

2008 annual report



Contents

Chairman's report	2-4
Manager's report	5
Sponsorship and marketing report	6-8
Directors' report	9-13
Auditor's independence declaration	14
Financial statements	15-18
Notes to the financial statements	19-33
Directors' declaration	34
Independent audit report	35-36
BSX report	37-39



Chairman's report

For year ending 30 June 2008



▲ Ray Lord.

On Tuesday 18 March 2003, something very significant happened in the Jackson Court Shopping Centre in the City of Manningham that has made a positive and exciting difference to the local community.

The official opening of the Doncaster East **Community Bank**[®] Branch Bendigo Bank took place in very hot and sunny conditions. We are now five years down the track and it is my pleasure to present the Chairman's Report for 2007/2008 for Doncaster East Community Financial Services Limited.

It is hard to imagine just what Jackson Court Shopping Centre would be without the **Community Bank**[®] branch. It has become a major part of the community, but more so a friend to the local community.

The frontline service of a very dedicated and committed team led admirably by our Manager Paul Thompson has been first class. The Board has received many comments complimenting Paul and his team for their friendliness, proficiency and expertise.

Our shareholders and customers like to be recognised and made to feel important, it is very satisfying to know that Paul and his team do this with pride and respect.

The Board has continued to maintain growth and development through a dedicated and productive marketing campaign. Advertisements placed in the local Manningham Leader were meaningful and directed at the community. We were also pleased to be able to sponsor the Doncaster Community website with links to local organisations, sports clubs and community activities and facilities. The address is www.doncastercommunity.com.au

Our marketing strategy included a colourful and busy fifth birthday celebration in March outside the **Community Bank**[®] branch. We had musicians, a sausage sizzle, balloons, giveaways and prizes. Joining in the celebrations was 'Miss Piggy' who did a wonderful job meeting and greeting people attending the centre.

During the year we conducted a business breakfast at Casavini Restaurant which was very well attended. Further breakfasts are planned at Casavini Restaurant and Beau Monde International during the year.

Mike Newman, Marketing and Public Relations Consultant has contributed greatly to the exposure of the **Community Bank**[®] branch. His expertise and attention to detail has ensured the branch has been presented in a professional and devoted manner.

In July 2007, we were delighted to announce that the **Community Bank**[®] branch had reached \$100 million in total



▲ Business Breakfast.

Chairman's report continued

business. The milestone was achieved in just over four years and we were chuffed to know that our branch was the second quickest of all **Community Bank**[®] branches to get to \$100 million.

The **Community Bank**[®] branch was also honoured to be awarded the Regional Branch of the Year in our region of 12 branches.

The financial results are very pleasing and special thanks must go to the Finance Committee led by Daryl Brown, Company Secretary Erica Mounter and Treasurer Nicky White. I would like to make special mention of Nicky for her tireless efforts to provide reports to monthly meetings, produce half yearly and yearly reports and for the countless hours she has contributed to the overall success of our **Community Bank**[®] branch.



▲ Treasurer, Nicky White.

The profit for Doncaster East Community Financial Services Limited (DECFSL) after provision for income tax was \$157,997. This was an increase of 13 per cent on the year-ended figures in 2007.

The Company's sound growth in business volumes has translated into effective development in earnings. Gross income was for the first time in excess of one million, \$1,010,886 – an increase of 27.3 per cent over last year's income of \$793,703. [Last years increase was 24 per cent].

Expenses totaled \$794,225 compared to last year's expenses of \$590, 233, an increase of 35 per cent. A continued increase in partnerships with the local community and marketing costs was the reason behind the increase in expenses. The Board has worked diligently to keep costs down.

Directors are very pleased to announce a full year profit [before tax] of \$216,661. This compares very favourably showing an increase of 6.5 per cent on the previous years tax profit of \$203,470.

In 2006, we were delighted to announce our very first dividend payment of 7.5 cents per share unfranked on a total distribution of \$48,751. Last year we announced a dividend payment of 10.5 cents per share unfranked, total distribution of \$68,251.

This year following the Company's continued strong performance, the Director's have announced a payment of a dividend of 11 cents per share fully franked. The dividend will be paid in November 2008 on a total distribution of \$71,501.

Just prior to the close of the financial year, the Board agreed on a very exciting outcome. We made a \$100,000 promotional contribution that was fully tax effective to the Community Enterprise™ Foundation. The Foundation is about making a real difference on people's everyday lives. The fund can only make grants to charitable organisations or for charitable purposes and will fund projects that deliver a benefit and add value to the community.

The community focus of the branch and positive benefit it brings to the local community has never wavered. Our **Community Bank**[®] branch has allocated thousands of dollars to a wide range of not for profit organisations in the community.

In the last year, we have allocated \$66,024 to 32 community organisations. This is an increase of 65 per cent on the previous year. The organisations to benefit included service groups, sports clubs, aged care, schools, theatre groups and local festivals.

Chairman's report continued

The major purpose to establish the **Community Bank**[®] branch was to serve and partner the community and the outstanding financial contribution made to date should not be underestimated. We are very proud to have partnered 32 local community organisations in the last year.

The 2008/2009 financial year will see many new challenges however the Director's look forward to those with much enthusiasm.

One of our undertakings is to work with the Steering Committee for Templestowe Village in their quest to establish a **Community Bank**[®] branch in the Templestowe Village Shopping Centre. Our Vice Chairman Jim Christie has initiated a close knit relationship with the Templestowe Village team and assisted them greatly in their endeavours. We will watch their development with much enthusiasm and passion as we continue to grow the **Community Bank**[®] concept in Manningham.

An exciting project that Director Keith Crothers has been working on is a Junior Observer Program to encourage youth to play a key role within the future of our community. Our **Community Bank**[®] branch will give six students the opportunity to gain experience from exposure to the running of a publicly listed Company and will learn about the operation of the Board of Directors as well as the roles of the various Company Officers, such as the Chairman, Company Secretary and Treasurer. Two students have been selected from each of the following schools: Doncaster Secondary College, East Doncaster Secondary College and Templestowe College. The program will commence in early 2009.

There is no doubt the success of any organisation is its people and in this case it goes with out saying that we are fortunate to have a dedicated and loyal Board of Directors – Ray Barrington, Daryl Brown, Jim Christie, Keith Crothers, Erica Mounter and Trevor Waring. It is very much a team effort.

I would also like to recognise the support of Ashdon Capp, Regional Manager Melbourne East for his support to the Board and the **Community Bank**[®] branch.

One of the Directors recently said the reason why we established the **Community Bank**[®] branch was to give back to the community and support local not-for-profit organisations, we are doing our very best to ensure this is happening.

Thank you to our shareholders, customers and the local community for supporting our **Community Bank**[®] branch.

And as our business grows, so will our community support.



Ray Lord
Chairman

Manager's report

For year ending 30 June 2008



▲ Paul Thompson.

The past financial year has seen the Doncaster East **Community Bank**[®] Branch continue to steam ahead with solid growth. The results have again been excellent given the maturity of the branch. Moving into our sixth year of business and still achieving growth at this level confirms the community support, trust and belief in what our **Community Bank**[®] branch is striving to achieve.

Last year I reported the banking business as at 30 June 2007 (deposits and loans) totalled \$99.30 million and we held over 4,460 accounts. The year's growth enabled us to win the inaugural Regional Branch of the Year award

Total business as at 30 June 2008 stands at \$123.43 million with more than 5,120 accounts. As I noted last year, a most pleasing aspect of the year was 303 new customers decided to join the "Bendigo Experience" and opened accounts at our Branch.

I have continually stated that our community is to be applauded in the way that they have supported our **Community Bank**[®] branch and in making the objectives of the stakeholders a reality.

I would like to acknowledge the support and hard work of my team, Cathy Black, Lisa Jones, Elise Chan, and to Lorelle Richter, Helen De Ross and Tina O'Shea (The latter three who all joined us during the year). To most customers the staff is the face of their **Community Bank**[®] branch and to be continually greeted by both name and a friendly face that can provide courteous and professional service is a key element to the success of our branch.

The oncoming year will provide challenges as the competition increases within the banking environment, however I am confident that with the support of our shareholder and customer advocacy who continue to spread the word our success will not dwindle.

On behalf of the team and myself, I thank all of you who have supported the branch and made our **Community Bank**[®] branch the strength that it is. The ideals that initiated our existence have not changed, and our relevance to our shareholders and the community is just as important now as it was from day one. The success of the **Community Bank**[®] network has seen other institutions trying to align themselves to the community, however only one bank truly believes that successful customers, equals successful communities which in turn equals a successful bank.

I ask that you continue to tell all your friends of the **Community Bank**[®] experience and in doing so will ensure that your bank continues to grow and in doing so enable your community to prosper.

A handwritten signature in black ink, appearing to read 'Paul Thompson', written in a cursive style.

Paul Thompson
Manager

Sponsorship and marketing report

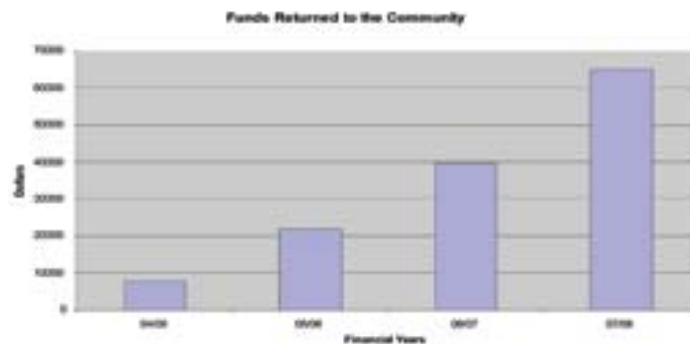
For year ending 30 June 2008



▲ Mike Newman, Marketing Consultant.

Sponsorship

This year once again saw a very pleasing increase in business and consequently more than \$65,000 was made available in sponsorships and grants to 32 not-for-profit organisations.



This was an increase of more than 63% on the previous year (06/07). [Figure 1]

The total amount returned to the community since the branch opened reached \$135,000.

Seminars

A Business Banking breakfast held in May 2008 with the active support and involvement of the Bendigo Bank, coincided with the handing-down of the new Victorian State budget, and was well attended.



▲ Chairman of DECFSL Ray Lord.



▲ Doncaster East **Community Bank**® Branch Manager Paul Thompson.



▲ Nothing like a fully cooked breakfast to start the day right!



▲ Special guest presenter Linda Linmeiers, Managing Director of Parkes Property, provided a topical overview of the property market.

Sponsorship and marketing report continued

Press advertising

Perhaps the most exciting advertisement of the year was our \$100 million promotion. This advert appeared in the *Manningham Leader* on 22 August 2007.

Exciting because it announced a most significant milestone for shareholders, branch staff and the Directors. If any demonstration of success resulting from the sound judgement and hard work of everyone involved was needed, this was it.

Proof positive of just how well your **Community Bank®** branch has been accepted by all sectors of the local community.

We are grateful for the assistance of well-known local Jackson Court Shopping Centre business identities:

Linda Linmeiers (Parkes Property), and Joe Mirabella (Mirabella Bros Fruit Market) who kindly co-operated with us to advertise our Business Banking services.

\$100 million
\$100 milioni
100 εκ. δολάρια
一億澳元
١٠٠ مليون دولار

That's a lot of money in any language!

Management and staff at Doncaster East **Community Bank®** Branch are proud to announce that total business has passed the \$100 million mark! That figure is more than just a significant financial milestone in our business growth. It is also an indication of just how well your **Community Bank®** Branch has been accepted by all sectors of the local community.

For our part we will maintain our high standards of customer service and innovation – the hallmark of the **Community Bank®** model.

And as our business grows, so too will our community support. Call into 900 Doncaster Road, Doncaster East, email doncastereastmailbox@bendigobank.com.au or phone 9840 2028.

Doncaster East Community Bank® Branch Bendigo Bank

Bendigo and Adelaide Bank Limited, The Bendigo Centre, Bendigo, VIC 3550.
 9840 2028 (VIC) 478 495 2214 (SA) 333712 (WA/NT)

Bendigo Bank business

"With Bendigo Business Banking we get a direct line to personal service."

There's no single thing that makes business banking with the Bendigo better. Instead, it's their commitment to putting our needs first that's made all the difference.

We can speak with our Branch Manager whenever we need to – either in person or on the phone. And he actually understands our local business and banking needs.

For a direct line to personal service for your business call into Doncaster East **Community Bank®** Branch at Jackson Court, 900 Doncaster Road or phone Paul Thompson, Branch Manager on 9840 2028.

Doncaster East Community Bank® Branch

Bendigo and Adelaide Bank Limited, The Bendigo Centre, Bendigo, VIC 3550, 9840 2028 (VIC) 478 495 2214 (SA) 333712 (WA/NT)

Bendigo Bank business

"With Bendigo Business Banking we get a direct line to personal service."

There's no single thing that makes business banking with the Bendigo better. Instead, it's their commitment to putting our needs first that's made all the difference.

We can speak with our Branch Manager whenever we need to – either in person or on the phone, and he actually understands our local business and banking needs.

For a direct line to personal service for your business call into Doncaster East **Community Bank®** Branch at Jackson Court, 900 Doncaster Road, phone Paul Thompson, Branch Manager on 9840 2028 or email doncastereastmailbox@bendigobank.com.au

Doncaster East Community Bank® Branch

Bendigo and Adelaide Bank Limited, The Bendigo Centre, Bendigo, VIC 3550, 9840 2028 (VIC) 478 495 2214 (SA) 333712 (WA/NT)

Sponsorship and marketing report continued

On-line internet advertising:

Keeping up with the times and, we hope, being right up there with the most progressive of businesses, we are currently advertising on-line with a prominent header banner at the Manningham Leader Web site. The internet address is: <http://manningham-leader.whereilive.com.au/>

Public relations

Fifth birthday celebrations at the branch on Saturday 15 March 2008.



◀ Bendigo Bank's 'Miss Piggy' entered into the spirit of the occasion, much to the enjoyment of the families who enjoyed their Saturday morning shopping with a difference!

▶ Director and Company Secretary Erica Mounter moonlighting at the free BBQ.



◀ The **Total Fire Band** provided their usual 'trad jazz' and roving entertainment for shoppers throughout the Jackson Court Shopping Centre.

Directors' report

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:



Raymond Thomas Lord

Chairman

Age: 61

Occupation: Media Liaison Officer

Experience and expertise: Raymond has thirty years experience in the sporting, community and service industries. He has significant community involvement with Horticultural Therapy, Community Radio, Children with Down syndrome, Blind Sports Victoria, and other sporting clubs. His qualifications include a Graduate Diploma of Welfare Studies, Certificate of Business Studies (Administration & Management) and Justice of the Peace.



James Douglas Christie RFD

Deputy Chairman

Age: 63

Occupation: Consultant

Experience and expertise: James brings a wealth of experience from his former 38 year career as a senior executive in the retail banking sector, both in Australia and overseas. He currently works as a consultant to Bendigo Bank mentoring both new and established **Community Bank**[®] Companies. James served as Lieutenant Colonel in the Australian Army Reserve and is a former Fellow of both the Australian Institute of Banking and Finance and the Australian Institute of Management.



Erica Janice Mounter

Secretary

Age: 64

Occupation: Accountant

Experience and expertise: Erica is a member of the Australian Society of Accountants. Having returned to study as a mature age student, Erica achieved a Bachelor of Business with an Accounting major. Erica is currently working part time and in her spare time assists both Life Education Victoria and Templestowe Retirement Village with their accounting needs.

Directors' report continued



Raymond Bruce Barrington

Director

Age: 60

Occupation: Retail Florist

Experience and expertise: Raymond has had 10 years banking and finance experience in ES&A and ANZ Bank. He has a wealth of experience in small business having been self employed in the family business for the past 20 years.



Daryl Lindsay George Brown

Director

Age: 64

Occupation: Accountant

Experience and expertise: Daryl is a Certified Practising Accountant and principal of an accounting firm specialising in small business. He is also partner in a Mortgage Broking and Asset Finance Company.



Trevor Leigh Waring

Director

Age: 59

Occupation: Property Manager/Plantation Developer

Experience and expertise: Trevor spent seven years as a city Councillor before becoming Mayor in 1989-1990. His past experience includes drainage contracting and cleaning. He has a history of involvement in numerous community groups. Trevor is currently tackling the salinity issues faced by hardwood timber plantations in Central Victoria, Australia.



Keith Crothers

Director (Appointed 24 January 2008)

Age: 61

Occupation: Senior Election Official (Part Time)

Experience and expertise: Keith has 35 years experience in the IT industry in consulting, project management and people management roles. He recently held a senior administrative position for five years in a not-for-profit incorporated association and was responsible for finances, human resources and property.

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 Erica Janice Mounter. Erica was unanimously appointed as Company Secretary on 23 November 2006. Erica is an original member of the steering committee, who previously fulfilled the role of Treasurer. Erica, a recipient of the 2007 Menzies Community Australia Day Awards, is a community spirited person who gives freely of her time and skills for the benefit of the local community.

Directors' report continued

Principal activities

The principal activities of the Company during the course of the financial year were in facilitating **Community Bank**[®] 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.

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:

Year ended 30 June 2008	Year ended 30 June 2007
\$	\$
157,997	139,669

Remuneration report

(a) Remuneration of Directors

All Directors of the Company are on a voluntary basis, therefore no remuneration guidelines have been prepared.

(b) Remuneration of Executives

Remuneration package paid to the Senior Manager of the Company for the year ended 30 June 2008 was in the range \$85,000 to \$95,000.

Dividends

	Year ended 30 June 2008	
	Cents	\$
Final dividends recommended:	11	71,501
Dividends paid in the year:		
- As recommended in the prior year report	10.5	68,251

The Directors resolved on 28 August 2008 to pay a fully franked final dividend of 11 cents to ordinary shareholders, payable in November 2008.

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.

Directors' report continued

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 17 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.

Indemnification and insurance of Directors and Officers

The Company has indemnified all Directors and all Officers of the Company being the Manager and Treasurer 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.

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
Raymond Thomas Lord	11	9
James Douglas Christie RFD	11	8
Erica Janice Mounter	11	10
Raymond Bruce Barrington	11	8
Daryl Lindsay George Brown	11	10
Trevor Leigh Waring	11	8
Keith Crothers (Appointed 24 January 2008)	6	5

Directors' report continued

Non Audit services

The Company may decide to employ the Auditor on assignments additional to their statutory duties where the Auditor's expertise and experience with the Company are important. Details of the amounts paid or payable to the Auditor (Andrew Frewin & Stewart) for audit and non audit services provided during the year are set out in the notes to the accounts.

The Board of Directors has considered the position, in accordance with the advice received from the audit committee and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for Auditors imposed by the Corporations Act 2001.

The Directors are satisfied that the provision of non-audit services by the Auditor, as set out in the notes did not compromise the Auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact on the impartiality and objectivity of the Auditor;
- none of the services undermine the general principles relating to Auditor independence as set out in Professional Statement F1, including reviewing or auditing the Auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

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 14.

Signed in accordance with a resolution of the Board of Directors at Doncaster East, Victoria on 28 August 2008.



Raymond Thomas Lord
Chairman



Erica Janice Mounter
Secretary

Auditor's independence declaration



Chartered Accountants & Business Advisors

PO Box 454
Bendigo VIC 3552
61-65 Bull Street
Bendigo VIC 3550
Phone (03) 5443 0344
Fax (03) 5443 5304
afs@afsbendigo.com.au
www.afsbendigo.com.au
ABN 51 061 795 337

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the directors of Doncaster East Community Financial Services Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2008 there have been:

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



Graeme Stewart
Auditor

Andrew Frewin & Stewart
Bendigo, Victoria

Dated this 28th day of August 2008

Financial statements

Income statement For year ending 30 June 2008

	Note	2008 \$	2007 \$
Revenues from ordinary activities	3	1,010,886	793,703
Salaries and employee benefits expense		(362,336)	(301,101)
Advertising and promotion expenses		(107,774)	(70,701)
Occupancy and associated costs		(104,217)	(92,841)
Systems costs		(20,050)	(19,459)
Depreciation and amortisation expense	4	(19,950)	(25,281)
General administration expenses		(179,884)	(80,849)
Borrowing cost expense	4	(13)	(1)
Profit before income tax expense		216,661	203,470
Income tax expense	5	(58,664)	(63,801)
Profit for the period		157,997	139,669
Profit attributable to members of the entity		157,997	139,669
Earnings per share (cents per share)		¢	¢
- basic for profit for the year	19	24.31	21.49
- dividends paid per share		11	10.5

The accompanying notes form part of these financial statements.

Financial statements continued

Balance sheet As at 30 June 2008

	Note	2008 \$	2007 \$
Assets			
Current assets			
Cash assets	6	395,702	366,378
Trade and other receivables	7	173,804	70,664
Total current assets		569,506	437,042
Non-current assets			
Property, plant and equipment	8	184,341	159,575
Intangible assets	9	10,717	4,652
Total non-current assets		195,057	164,227
Total assets		764,563	601,269
Liabilities			
Current liabilities			
Trade and other payables	11	37,285	23,700
Current tax liabilities	5	58,664	13,460
Provisions	12	27,179	22,835
Total current liabilities		123,128	59,995
Non-current liabilities			
Provisions	12	10,415	-
Total non-current liabilities		10,415	-
Total liabilities		133,543	59,995
Net assets		631,020	541,274
Equity			
Issued capital	13	627,936	627,936
Retained profits/(accumulated losses)	14	3,084	(86,662)
Total equity		631,020	541,274

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of cash flows As at 30 June 2008

	Note	2008 \$	2007 \$
Cash flows from operating activities			
Receipts from customers		1,096,509	770,806
Payments to suppliers and employees		(955,451)	(561,465)
Interest paid		(13)	(1)
Interest received		20,769	13,521
Income taxes paid		(13,460)	-
Net cash provided by operating activities	15	148,354	222,861
Cash flows from investing activities			
Payments for property, plant and equipment		(39,295)	-
Payments for intangible assets		(11,484)	-
Net cash used in investing activities		(50,779)	-
Cash flows from financing activities			
Dividends paid		(68,251)	(48,751)
Net cash used in financing activities		(68,251)	(48,751)
Net increase in cash held		29,324	174,110
Cash at the beginning of the financial year		366,378	192,268
Cash at the end of the financial year	6(a)	395,702	366,378

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of changes in equity As at 30 June 2008

	Note	2008 \$	2007 \$
Total equity at the beginning of the period		541,273	401,604
Net profit/(loss) for the period		157,997	139,669
Net income/expense recognised directly in equity		-	-
Dividends provided for or paid		(68,251)	-
Shares issued during period		-	-
Total equity at the end of the period		631,020	541,273

The accompanying notes form part of these financial statements.

Notes to the financial statements

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, Urgent Issues Group Interpretations and the Corporations Act 2001.

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.

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.

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.

Notes to the financial statements continued

Note 1. Summary of significant accounting policies (continued)

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 consolidated 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 Company/consolidated entity intends to settle its tax assets and liabilities on a net basis.

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.

Notes to the financial statements continued

Note 1. Summary of significant accounting policies (continued)

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

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

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

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.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight line 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 straight line 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:

• leasehold improvements	40 years
• plant and equipment	2.5 - 40 years
• furniture and fittings	4 - 40 years

Notes to the financial statements continued

Note 1. Summary of significant accounting policies (continued)

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.

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.

Notes to the financial statements continued

Note 1. Summary of significant accounting policies (continued)

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.

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.

(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.

Notes to the financial statements continued

	2008 \$	2007 \$
Note 3. Revenue from ordinary activities		
Operating activities:		
- gross margin	610,511	481,892
- services commissions	226,196	161,862
- other revenue	147,696	136,427
Total revenue from operating activities	984,403	780,181
Non-operating activities:		
- interest received	26,483	13,522
Total revenue from non-operating activities	26,483	13,522
Total revenues from ordinary activities	1,010,886	793,703

Note 4. Expenses

Depreciation of non-current assets:		
- plant and equipment	8,999	7,749
- leasehold improvements	5,532	5,532
Amortisation of non-current assets:		
- franchise agreement	5,419	12,000
	19,950	25,281
Finance costs:		
- interest paid	13	1

Note 5. Income tax expense

The components of tax expense comprise:

- Current tax	50,467	13,460
- Deferred tax on provisions	8,197	-
- Recoupment of prior year tax losses	-	50,342
- Future income tax benefit attributable to losses	-	-
- Under/over provision in respect to prior years		
	58,664	63,802

Notes to the financial statements continued

	Note	2008 \$	2007 \$
Note 5. Income tax expense (continued)			
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Operating profit		216,661	203,470
Prima facie tax on profit from ordinary activities at 30%		64,998	61,041
Add tax effect of:			
- non-deductible expenses		1,626	3,600
- timing difference expenses		(14,832)	485
- blackhole expenses		(1,325)	(1,325)
Current tax		50,467	63,801
Movement in deferred tax	10.	8,197	-
		58,664	63,801

Note 6. Cash assets

Cash at bank and on hand	12,575	8,672
Term deposits	365,252	339,831
Security deposit	17,875	17,875
	395,702	366,378

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

6(a) Reconciliation of cash

Cash at bank and on hand	12,575	8,672
Term deposit	365,252	339,831
Security deposit	17,875	17,875
	395,702	366,378

Notes to the financial statements continued

	2008 \$	2007 \$
Note 7. Trade and other receivables		
Trade receivables	102,628	62,971
Prepayments	64,161	6,392
Accrued income	7,015	1,301
	173,804	70,664

Note 8. Property, plant and equipment

Plant and equipment

At cost	89,829	85,464
Less accumulated depreciation	(35,166)	(28,577)
	54,663	56,887

Leasehold improvements

At cost	130,588	130,588
Less accumulated depreciation	(33,432)	(27,900)
	97,156	102,688

Motor vehicles

At cost	34,932	-
Less accumulated depreciation	(2,410)	-
	32,522	-

Total written down amount	184,341	159,575
----------------------------------	----------------	----------------

Movements in carrying amounts:

Plant and equipment

Carrying amount at beginning	56,887	64,636
Additions	4,365	-
Disposals	-	-
Less: depreciation expense	(6,589)	(7,749)
Carrying amount at end	54,663	56,887

Notes to the financial statements continued

	2008 \$	2007 \$
Note 8. Property, plant and equipment (continued)		
Leasehold improvements		
Carrying amount at beginning	102,688	108,220
Additions	-	-
Disposals	-	-
Less: depreciation expense	(5,532)	(5,532)
Carrying amount at end	97,156	102,688
Motor vehicles		
Carrying amount at beginning	-	-
Additions	34,932	-
Disposals	-	-
Less: depreciation expense	(2,410)	-
Carrying amount at end	32,522	-
Total written down amount	184,341	159,575

Note 9. Intangible assets

Franchise fee		
At cost	71,484	60,000
Less: accumulated amortisation	(60,767)	(55,348)
	10,717	4,652

Note 10. Deferred tax

Deferred tax asset		
Opening balance	-	50,341
Future income tax benefits attributable to losses	-	-
Recoupment of prior year tax losses	-	(50,341)
Deferred tax on provisions	8,197	-
Under/over provision in relation to prior years	-	-
Closing balance	8,197	-

Notes to the financial statements continued

	2008 \$	2007 \$
Note 11. Trade and other payables		
Trade creditors	9,374	-
Other creditors & accruals	27,911	23,700
	37,285	23,700

Note 12. Provisions

Current

Employee provisions	27,179	22,835
----------------------------	---------------	---------------

Non-current

Employee provisions	10,415	-
----------------------------	---------------	---

Number of employees at year end	7	6
--	----------	----------

Note 13. Contributed equity

650,011 Ordinary shares fully paid of \$1 each (2007: 650,011)	650,011	650,011
Less: equity raising expenses	(22,075)	(22,075)
	627,936	627,936

Note 14. Retained earnings/ (accumulated losses)

Balance at the beginning of the financial year	(86,662)	(226,331)
Net profit from ordinary activities after income tax	157,997	139,669
Dividends paid	(68,251)	-
Balance at the end of the financial year	3,084	(86,662)

Notes to the financial statements continued

	2008 \$	2007 \$
Note 15. Statement of cash flows		
Reconciliation of profit from ordinary activities after tax to net cash provided by operating activities		
Profit from ordinary activities after income tax	157,997	139,669
Non cash items:		
- depreciation	14,531	13,291
- amortisation	5,419	12,000
Changes in assets and liabilities:		
- (increase)/decrease in receivables	(103,140)	(8,074)
- (increase)/decrease in other assets	-	63,801
- increase/(decrease) in payables	58,788	2,185
-increase/(decrease) in provisions	14,759	-
Net cash flows provided by operating activities	148,354	222,872

Note 16. Auditors' remuneration

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

- audit & review services	4,000	4,000
- non audit services	1,730	750
	5,730	4,750

Notes to the financial statements continued

	2008 \$	2007 \$
--	------------	------------

Note 17. Director and related party disclosures

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

Raymond Thomas Lord

James Douglas Christie RFD

Erica Janice Mounter

Raymond Bruce Barrington

Daryl Lindsay George Brown

Trevor Leigh Waring

Keith Crothers (Appointed 24 January 2008)

No Director's fees have been paid as the positions are held on a voluntary basis.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

Barringtons of Doncaster, a retail forest operated by

Raymond Bruce Barrington supplied goods and services to

the value of

200

-

Directors shareholdings	2008	2007
Raymond Thomas Lord	3,501	3,501
James Douglas Christie RFD	11,501	11,501
Erica Janice Mounter	6,001	6,001
Raymond Bruce Barrington	1,501	1,501
Daryl Lindsay George Brown	2,000	2,000
Trevor Leigh Waring	5,001	5,001
Keith Crothers (Appointed 24 January 2008)	2,500	-

There was no movement in Directors shareholdings during the year. Each share held is valued at \$1.

Notes to the financial statements continued

	2008 \$	2007 \$
Note 18. Dividends paid or provided		
(a) Ordinary Shares		
Unfranked Dividend for the year ended 30 June 2007 of 10.5 cents (2006: 7.5 cents) per fully paid share paid on 14 November 2007 (2006: 27 October 2007)		
	68,251	48,751
(b) Dividends not recognised at year end		
In addition to the above dividends, since year end the Directors have recommended the payment of a final dividend of 11 cents per fully paid ordinary share, (2007 - 10.5 cents) fully franked based on tax paid at 30%. The aggregate amount proposed dividend expected to be paid on during November 2008 out of retained profits at 30 June 2008, but not recognised as a liability at year end, is		
	71,501	68,251

Note 19. Earnings per share

(a) Profit attributable to the ordinary equity holders of the Company used in calculating earnings per share	157,997	139,669
---	---------	---------

	2008 Number	2007 Number
(b) Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	650,011	650,011

Note 20. 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 21. Contingent liabilities

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

Notes to the financial statements continued

Note 22. Segment reporting

The economic entity operates in the service sector where it facilitates **Community Bank**[®] services pursuant to a franchise agreement with Bendigo Bank Limited. The economic entity operates in one geographic area being Doncaster East, Victoria.

Note 23. Registered office/principal place of business

The registered office and principal place of business is:

Registered office	Principal place of business
900 Doncaster Road, Doncaster East VIC 3109	900 Doncaster Road, Doncaster East VIC 3109

Note 24. Financial instruments

Net fair values

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the Statement of Financial Position. 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 Statement of Financial Position 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.

Notes to the financial statements continued

Note 24. Financial instruments (continued)

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	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%	
Financial assets													
Cash assets	12,523	8,622	-	-	-	-	-	-	-	-	0.05	0.05	
Cash management	26,928	339,831	-	-	-	-	-	-	-	-	5.12	5.15	
Term deposit	-	-	356,199	17,875	-	-	-	-	-	-	8.00	5.80	
Dividend account	52	50	-	-	-	-	-	-	-	-	0.05	0.05	
Receivables	-	-	-	-	-	-	-	-	-	173,804	70,664	N/A	N/A
Financial liabilities													
Interest bearing liabilities	-	-	8,873	8,210	13,965	22,839	-	-	-	-	N/A	N/A	
Payables	-	-	-	-	-	-	-	-	-	37,285	23,700	N/A	N/A

Director's declaration

In accordance with a resolution of the Directors of Doncaster East Community Financial Services 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.



Raymond Thomas Lord
Chairman



Erica Janice Mounter
Secretary

Signed on 28 August 2008.

Independent audit report



Chartered Accountants & Business Advisors

PO Box 454
Bendigo VIC 3552
61-65 Bull Street
Bendigo VIC 3550
Phone (03) 5443 0344
Fax (03) 5443 5304
afs@afsbendigo.com.au
www.afsbendigo.com.au
ABN 51 061 795 337

INDEPENDENT AUDITOR'S REPORT

To the members of Doncaster East Community Financial Services Limited

We have audited the accompanying financial report of Doncaster East Community Financial Services 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 then ended, a summary of significant accounting policies and other explanatory notes and the director's declaration.

The company has disclosed information as required by paragraphs Aus 25.4 to Aus 25.7.2 of Accounting Standard 124 Related Party Disclosures ("Remuneration disclosures"), under the heading "Remuneration Report" in the directors' report, as permitted by Corporations Regulation 2M.6.04.

Directors Responsibility for the Financial Report

The Directors 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 designing, implementing and maintaining internal controls 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 that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards. The directors are also responsible for the remuneration disclosures contained in the director's report.

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 and that the remuneration disclosures comply with Accounting Standards AASB 124 Related Party Disclosures.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls 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.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent audit report continued

Independence

In conducting our audit we have met the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the director's report. In addition to our audit of the financial report and the remuneration disclosures, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Auditor's Opinion

In our opinion:

- 1) The financial report is in accordance with the Corporations Act 2001 including giving a true and fair view of the financial position of Doncaster East Community Financial Services Limited as of 30 June 2008 and of its financial performance and its cash flows for the year then ended in accordance 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.
- 3) The remuneration disclosures that are contained in the director's report comply with Accounting Standards AASB 124 Related Party Disclosures.



GRAEME STEWART
ANDREW FREWIN & STEWART
61-65 Bull Street, Bendigo, 3550

Dated this 28th day of August 2008

BSX report

Share information

In accordance with Bendigo Stock Exchange listing rules the Company provides the following information as at 17 September 2008, which is within six 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
1 to 1,000	138
1,001 to 5,000	125
5,001 to 10,000	6
10,001 to 100,000	3
100,001 and over	0
Total shareholders	272

Each of the above shareholders are entitled to one vote, irrespective of the number of shares held.

There are no substantial shareholders (holding more than five per cent of voting rights) as each shareholder is entitled to one vote. Normally holding more than five percent of total issued shares would create a substantial shareholder, but this is not applicable due to the voting restrictions for the Company.

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

There are no restricted securities on issue.

All shares on issue are ordinary shares fully paid to \$1 per share. There are no unquoted equity securities.

BSX report continued

The following table shows the 10 largest shareholders.

Shareholder	Number of shares	Percentage of capital
Mr Richard E Thorne	19,000	2.92%
Mr John & Mrs Norma Kent	15,000	2.31%
James D Christie & Deborah A Christie [Christie Super Fund A/C]	10,001	1.54%
Russell Breadmore & Lynne Breadmore [R & L Breadmore Super Fund A/C]	10,000	1.54%
Judy A Tutty & Marcus J Tutty	10,000	1.54%
Mr Gerald Francis & Mr Michael J Pauley	7,000	1.08%
Mr G Pauley	7,000	1.08%
Mr Thomas J Edwards & Mrs Lorna R Edwards [Tomlor Super Fund A/C]	5,500	0.85%
Mr Trevor Leigh Waring	5,001	0.77%
J Walker Howard-Wright	5,000	0.77%
	93,502	14.38%

Registered office and principal administrative office

The registered office of the Company is located at:

900 Doncaster Road,
Doncaster East Victoria 3109
Telephone (03) 9840 2028

The principal administrative office of the Company is located at:

900 Doncaster Road,
Doncaster East Victoria 3109
Telephone (03) 9840 2028

Security register

The security register (share register) is kept at:

AFS & Associates
61 - 65 Bull Street, Bendigo VIC 3550
Phone: (03) 5443 5304

BSX report continued

Company Secretary

Erica Mounter has been the Company Secretary of Doncaster East Community Financial Services Ltd for two years. Erica has a Bachelor of Business Accounting and has worked in the accounting field for 30 years.

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 Daryl Brown and Erica Mounter.
- (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.

Annexure 3A

There are no material differences between the information in the Company's Annexure 3A and the information in the financial documents in its annual report.

Doncaster East **Community Bank**[®] Branch
900 Doncaster Road, Doncaster East VIC 3109
Phone: (03) 9840 2028 Fax: (03) 9840 2162

Franchisee: Doncaster East Financial Services Limited
900 Doncaster Road, Doncaster East VIC 3109
ABN 69 101 174 270

www.bendigobank.com.au

Bendigo and Adelaide Bank Limited, The Bendigo Centre, Bendigo VIC 3550
ABN 11 068 049 178. AFSL 237879. (BMPAR8072) (09/08)

