

Newsletter

April 2008

Manager's report

Welcome to 2008 and our Autumn Newsletter. I hope that everyone enjoyed Easter and the holiday period.

I can't believe that Easter has come and gone for another year, it only feels like yesterday that we were celebrating Christmas. I only hope that when I am writing the Winter Manager's report I am able to comment on the lovely rain we are having – fingers crossed.

Much has happened since our last newsletter. Our total business has passed \$50 million, David and Sharon Williams of Rochester were the lucky customers who happened to open an account at the right time, and received a small gift from the branch in appreciation of taking us over the \$50 million milestone.

We now have over 2,900 accounts, which is an increase of 100 accounts since our last newsletter. These are fantastic numbers and ones we could have only dreamed of when we first opened.

Our Lockington branch celebrated its fourth birthday on Monday 3 March. One only has to look at the Business Centre and its changes to see that Lockington is a community that never sits still. Something is always happening in Lockington it is a pleasure to be part of the town.

Our Shareholders received a 7 cent dividend totalling \$50,400 that was paid just in time for Christmas. It was

with great pleasure we were able to reward those who have supported us from the very beginning.

With the recent merger of Bendigo Bank and Adelaide Bank, we were also lucky to get a mention on the TV when the head of the Adelaide Bank, Jamie McPhee, visited Elmore for an afternoon. Jamie and two senior staff were in town to learn about Bio Diesel and rural **Community Bank**[®] branches. Having these people in town was too good an opportunity not to get the media involved.

On behalf of the Board and staff, I thank you for your continued support and we hope you enjoy your newsletter.

Andre Clayton
Branch Manager

Branch snapshot as at March 2008

Total business	\$51,893,000
Total accounts	2909
Total lending	\$23,104,000 or 44.5 per cent

Environmentally friendly reporting

Shareholder annual reports will soon be available online with hard copies distributed by request only. Details coming soon in the mail.

20,000 reasons to support your Community Bank[®] branch

The Elmore Lockington & Districts **Community Bank**[®] Branch is committed to supporting the local community and forming partnerships through innovative marketing approaches. Therefore, we are happy to announce that \$20,000 from the marketing budget has been allocated to community sponsorships for the 2008/2009 financial year.

Stay tuned for more details on how your club or organisation can apply for a share of this sponsorship money.

**Board of Directors, Lockmore Financial Services Limited,
62 Railway Place, Elmore, VIC 3558**

David Johnson, Helen O'Sullivan, Leanne Pentreath, Corinne Holmberg, Lesley Corrie, David Trewick, Max Williams, Graeme Wood, Louise Ross, Jennifer Dobell and Christine Weller

Testimonial

It's not only personal account holders who are contributing to the success of the Elmore/Lockington & Districts **Community Bank**[®] Branch. So too, are local farmers Chris and Janelle Giffin.

Chris and Janelle are shareholders in the **Community Bank**[®] Company and decided to move their business banking across when the branch first opened.

"We already banked with Bendigo Bank so it was just a matter of re-domiciling our account to the Elmore/Lockington & Districts **Community Bank**[®] Branch," Janelle said.

"We have a good local branch where the staff behind the counter know who you are and can deal with your banking needs with minimum fuss. The staff get to know you and they care about your needs."

"We recently travelled overseas and the customer service we received from the branch prior to our departure was outstanding - they provided advice as to what currency we

would need, obtained this for us and provided valuable advice on how to protect our money whilst travelling. It only took one simple phone call while we were away to transfer funds between our accounts. With the support of our local branch, the process was hassle free and we were able to enjoy our holiday."

Chris is also involved in the Bio-Diesel steering committee which is based on the successful **Community Bank**[®] model, and is currently in partnership with the Elmore/Lockington & Districts **Community Bank**[®] Branch.

Chris is keen to encourage others to support the project. "People are already spending money buying fuel and the profits from that are going elsewhere," Chris said.

"Why not retain the profits at a local level contributing to the economy, infrastructure and community events within your district - that has to be good for everyone, and is certainly something we are keen to promote and support."

Community Bank[®] Strategic Advisory Board

Bendigo Bank today recently announced it would form a **Community Bank**[®] Strategic Advisory Board principally drawn from volunteer Directors across Australia.

They will be joined by key strategic Bank representatives to form a peak body focusing on key opportunities to enhance community and business prospects.

The advisory Board will respond to and provide reports for consideration by the Bank's executive and at times the principal Board.

Bendigo Bank Managing Director Rob Hunt described the Bank's initiative as "the logical extension of what has developed over the past decade into a powerful business and community partnership".

"The Bank has developed a comprehensive view of what is possible in community and through community enterprises. We possess the commercial skills and have developed over time – like our community partners – a passion for what a business and community partnership can achieve by working together on common goals.

"But despite our many successes to date, so much can be achieved that is yet to be tackled. This advisory Board is to focus on how those issues might be addressed, and how the **Community Bank**[®] branches might play a part in the development of such solutions."

The advisory Board will represent the views and experience of more than 200 **Community Bank**[®] branches and almost 2000 local Directors. It will comprise six Directors elected by their peers, two appointed by Bendigo Bank and five bank representatives.

Mr Hunt said the advisory Board gave an important strategic voice to "our grassroots partners – those Directors who are closest to the opportunities and issues in front of the community".

"In almost ten years of community banking, we have found we learn as much from our communities as we

can teach them. We might know banking and have strong commercial knowledge, but communities have taught us a lot more about the power of community to engage with business to produce outcomes of benefit to both."

"**Community Bank**[®] now comprises more than half of our branch distribution network and it is important to our Company that we harness the knowledge and experience of the very best strategic thinkers across that broad group."

Mr Hunt said the advisory Board would focus on strategic, not operational issues. "We want Directors to focus on the big ticket items – development of new community solutions, sustainability, strengthening the reputation of the community model, and innovation."

"A number of important innovations have already emerged from the **Community Bank**[®] network, including a bio-diesel initiative to encourage farmers to use cleaner, greener fuel and retain more capital locally in the process."

"That idea has become a pilot project that is distributing almost four million litres of fuel across two Victorian farming districts and has enormous potential for communities and the bank."

"It is the type of thinking we want to encourage and we are convinced the advisory Board structure will become a peak forum through which significant strategies will emerge."

Elections will be held by mid-year and the advisory Board will meet for the first time in July.

The advisory Board will be co-chaired by a community Director and a Bendigo Bank representative. The inaugural community chairman will be David Matthews of Rupanyup-Minyip **Community Bank**[®] Branch, the branches that pioneered community banking almost a decade ago. The Bank-appointed co-chair is former Bendigo Bank Director Neal Axelby.

What's happening in your community?

Proud to reach the \$50 million mark

Our **Community Bank**[®] Company recently reached \$50 million in banking business.

Rochester Tyres and Batteries owners David and Sharon Williams recently moved their banking to our **Community Bank**[®] branch, placing the branch over the \$50 million mark.

The fact that the bank supports the local community and puts money back into the community was what attracted the Williams'.

As a show of our appreciation for their support the Williams' were given a \$100 voucher from the Bridge Hotel in Bendigo, which is owned by local customers Paul and Sharon Moran.

Achieving \$50 million in just over four years in business is a fabulous achievement, as the Board had anticipated to have only been at the \$35 million mark by now. Reaching this milestone demonstrates that this innovative banking model is sustainable.

Since the beginning we have supported local clubs, schools, and local events in Elmore, Lockington and the surrounding districts through donations and



David and Sharon Williams and our Branch Manager Andre Clayton.

sponsorships. Your banking business enables these contributions therefore as your **Community Bank**[®] branch grows so will the level of our support.

Banking on support

Senior Bendigo and Adelaide Bank executives recently visited Elmore to hear about the progress of the North Central Victorian Community Enterprise's bid to build a bio-diesel storage facility at Elmore as the exciting project reaches a critical stage.

The enterprise's steering committee is on track to have a storage facility established later this year. The committee is currently calling for pledges of support from local residents and fuel users for the project. Many customers are already using the B20 bio-diesel blend, which meets the Australian Diesel Standard.

The Bank's senior managers, including chief executive officer of wholesale banking Jamie McPhee heard a project update from steering committee chairman David Johnson and Board members of the Elmore/Lockington & Districts **Community Bank**[®] branches.

It is proposed the community Company will also manage the bio-diesel business in Elmore, which will supply more than 3 million litres of fuel to customers annually.

The North Central Victorian Community Enterprise will raise the funds to build the storage facility and, eventually, a crush mill for oil seeds and a bio-diesel production plant.

Based on the successful **Community Bank**[®] model, Bendigo Bank created the bio-diesel enterprise model to partner local communities to build infrastructure



Richard Fennell – Chief General Manager Group Strategy
David Hughes – Chief General Manager Finance & Information Services
Jamie McPhee – Chief Executive Officer of Wholesale Banking
David Johnson – Chariman Lockmore Financial Services Limited
Andre Clayton – Manager – Elmore/Lockington & Districts **Community Bank**[®] Branch

that provide sustainable incomes streams for the districts that manage them.

"I am looking forward to seeing the fruition of this important community initiative," Mr McPhee said.

"Building these sorts of projects are a means of local communities supporting themselves."

"The bank is proud to partner the North Central Victorian Community Enterprise as its works towards building a sustainable local business and improving the local economy, including the creation of local jobs."

Both Elmore and Lockington communities have supported the **Community Bank**[®] model and in turn have benefited by the establishment of the bank.

By partnering with initiatives such as the bio-diesel the branch business will grow in turn so too will the rewards to local groups and projects.

Bowled over by support

Elmore/Lockington & Districts **Community Bank**[®] Branch has been pleased to offer support to the community in a variety of ways over the last four years, endeavouring to assist many clubs, teams and organisations with sponsorship and donations wherever we can.

An example of our support took place when we recently gave \$1000 sponsorship to the Lockington Bowls Club towards the purchase of new regulation shirts for both men and women in the club.

In recognition for our support, Elmore/Lockington & Districts **Community Bank**[®] Branch's logo appeared on all new shirt sleeves and a permanent sign has been placed at the clubhouse.

Our **Community Bank**[®] branch Directors, staff, and shareholders, are thrilled to be able to assist organisations such as the Lockington Bowls Club.

We have always said that benefits, aside from banking, would flow on as a natural progression and that is what we are seeing now.



Lockington Ladies Bowls team wearing their new shirts.

And the message to the people of Elmore, Lockington and the surrounding district remains the same.

Keep supporting Elmore/Lockington & Districts **Community Bank**[®] Branch with your banking business and the community can only continue to benefit.

Elmore

For more information please call into
62 Railway Place, Elmore or phone 5432 6706

We are open:
Monday to Friday 10.00am - 4.00pm

Lockington

For more information please call into
9-11 Lockington Road, Lockington or phone 5486 2304

We are open:
Monday & Wednesday 10.00am - 2.00pm
Thursday 9.00am - 12 noon & 12.30pm - 4.00pm
Friday 10.00am - 12 noon & 12.30pm - 4.00pm

Manager: Andre Clayton - Mobile: 0427 801 712

Elmore/Lockington & Districts **Community Bank**[®] Branch  **Bendigo Bank**