank has supported the community with a figure of \$ 166,051. The breakdown of this figure has been:-

- \$ 43,300 toward sponsorships and donations
- \$ 122,751 towards grants to different local not-for-profit organisations.

See the table at the end of this report for a detailed list of recipients.

A memorable evening was held in September 2007 when we allocated our Annual Grants to the recipients. We heard a short description from each group relaying their key focus and how their grant was to be used.

It is natural that the process of sponsorships, donations and grants will lead to building a healthier business as the return on this investment into our community is realised. Our aim is to maximise this return on our community investment.

## **Shareholders**

Thank you for your support. You are ambassadors of our **Community Bank**<sup>®</sup> branch and the tangible benefits it brings to the community. We want to you to help us spread the word and support the Bank that supports your community.

Proudly, in this our eighth year of operation, the Board of Directors has announced a dividend of 13c per share fully franked for 2008. This is our fifth dividend allocation. See the table at the end of this report for a look at our past dividend allocation. We remind you that trading of our shares is on the open market at the Bendigo Stock Exchange.

The Board of Directors join me in encouraging those shareholders who are not yet banking with the East Ivanhoe **Community Bank**<sup>®</sup> Branch of Bendigo Bank that you consider doing so.

## **Board of Directors**

This past year has seen numerous changes to Board personnel. Peter Moloney, Gabrielle Reardon and Deb Edgley have exited the Board. We thank each of them for the contribution that each made, undoubtedly leaving the Company in a better place by their input.

## Chairman's report continued

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We have warmly welcomed a new Board member Paul Gittings. All Board members share positions on the following Sub Committees; Human Resource, Audit & Governance, Marketing and Sponsorship, Grants, and Business Development.

The Directors have attended various professional development seminars and workshops held throughout the year including a Company Director Workshop held by the AICD, New Director Seminars and specific workshops for key positions eg, Treasurer, Company Secretaries.

In April 2008, we engaged the services of Carly Kluge as the Public Relations & Marketing Coordinator. Carly came to us with a proven track record in this field and is supporting the Board with her skills and expertise. This initiative has enabled the Board to pursue strategies that prior to Carly's appointment were not possible.

In the role as Chairman, I am grateful for the support of Deputy Chairman, Graham Norman and Company Secretary, John Nelson, along with all Board members. Our Board members contribute generously of their time, together embracing the philosophy of the **Community Bank**<sup>®</sup> concept and working cooperatively toward achieving our goals. We continue to act on a voluntary base in the capacity of Directors on the East Ivanhoe Community Corporation Board, although the time involved and commitment given is most significant. Again we shall address this sensitive area of Board remuneration at our annual Board-planning day.

I look forward to our Annual General Meeting with the Shareholders on Tuesday, 11 November 2008.



**Nancy Caple**  
**Chairman**

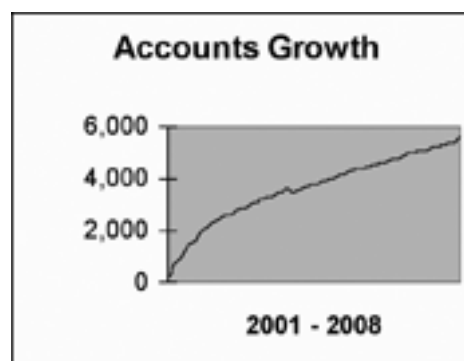
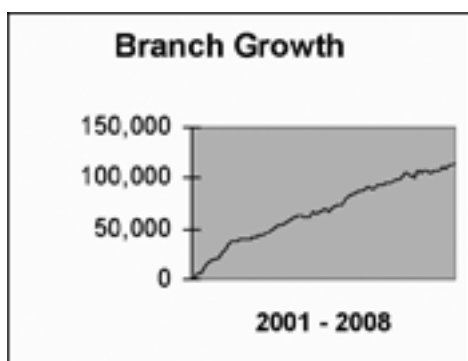
# Manager's report

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For year ending 30 June 2008

Business has continued to grow with our book now in excess of \$114M and we have in more than 5,700 accounts. This is a sustained growth trend on both levels and shows the continued support our community is providing to their **Community Bank**<sup>®</sup> branch.

Our aim over the coming year is to grow our book value and customer base by another 10%, which we believe is achievable in the current economic climate.



We celebrated our seventh birthday in May – another great event for our community.

As we continue to grow and tell and re-tell our community story, the local community is gaining a better understanding of how our business supports their local community. We benefit not just customers, but also provide funding by way of sponsorship and grants to our local community. The more we grow the more support our local community receives. It is exciting for our staff to be involved in supporting our community.

I would like to thank the shareholders, Directors and customers, who have all combined to assist with our growth and success.

I acknowledge and thank the staff for their excellent support and service, without them we would not have a successful branch.

We encourage you to continue to spread the word about your local East Ivanhoe **Community Bank**<sup>®</sup> Branch.

**Noel Donnelly**  
**Branch Manager**

noel.donnelly@bendigobank.com.au

# Bendigo Bank Ltd report

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For year ending 30 June 2008

## Celebrating 10 years of the **Community Bank**<sup>®</sup> Network

June 2008 marks ten years since Bendigo Bank and the people of Rupanyup and Minyip unveiled the first **Community Bank**<sup>®</sup> branches in Australia, marking a turning point not only for the two small Victorian wheat belt towns, but for the Bendigo as well.

Today, these two towns have been joined by more than 210 communities to form Australia's fastest growing banking network – the **Community Bank**<sup>®</sup> concept. It is a significant milestone for Bendigo Bank and our **Community Bank**<sup>®</sup> partners.

The number of **Community Bank**<sup>®</sup> branches has doubled in the last four years and in the same time frame, customers have tripled their commitment of banking business to the community network, increasing it to more than \$11 billion.

More importantly, in excess of \$18 million in **Community Bank**<sup>®</sup> branch profits have been returned to community projects and \$12 million has been paid in dividends to more than 50,000 local shareholders. Behind those numbers are hundreds of stories of **Community Bank**<sup>®</sup> branches making a real difference to the lives of local people.

Whether it's building a community hall, sponsoring an art prize or even buying new footy jumpers for the local side – these **Community Bank**<sup>®</sup> branches are helping improve the economic and social prospects of their local communities. Add to those contributions the employment of more than 1000 staff members and daily expenses in the local economy and you have a truly meaningful contribution to those communities and to local prosperity.

As we reflect on the past 10 years, it's with a feeling of great pride and accomplishment for what has been achieved in partnership between our team at the Bendigo and our community partners. The landscape of banking has changed dramatically, but more importantly – so have the communities we partner and our own organisation.

Our partners have taken charge of outcomes locally that will impact positively for many years to come. Likewise, our organisation has built on our community focussed heritage and evolved to become a true partner to community.

Your commitment, enthusiasm and belief in the **Community Bank**<sup>®</sup> model has been instrumental, and for that we thank you. And here we are, only 10 years into this wonderful journey. Who knows what positive outcomes we'll be talking about in 10 years time, as the **Community Bank**<sup>®</sup> network matures?

It's an exciting prospect – and we are very proud of what our team and the communities we partner have achieved together.



**Russell Jenkins**

**Chief General Manager Retail & Distribution**

# Directors' report

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For year ending 30 June 2008

Your Directors submit the financial report of the Company for the financial year ended 30 June 2008.

## Directors

The names and details of the Company's Directors who held office during or since the end of the financial year:

**Nancy Louise Caple**

Chairman

Retailer

**John Kenneth Nelson**

Secretary

Chartered Accountant

**Alexander Aaron Harris**

Director

Building Contractor

**Catherine Richmond**

Director

Lecturer

**Peter Moloney**

Director (Resigned 13 November 2007)

Barrister

**Gabrielle Eve Reardon**

Director (Resigned 5 February 2008)

Teacher

**Graham Peter Norman**

Treasurer

Chartered Accountant

**Evelyn Stagg**

Director

Teacher

**Cameron David Bragg**

Director

Manager

**Paul Anthony Gittings**

Director (Appointed 5 May 2008)

Retired Real Estate Agent

**Deborah Judith Edgley**

Director (Resigned 25 February 2008)

Home Duties

Directors were in office for this entire year unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the Company.

## Company Secretary

The Company Secretary is John Kenneth Nelson. John was appointed to the position of Secretary on 1 August 2007, replacing Gabrielle E Reardon. John is a Chartered Accountant and has 35 years experience in industry accounting. He has had extensive corporate secretariate knowledge including previously performing the role as Company Secretary for a public Company.

## Principal activities

The principal activities of the Company during the course of the financial year were in facilitating **Community Bank**<sup>®</sup> services under management rights to operate a franchised branch of Bendigo Bank Limited.

There has been no significant changes in the nature of these activities during the year.



# Directors' report continued

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## Operating results

Operations have continued to perform in line with expectations. The profit of the Company for the financial year after provision for income tax was:

<b>Year ended 30 June 2008</b>	<b>Year ended 30 June 2007</b>
<b>\$</b>	<b>\$</b>
194,740	192,202

---

<b>Dividends</b>	<b>Year ended 30 June 2008</b>	
	<b>Cents</b>	<b>\$</b>
Final dividends declared and provided for in accounts:		
- Franked dividend to be paid from 2008 profits	13	62,083
Dividends paid in the year from 2007 profits as recommended in last year's report:		
- Franked dividend	13	62,083

---

## Significant changes in the state of affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or the financial report.

## Matters subsequent to the end of the financial year

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company, in future years.

## Likely developments

The Company will continue its policy of facilitating banking services to the community.

## Environmental regulation

The Company is not subject to any significant environmental regulation.

## Directors' benefits

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company, controlled entity or related body corporate with a Director, a firm which a Director is a member or an entity in which a Director has a substantial financial interest except as disclosed in note 21 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the Company's accounts, or the fixed salary of a full-time employee of the Company, controlled entity or related body corporate.

# Directors' report continued

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## **Indemnification and insurance of Directors and Officers**

The Company has indemnified all Directors and the Manager in respect of liabilities to other persons (other than the Company or related body corporate) that may arise from their position as Directors or Manager of the Company except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The Company has not provided any insurance for an Auditor of the Company or a related body corporate.

## **Proceedings on behalf of Company**

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

## **Corporate governance**

The Company has implemented various corporate governance practices, which include:

- (a) The establishment of an audit committee. Members of the audit committee are Graham Norman (Convenor) John Nelson and Nancy Caple.
- (b) Director approval of operating budgets and monitoring of progress against these budgets;
- (c) Ongoing Director training; and
- (d) Monthly Director meetings to discuss performance and strategic plans.

## **Remuneration report**

This report details the nature and amount of remuneration for each Director of East Ivanhoe Community Corporation Limited, and for the executives receiving the highest remuneration.

## **Remuneration policy**

### **Directors**

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company, controlled entity or related body corporate with a Director, a firm which a Director is a member or an entity in which a Director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the Company's accounts, or the fixed salary of a full-time employee of the Company, controlled entity or related body corporate.

# Directors' report continued

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## Key management personnel remuneration policy

Key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation and performance incentives.

Key management personnel also receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

The contracts for service between the Company and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement key management personnel are paid employee benefit entitlements accrued to date of retirement.

Key management personnel compensation is disclosed in Note 20 to the financial statements.

## Directors meetings

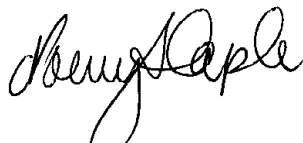
The number of Directors meetings attended by each of the Directors of the Company during the year were:

	Number of Board meetings eligible to attend	Number attended
Nancy Louise Caple	11	10
Graham Peter Norman	11	8
John Kenneth Nelson	11	11
Evelyn Stagg	11	8
Alexander Aaron Harris	11	9
Cameron David Bragg	11	10
Catherine Richmond	11	8
Paul Anthony Gittings (Appointed 5 May 2008)	2	1
Deborah Judith Edgley (Resigned 25 February 2008)	6	-
Peter Moloney (Resigned 13 November 2007)	4	3
Gabrielle Eve Reardon (Resigned 5 February 2008)	6	3

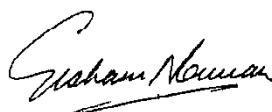
## Auditors' independence declaration

A copy of the Auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11.

Signed in accordance with a resolution of the Board of Directors at East Ivanhoe, Victoria on 11 September 2008.



**Nancy Louise Caple**  
Chairman



**Graham Peter Norman**  
Director

# Auditor's independence declaration

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McBAIN  
McCartin & Co

Chartered Accountants  
Audit & Assurance Services

Po Box 82 Balwyn  
Victoria, Australia 3103  
ABN 26 028 714 960

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF EAST IVANHOE COMMUNITY CORPORATION LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2008 there have been:

1. no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

**David W McBain FCA  
Partner**

**McBain McCartin & Co**

Dated this 11<sup>th</sup> day of September 2008

123 Whitehorse Rd  
BALWYN VIC 3103

Liability limited by a scheme approved under Professional Standards Legislation

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Phone: +61 3 9817 0700 Facsimile: +61 3 9817 0799 E-mail: [office@mc bainmccartin.com.au](mailto:office@mc bainmccartin.com.au) Web: [www.mcbainmccartin.com.au](http://www.mcbainmccartin.com.au)

# Financial statements

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## Income statement For year ending 30 June 2008

	Note	2008 \$	2007 \$
Revenues from ordinary activities	3	1,125,559	956,889
Salaries and employee benefits expense		(366,417)	(323,040)
Advertising and promotion expenses		(207,116)	(134,846)
Occupancy and associated costs	4	(86,468)	(69,805)
Systems costs		(26,634)	(21,945)
Depreciation and amortisation expense	4	(12,516)	(11,970)
General administration expenses	4	(145,170)	(120,810)
<b>Profit before income tax expense</b>		<b>281,238</b>	<b>274,473</b>
Income tax expense	5	(86,498)	(82,271)
<b>Profit for the period</b>		<b>194,740</b>	<b>192,202</b>
<b>Profit attributable to members of the entity</b>		<b>194,740</b>	<b>192,202</b>
<b>Earnings per share (cents per share)</b>			
		<b>c</b>	<b>c</b>
- basic earnings per share	24	40.78	40.20
- diluted earnings per share	24	40.78	40.20
- dividends per share	23	26	10

The accompanying notes form part of these financial statements.

## Financial statements continued

### Balance sheet As at 30 June 2008

	Note	2008 \$	2007 \$
<b>Current assets</b>			
Cash assets	6	194,870	576,197
Current tax assets	7	2,128	-
Trade and other receivables	8	122,379	119,015
<b>Total current assets</b>		<b>319,377</b>	<b>695,212</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	1,189,994	67,537
Intangible assets	10	5,833	7,833
Deferred tax assets	11	10,593	9,348
<b>Total non-current assets</b>		<b>1,206,420</b>	<b>84,718</b>
<b>Total assets</b>		<b>1,525,797</b>	<b>779,930</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	55,785	33,764
Borrowings	13	5,332	-
Current tax liabilities	14	-	22,960
Provisions	15	77,331	16,349
<b>Total current liabilities</b>		<b>138,448</b>	<b>73,073</b>
<b>Non-current liabilities</b>			
Provisions	15	20,065	14,815
Borrowings	13	604,668	-
<b>Total non-current liabilities</b>		<b>624,733</b>	<b>14,815</b>
<b>Total liabilities</b>		<b>763,181</b>	<b>87,888</b>
<b>Net assets</b>		<b>762,616</b>	<b>692,042</b>
<b>Equity</b>			
Issued capital	15	473,010	473,010
Retained profits	16	289,606	219,032
<b>Total equity</b>		<b>762,616</b>	<b>692,042</b>

The accompanying notes form part of these financial statements.

## Financial statements continued

### Statement of cash flows As at 30 June 2008

	Note	2008 \$	2007 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		1,083,232	1,007,988
Payments to suppliers and employees		(784,600)	(748,122)
Interest expense		(14,416)	-
Interest received		32,344	29,529
Income taxes paid		(112,831)	(49,936)
<b>Net cash provided by operating activities</b>	<b>17</b>	<b>203,729</b>	<b>239,459</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(1,132,973)	(5,806)
<b>Net cash used in investing activities</b>		<b>(1,132,973)</b>	<b>(5,806)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		610,000	-
Repayment of borrowings		-	(3,140)
Dividends paid		(62,083)	(47,756)
<b>Net cash provided by/(used in) financing activities</b>		<b>547,917</b>	<b>(50,896)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(381,327)</b>	<b>182,757</b>
Cash at the beginning of the financial year		576,197	393,440
<b>Cash at the end of the financial year</b>	<b>6(a)</b>	<b>194,870</b>	<b>576,197</b>

The accompanying notes form part of these financial statements.

## Financial statements continued

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### Statement of changes in equity As at 30 June 2008

	Note	2008 \$	2007 \$
Total equity at the beginning of the period		692,042	547,596
Net profit for the period		194,740	192,202
Net income/expense recognised directly in equity		-	-
Dividends provided for or paid		(124,166)	(47,756)
Shares issued during period		-	-
<b>Total equity at the end of the period</b>		<b>762,616</b>	<b>692,042</b>

The accompanying notes form part of these financial statements.



# Notes to the financial statements

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For year ending 30 June 2008

## Note 1. Summary of significant accounting policies

### **Basis of preparation**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The financial report covers East Ivanhoe Community Corporation Limited as an individual entity. East Ivanhoe Community Corporation Limited is a Company limited by shares, incorporated and domiciled in Australia.

East Ivanhoe Community Corporation Ltd shares are publicly traded on the Bendigo Stock Exchange.

### **Compliance with IFRS**

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS). These financial statements and notes comply with IFRS.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

### **Historical cost convention**

The financial report has been prepared under the historical cost conventions on an accruals basis as modified by the revaluation of financial assets and liabilities at fair value through profit or loss and where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

### **Revenue**

Interest and fee revenue is recognised when earned. All revenue is stated net of the amount of Goods and Services Tax (GST). The gain or loss on disposal of property, plant and equipment is recognised on a net basis and is classified as income rather than revenue.

# Notes to the financial statements continued

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## Note 1. Summary of significant accounting policies (continued)

### **Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable for the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet. Cash flows are included in the statement of cash flows on a gross basis.

The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operation cash flows.

### **Income tax**

#### Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

#### Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities reflects the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax and when the balances relate to taxes levied by the same taxation authority and the entity intends to settle its tax assets and liabilities on a net basis.

# Notes to the financial statements continued

---

## Note 1. Summary of significant accounting policies (continued)

### **Income tax (continued)**

#### Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

### **Employee entitlements**

Provision is made for the Company'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.

The Company contributes to a defined contribution plan. Contributions to employee superannuation funds are charged against income as incurred.

### **Intangibles**

The cost of the Company's franchise fee has been recorded at cost and is amortised on a straight line basis at a rate of 20% per annum.

### **Cash**

Cash and cash equivalents include cash on hand and deposits held at call with banks.

### **Comparative figures**

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

### **Property, plant and equipment**

Freehold land and buildings are shown at cost. Buildings are shown at cost less subsequent depreciation for buildings.

Plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

# Notes to the financial statements continued

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## Note 1. Summary of significant accounting policies (continued)

### **Property, plant and equipment (continued)**

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a diminishing value basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated at the rate equivalent to the available building allowance using the diminishing value method. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation:

buildings	40 years
leasehold improvements	40 years
plant and equipment	2.5 - 13 years

### **Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### **Payment terms**

Receivables and payables are non interest bearing and generally have payment terms of between 30 and 90 days.

### **Trade receivables and payables**

Receivables are carried at their amounts due. The collectability of debts is assessed at balance date and specific provision is made for any doubtful accounts. Liabilities for trade creditors and other amounts are carried at cost that is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

### **Borrowings**

All loans are initially measured at the principal amount. Interest is recognised as an expense as it accrues.

# Notes to the financial statements continued

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## Note 1. Summary of significant accounting policies (continued)

### **Provisions**

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

### **Contributed equity**

Ordinary shares are recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

### **Earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

### **Authorised for issue**

The financial report was authorised for issue on 9 September 2008 by the Board of Directors.

## Note 2. Financial risk management

The Company's activities expose it to a limited variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the entity. The entity does not use derivative instruments.

Risk management is carried out directly by the Board of Directors.

### **(i) Market risk**

The Company has no exposure to any transactions denominated in a currency other than Australian dollars.

### **(ii) Price risk**

The Company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. The Company is not exposed to commodity price risk.

# Notes to the financial statements continued

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## Note 2. Financial risk management (continued)

### **(iii) Credit risk**

The Company has no significant concentrations of credit risk. It has policies in place to ensure that customers have an appropriate credit history. The Company's franchise agreement limits the Company's credit exposure to one financial institution, being Bendigo Bank Limited.

### **(iv) Liquidity risk**

Prudent liquidity management implies maintaining sufficient cash and marketable securities and the availability of funding from credit facilities. The Company believes that its sound relationship with Bendigo Bank Limited mitigates this risk significantly.

### **(v) Cash flow and fair value interest rate risk**

Interest-bearing assets are held with Bendigo Bank Limited and subject to movements in market interest. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest-rate risk. The Company believes that its sound relationship with Bendigo Bank Limited mitigates this risk significantly.

### **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.

### **Receivables and payables**

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.

Receivables and payables are non interest bearing and generally have payment terms of between 30 and 90 days. Receivables are recognised and carried at original invoice amount less a provision for any uncollected debts. Liabilities for trade creditors and other amounts are carried at cost that is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

### **Financial liabilities**

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

### **Interest bearing liabilities**

All loans are measured at the principal amount. Interest is recognised as an expense as it accrues.

## Notes to the financial statements continued

	2008 \$	2007 \$
<b>Note 3. Revenue from ordinary activities</b>		
<b>Operating activities:</b>		
- services commissions	1,082,131	925,121
- other revenue	-	-
<b>Total revenue from operating activities</b>	<b>1,082,131</b>	<b>925,121</b>
<b>Non-operating activities:</b>		
- interest received	36,208	31,768
- rental revenue	7,220	-
<b>Total revenue from non-operating activities</b>	<b>43,428</b>	<b>31,768</b>
<b>Total revenues from ordinary activities</b>	<b>1,125,559</b>	<b>956,889</b>

## Note 4. Expenses

<b>Depreciation of non-current assets:</b>		
- plant and equipment	10,516	9,970
- leasehold improvements	-	-
<b>Amortisation of non-current assets:</b>		
- franchise agreement	2,000	2,000
	<b>12,516</b>	<b>11,970</b>
<b>Finance costs:</b>		
- interest paid	14,416	-
<b>Bad debts</b>	<b>6</b>	<b>3,395</b>
<b>Rental expense on operating leases - minimum lease payments</b>	<b>66,119</b>	<b>51,637</b>

## Notes to the financial statements continued

	2008 \$	2007 \$
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### Note 5. Income tax expense

**(a) The component of tax expense comprise:**

Current tax	87,743	83,993
Deferred tax	(1,245)	(1,722)
	<b>86,498</b>	<b>82,271</b>

**(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:**

Operating profit	281,238	274,473
Prima facie tax on profit from ordinary activities at 30%	84,371	82,342
Add tax effect of:		
- non-deductible expenses	600	600
- non-assessable income	1,527	(671)
<b>Income tax expense on operating profit</b>	<b>86,498</b>	<b>82,271</b>

### Note 6. Cash assets

Cash at bank and on hand	29,197	12,104
Term deposits	165,673	564,093
	<b>194,870</b>	<b>576,197</b>

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

**6(a) Reconciliation of cash**

Cash at bank and on hand	29,197	12,104
Term deposit	165,673	564,093
	<b>194,870</b>	<b>576,197</b>

### Note 7. Current tax assets

<b>Current tax refundable</b>	<b>2,128</b>	-
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## Notes to the financial statements continued

	2008 \$	2007 \$
<b>Note 8. Trade and other receivables</b>		
Trade receivables	91,515	76,596
Debtors & prepaid expenses	30,864	42,419
	<b>122,379</b>	<b>119,015</b>

## Note 9. Property, plant and equipment

### Plant and equipment

At cost	178,422	161,450
Less accumulated depreciation	(99,536)	(93,913)
	<b>78,886</b>	<b>67,537</b>

### Land & buildings

At cost	1,111,108	-
Less accumulated depreciation	-	-
	<b>1,111,108</b>	-

<b>Total written down amount</b>	<b>1,189,994</b>	<b>67,537</b>
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### Movements in carrying amounts:

#### Plant and equipment

Carrying amount at beginning	67,537	71,701
Additions	23,199	5,806
Disposals	(1,334)	-
Less: depreciation expense	(10,516)	(9,970)
<b>Carrying amount at end</b>	<b>78,886</b>	<b>67,537</b>

#### Land & buildings

Carrying amount at beginning	-	-
Additions	1,111,108	-
Disposals	-	-
Less: depreciation expense	-	-
<b>Carrying amount at end</b>	<b>1,111,108</b>	-
<b>Total written down amount</b>	<b>1,189,994</b>	<b>67,537</b>

## Notes to the financial statements continued

### Note 9. Property, plant and equipment (continued)

The entity purchased 223-225 Lower Heidelberg Road, Ivanhoe East on 28 March 2008. The cost of land and buildings has not been split at reporting date and the entity is in the process of obtaining a valuation. Borrowing costs have been capitalised and depreciation expense has been assessed as immaterial for current year.

	2008 \$	2007 \$
<b>10. Intangible assets</b>		
<b>Franchise fee</b>		
At cost	10,000	10,000
Less: accumulated amortisation	(4,167)	(2,167)
	<b>5,833</b>	<b>7,833</b>

### Note 11. Deferred tax

Opening balance	9,348	7,626
Recognition of provisions (see Note 4)	1,245	1,722
<b>Closing balance</b>	<b>10,593</b>	<b>9,348</b>

### Note 12. Trade and other payables

Trade creditors	49,263	33,764
Other creditors & accruals	6,522	-
	<b>55,785</b>	<b>33,764</b>

### Note 13. Borrowings

#### Current:

<b>Mortgage loan</b>	<b>5,332</b>	-
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#### Non-current:

<b>Mortgage loan</b>	<b>604,668</b>	-
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Bank loans are repayable monthly with the final instalment due on 28 April 2023. Interest is recognised at an average rate of 9.4%.

The mortgage loan is secured over the premises and is interest only for the first twelve months (28 April 2009).

## Notes to the financial statements continued

	2008 \$	2007 \$
Note 14. Current tax liability		
<b>Current tax payable</b>	-	<b>22,960</b>

## Note 15. Provisions

### Current:

Provision for annual leave	15,248	16,349
Provision for dividend	62,083	-
	<b>77,331</b>	<b>16,349</b>

### Non-current:

<b>Provision for long service leave</b>	<b>20,065</b>	<b>14,815</b>
<b>Number of employees at year end</b>	<b>6</b>	<b>6</b>

## Note 16. Contributed equity

<b>477,560 Ordinary shares fully paid of \$1 each (2007: 477,560)</b>	<b>473,010</b>	<b>473,010</b>
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## Note 17. Retained earnings

Balance at the beginning of the financial year	219,032	74,586
Net profit from ordinary activities after income tax	194,740	192,202
Dividends	(124,166)	(47,756)
<b>Balance at the end of the financial year</b>	<b>289,606</b>	<b>219,032</b>

## Notes to the financial statements continued

	2008 \$	2007 \$
<b>Note 18. Statement of cash flows</b>		
Reconciliation of loss from ordinary activities after tax to net cash provided by operating activities		
Profit from ordinary activities after income tax	194,740	192,202
<b>Non cash items:</b>		
- depreciation	10,516	9,970
- amortisation	2,000	2,000
<b>Changes in assets and liabilities:</b>		
- (increase)/decrease in receivables	(3,364)	(972)
- (increase)/decrease in other assets	-	34,057
- (increase)/decrease in deferred tax asset	(3,373)	(1,722)
- increase/(decrease) in payables	(939)	(1,818)
-increase/(decrease) in provisions	4,149	5,742
<b>Net cash flows provided by operating activities</b>	<b>203,729</b>	<b>239,459</b>

## Note 19. Auditors' remuneration

Amounts received or due and receivable by the Auditor of the Company for:

- audit & review services	9,500	8,150
- non audit services	-	-
	<b>9,500</b>	<b>8,150</b>

## Note 20. Key management personnel compensation

### Branch Manager

#### Short term benefits

Salary and fees	50,934	53,909
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#### Post employment benefits

Superannuation	51,050	46,064
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<b>Total compensation</b>	<b>101,984</b>	<b>99,973</b>
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## Notes to the financial statements continued

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### Note 21. Director and related party disclosures

The names of Directors who have held office during the financial year are:

Nancy Louise Caple

Graham Peter Norman

John Kenneth Nelson

Evelyn Stagg

Alexander Aaron Harris

Cameron David Bragg

Catherine Richmond

Paul Anthony Gittings (Appointed 5 May 2008)

Deborah Judith Edgley (Resigned 25 February 2008)

Peter Moloney (Resigned 13 November 2007)

Gabrielle Eve Reardon (Resigned 5 February 2008)

No Director or related entity has entered into a material contract with the Company. No Director's fees have been paid as the positions are held on a voluntary basis.

<b>Directors shareholdings</b>	<b>2008</b>	<b>2007</b>
Nancy Louise Caple	5,251	5,251
Graham Peter Norman	14,751	12,751
John Kenneth Nelson	500	500
Evelyn Stagg	1,000	1,000
Alexander Aaron Harris	5,251	5,251
Cameron David Bragg	500	500
Catherine Richmond	-	-
Paul Anthony Gittings (Appointed 5 May 2008)	-	-
Deborah Judith Edgley (Resigned 25 February 2008)	-	-
Peter Moloney (Resigned 13 November 2007)	-	-
Gabrielle Eve Reardon (Resigned 5 February 2008)	-	-

Each share held is valued at \$1.

## Notes to the financial statements continued

	2008 \$	2007 \$
<b>Note 22. Capital and leasing commitments</b>		
<b>a. Operating lease commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable - minimum lease payments		
not later than 12 months	65,769	50,895
between 12 months and five years	115,096	147,817
	<b>180,865</b>	<b>198,712</b>

### b. Capital expenditure commitments

There were no capital commitments as at 30 June 2008.

## Note 23. Dividends paid or provided

### a. Dividends paid during the year

**Prior year proposed final 100% (2007: 100%) franked dividend - 13 cents (2007: 10 cents) per share**

<b>62,083</b>	<b>47,756</b>
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### b. Dividends proposed and not recognised as a liability

**Nil% (2007: 100%) franked dividend - Nil cents (2007: 13 cents) per share**

-	<b>47,756</b>
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### c. Dividends proposed and recognised as a liability

**100% (2007: Nil%) franked dividend - 13 cents (2007: Nil cents) per share**

<b>62,083</b>	-
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The tax rate at which dividends have been franked is 30% (2007: 30%).

Dividends proposed will be franked at a rate of Nil% (2007: 30%).

### d. Franking credit balance

Balance of franking account at year end adjusted for franking credits arising from:

payment of provision for income tax	143,504	117,966
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Subsequent to year-end, the franking account would be reduced by the proposed dividend reflected per (a) as follows:

(26,607)	(38,218)
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<b>116,897</b>	<b>79,748</b>
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## Notes to the financial statements continued

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	2008 \$	2007 \$
<b>Note 24. Earnings per share</b>		
(a) Profit attributable to the ordinary equity holders of the Company used in calculating earnings per share	194,740	192,202

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	2008 Number	2007 Number
(b) Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	477,560	477,560

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### Note 25. New accounting standards and interpretations

There is no direct impact on the entity's financial statements for the year ended 30 June 2008 arising from accounting standards issued but not effective at the reporting date.

### Note 26. Events occurring after the balance sheet date

There have been no events after the end of the financial year that would materially affect the financial statements.

### Note 27. Contingent liabilities

There were no contingent liabilities at the date of this report to affect the financial statements.

### Note 28. Segment reporting

The economic entity operates in the service sector where it facilitates **Community Bank**<sup>®</sup> services pursuant to a franchise agreement with Bendigo Bank Limited. The economic entity operates in one geographic area being the East Ivanhoe suburb of Melbourne, Victoria.

### Note 29. Registered office/principal place of business

The registered office and principal place of business is:

Registered office	Principal place of business
235 Lower Heidelberg Road, Ivanhoe East VIC 3079	235 Lower Heidelberg Road, Ivanhoe East VIC 3079

# Notes to the financial statements continued

## Note 30. Financial instruments

### Net fair values

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the Balance Sheet. The Company does not have any unrecognised financial instruments at the year end.

### Credit risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the Income Statement and notes to the financial statements.

There are no material credit risk exposures to any single debtor or group of debtors under financial instruments entered into by the economic entity.

### Interest rate risk

Financial instrument	Floating interest rate		Fixed interest rate maturing in						Non interest bearing		Weighted average effective interest rate	
			1 year or less		Over 1 to 5 years		Over 5 years					
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
<b>Financial assets</b>	29,198	12,103	-	-	-	-	-	-	-	-	6.41	4.50
Cash assets	165,673	564,093	-	-	-	-	-	-	-	-	7.39	6.20
Term deposits	-	-	-	-	-	-	-	-	- 122,379	76,596	N/A	N/A
Receivables												
<b>Financial liabilities</b>												
Interest bearing liabilities	-	-	5,332	- 137,609	-	- 467,059	-	-	-	-	9.4	N/A
Payables	-	-	-	-	-	-	-	-	- 55,785	33,764	N/A	N/A



# Director's declaration

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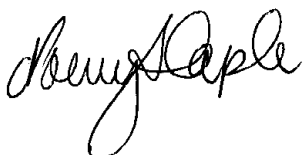
In accordance with a resolution of the Directors of East Ivanhoe Community Corporation Limited, we state that:

In the opinion of the Directors:

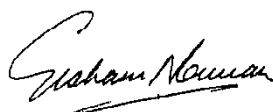
- (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Company's financial position as at 30 June 2008 and of its performance for the financial year ended on that date; and
  - (ii) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c) the audited remuneration disclosures set out in the remuneration report section of the Directors' report comply with Accounting Standard AASB174 Related Party Disclosures and the Corporations Regulations 2001.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer as required by section 295A of the Corporations Act.

This declaration is made in accordance with a resolution of the Board of Directors.



**Nancy Louise Caple**  
**Chairman**



**Graham Peter Norman**  
**Director**

Signed on 11 September 2008.

# Independent audit report

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McBAIN  
McCartin & Co

Chartered Accountants  
Audit & Assurance Services

Po Box 82 Balwyn  
Victoria, Australia 3103  
ABN 26 028 714 960

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
EAST IVANHOE COMMUNITY CORPORATION  
LIMITED**

ACN 095 312 744

**Report on the financial report**

We have audited the accompanying financial report of East Ivanhoe Community Corporation Limited, which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

**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 the 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 AASB 101: "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.

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Liability limited by a scheme approved under Professional Standards Legislation

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Level 1, 123 Whitehorse Road Balwyn VIC 3103  
Phone: +61 3 9817 0700 Facsimile: +61 3 9817 0799 E-mail: [office@mc bainmccartin.com.au](mailto:office@mc bainmccartin.com.au) Web: [www.mcbainmccartin.com.au](http://www.mcbainmccartin.com.au)

# Independent audit report continued

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

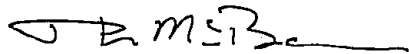
## **Independence**

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 East Ivanhoe Community Corporation Limited has not changed as at the date of providing our audit opinion.

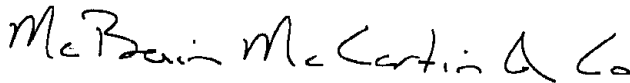
## **Auditor's Opinion**

In our opinion,

- 1) the financial report of East Ivanhoe Community Corporation Limited is in accordance with the *Corporations Act 2001*, including:
  - a) giving a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the year ended on that date; and
  - b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- 2) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.



**David W McBain FCA**  
Partner



**McBain McCartin & Co**

Dated this 11<sup>th</sup> day of September 2008

123 Whitehorse Rd  
BALWYN VIC 3103

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Liability limited by a scheme approved under Professional Standards Legislation

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# BSX report

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## Share information

In accordance with Bendigo Stock Exchange listing rules the Company provides the following information as at 10 September 2008, which is within 6 weeks of this report being sent to shareholders.

The following table shows the number of shareholders, broken into various categories showing the total number of shares held.

Number of shares held	Number of shareholders	Percentage of capital
1 to 1,000	137	18.90
1,001 to 5,000	73	52.19
5,001 to 10,000	21	28.91
10,001 to 100,000	0	0
100,001 and over	0	0
<b>Total shareholders</b>	<b>231</b>	<b>100.00</b>

Each Shareholder is entitled to 1 vote, irrespective of the number of shares held.

There are no substantial shareholders (ie holding in excess of 5%) as each shareholder is entitled to 1 vote. Normally holding more than 5% of issued shares would create a substantial shareholder, but this is not applicable due to the voting restrictions for the Company

There are 3 shareholders holding less than a marketable parcel of shares (\$500 in value).

There are no restricted securities

All shares on issue are ordinary shares fully paid to \$1. There are no unquoted equity securities. The total number of shareholders is 231.

The following table shows the 10 largest shareholders

Shareholder	Number of shares	Percentage of capital
Barlow Financial Services Pty Ltd	10,000	2.09
Berwell Pty Ltd	10,000	2.09
JL Knorr Pty Ltd	10,000	2.09
Riadell Pty Ltd	10,000	2.09
Exardua Pty Ltd	7,750	1.62
Mr Noel & Mrs Patricia Donnelly	6,800	1.42
Dr Damien Francis Clarke	6,250	1.31
Miss Joanne Bingham	6,250	1.31
Mr Geoffrey Henry Edwin Knorr	6,250	1.31
Mr Kenneth Norman	6,250	1.31
<b>Total</b>	<b>79,550</b>	<b>16.66</b>

# BSX report continued

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## **Registered office and principal administrative office**

The registered office of the Company is located at:

233-235 Lower Heidelberg Road,  
East Ivanhoe VIC 3079  
Telephone (03) 9497 5133

The principal administrative office of the Company is located at:

233-235 Lower Heidelberg Road,  
East Ivanhoe VIC 3079  
Telephone (03) 9497 5133

## **Security register**

The security register (share register) is kept at:

Share Data National Share Registry Services  
52 Angove Park Drive,  
Tea Tree Gully South Australia 5091  
Telephone (08) 8395 2308

## **Company Secretary**

John Nelson has been Company Secretary since 1 August 2007. John is a Chartered Accountant with over 35 years experience in industry. He has extensive corporate secretariate experience including previously performing the role as Company Secretary of a public Company.

## **Corporate governance**

The Company has implemented various Corporate Governance practices, which include:

- a) The establishment of an Audit and Governance Committee. Members of the Committee are N L Caple, G P Norman and J K Nelson
- b) Ongoing Director training
- c) Director approval of operating budgets and monitoring of progress against the budgets on a monthly basis;  
and
- d) Monthly Director meetings to discuss performance and strategic plans.

## **Annexure 3A**

There are no differences between the Annexure 3A and the Financial Documents contained in the Annual Report.

# Sponsorship and grants for 2007-08 year

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Audrey Brooks Memorial Pre-school	Heidelberg West Football Club
Baby Boomers Expo	Heidelberg Women's Football Club
Banksia Palliative Care Service	Ivanhoe Girls Grammar School Concert
Banyule Festival 2008	Ivanhoe Park Croquet Club
Banyule Housing Support Group	Livingstone Community Centre
Banyule Support & Information Centre	Mary Immaculate Primary School Ivanhoe
Catholic Parish of Ivanhoe Playgroup	Mirabel Association
City of Heidelberg Bowling Club	NMIT – Apprenticeship Awards
Eaglemont Tennis Club	Old Ivanhoe Grammarians Football Club
East Ivanhoe Bowling Club	Olympic Adult Education
East Ivanhoe Pre-school	Open House Christian Involvement Centre
East Ivanhoe Primary School	Olympic Village Pre-school
East Ivanhoe Traders Association	Rotary Club of Heidelberg
Heidelberg District Cricket Association	St George Anglican Parish East Ivanhoe
Heidelberg – East Ivanhoe Uniting Church	St John's Catholic Tennis Club
Heidelberg Historical Society	St Bernadette's Primary School
Heidelberg West Cricket Club	Viewbank Tennis Club
96.5 Inner FM Radio	Youth Foundation Australia

Total \$166,051

# Community contributions and shareholder dividends

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<b>Shareholder dividends</b>		
	<b>Cents per share</b>	<b>Total distribution</b>
2004/05	5 cents	\$23,651
2005/06	10 cents	\$47,756
2006/07	10 cents	\$47,756
2007/08	13 cents	\$62,083

<b>Community contributions</b>				
<b>Financial year</b>	<b>CEF *</b>	<b>Sponsorships</b>	<b>Total</b>	<b>Grants**</b>
2001/04		10,000	10,000	
2004/05	50,000	12,330	62,330	
2005/06	120,000	41,450	161,450	48,050
2006/07	100,000	30,400	130,400	70,490
2007/08	148,000	43,300	191,300	122,751
			555,480	
<p>* CEF - Community Enterprise Foundation.  ** Grants distributed from contributions to CEF</p>				







East Ivanhoe **Community Bank**<sup>®</sup> Branch  
233-235 Lower Heidelberg Road, East Ivanhoe VIC 3079  
Phone: (03) 9497 5133 Fax: (03) 9497 5233

Franchisee: East Ivanhoe Community Corporation Limited  
233-235 Lower Heidelberg Road, East Ivanhoe VIC 3079  
ABN 62 095 312 744

[www.bendigobank.com.au](http://www.bendigobank.com.au)

Bendigo and Adelaide Bank Limited, The Bendigo Centre, Bendigo VIC 3550  
ABN 11 068 049 178. AFSL 237879. (BMPAR8023) (08/08)