

Update from your Chairman

We have been extremely fortunate in our region to have escaped the severe weather related damage across the country, in fact, across the world. The **Community Bank**® Company has donated \$1,000 to the flood relief appeal managed by the Bendigo Bank Community Enterprise Foundation™. I have noted the link below for you to browse through some of the amazing projects Bendigo Bank and **Community Bank**® branches are initiating locally and on a world-wide scale.

At our Annual General Meeting last November we advised that we would provide a summary of the Company's half yearly accounts and some performance based results. These are presented in this newsletter. If you would prefer a full set of the audited accounts, please contact our Treasurer, Richard Tucker (richard-tucker@bigpond.com) and he will forward these to you. Our growth continues at an above average rate, reclaiming the set backs of the past two years in our early development stages, and restoring our balance sheet.

Some of our shareholders have been eager to receive a dividend and I would remind shareholders that if they are not a customer of the bank engendering further support to grow profits and dividends, they are merely delaying any distribution.

Bendigo and Adelaide Bank Ltd (BABL), our franchise partner, rolled out the 'Restoring the Balance' financial plan in March 2011 which will affect the **Community Bank**® branch profit share for the final quarter of this year's budget and ongoing. The Franchise Agreement sets out that income from certain products is shared 50/50; for the past three years this has been weighted in favour of the **Community Bank**® branch. This financial correction has long term benefits for both BABL and the **Community Bank**® branch, with one of the ultimate goals being to reach a higher rating with the bank rating agencies. The Budget Committee are presently working through the budget process for the 2011/12 financial year and we are not anticipating a significant change to our bottom line however we feel it important to keep our shareholders fully informed and will provide a further update.

On a more local note, our branch has recently employed two new staff members to replace Sandra and Glenys. Adam and Ryan, both local young men, have taken up the offer to develop a career in banking and we are very excited at being able to offer them this opportunity.

We continue to strive to provide you with first class banking service and products, together with a return on your investment, but we rely on you, our customers, to support the business and enable us to deliver benefits to the community into the future.

Bendigo Bank Community Enterprise Foundation™ website:
<http://www.bendigobank.com.au/foundation/>

Marian Dowling
Chairman

Mansfield Community Register

The objective of this register is to enhance the feeling of security, confidence and sense of well being for our aged, infirm and disabled. Participants are contacted regularly, which not only serves to maintain a feeling of safety and security, but is also an additional social outlet for some. Mansfield & District **Community Bank**® Branch made a \$1,500 donation which was used to purchase a purpose built computer software program for the scheme. The register is coordinated by local Victoria Police staff and aims to promote, confident, safe and secure living at home.

Focus on figures

	2010	2009	2008
Return on Assets	-13%	-45%	-82%
Measures the return earned on assets			
Return on Equity	-6%	-23%	-53%
Measures the before tax income generated from a given level of equity			
Revenue to total assets	136%	79%	44%
Indicates how efficiently a business generates sales on each dollar of assets. The higher the ratio the more efficient use of the assets			
Return on investment	-4%	-15%	-42%
Indicates the productivity of the resources the owners have committed to the business' operations			
Expenses to Income	110%	157%	286%
This measures the amount of expenditure used for every dollar of income received. The lower the ratio, the more efficient and profitable the business			

Beolite Village Community Hub

Construction of the community centre at Beolite Village is nearing completion with Mansfield & District **Community Bank**® Branch providing \$5,000 for the fit out of the library room. Village residents say they each bring a collection of books which they are often reluctant to part with when they move in. This funding has enabled an in-house library facility to take the book collections of new residents.

The reading room will serve as a valuable and social asset and no doubt an area for the book club to meet.



Board profiles



Chair: Marian Louise Dowling

Occupation: Community Representative

Background Information:

Wanting a return to country life, Marian moved from Melbourne 17 years ago and lives on a farm near Mansfield. A career in financial services, corporate governance and event management has enabled her to work with the Shire Council, several years with the local State Member of Parliament and involvement with many local community groups. She is currently a part time student at University of Melbourne studying environmental horticulture and developing a garden design practice. She is a member of the Hume Strategy for Sustainable Communities working group, a past graduate of the Alpine Valleys Community Leadership Program and Patron of Mansfield Relay for Life.



Paul Sladdin

Occupation: CEO, Mansfield Community Education Centre

Background Information:

Paul's background and qualifications are in community education and community development in which he has been involved for the past 25 years. Since 2000 he has been the CEO of MACE (Mansfield Community Education Centre) which is both a Registered Training Organisation and a Neighbourhood House which auspices the Mansfield Community Men's Shed. Paul is also a Director of the Australian Men's Shed Association and is President of the Victorian Men's Shed Association. He is a Country Fire Authority (CFA) Lieutenant in the Bonnie Doon brigade as well as being a member's delegate with Volunteer Fire Brigades Victoria (VFBV) which represents Victoria's CFA volunteers. A resident of Bonnie Doon he is also a committee member of the Bonnie Doon Community Group Inc and enjoys the lakeside serenity.



Graham Robert Corless

Occupation: Company Director

Background Information:

Graham has been commuting between Ocean Grove and Mansfield for the past five years, spending two or three days a week in Mansfield. As a training facilitator his business takes him to most parts of Victoria on a regular basis. He is Vice President of MACE and a member of the Ocean Grove Lions Club. Graham is committed to the **Community Bank**[®] philosophy having banked with Bendigo Bank for the past 15 years. In addition to training, Graham is developing a 'green' residential property subdivision at Mansfield.



Noel Francis Willaton

Occupation: Systems Analyst

Background Information:

Noel was born in Traralgon, though both parents were born and raised in the Mansfield area and Noel has always had a strong affinity with the

district. He moved to Booroolite in 2001 and is an active member of the Merrijig CFA and Merrijig Hall Committee. Noel is employed by Rinker Australia as an I.T. Business Systems Analyst, working remotely from Mansfield on the national support team of Rinker's technical management, concrete dispatch and truck tracking systems.



Richard Tucker

Occupation: Retired Insurance Broker

Background Information:

Richard grew up in Sydney and first worked in the banking industry before taking up a career in Insurance Broking working for various international Brokers. He gained experience in the insurance arm of a large bank in Sydney and has worked in Papua New Guinea for three years, becoming Managing Director of the PNG arm of an international Insurance Broking Company.

He then took the opportunity to become Owner/Operator of his own regional Insurance Broking business for 20 years before his retirement in 2007.

He has a Diploma of Financial Services (Insurance Broking) and has hands on experience of all aspects of running a business.

Richard moved to the Mansfield area more than two years ago and lives on a 12 acre rural property in Merrijig. He has recently become a volunteer driver for the Red Cross in Mansfield.



Haley Tudor-Harrop

Occupation: Accountant

Background Information:

Haley and her husband moved from the Yarra Valley to Mansfield in 2003, prior to this relocation, Mansfield was a family holiday destination for the past 20 years. Haley holds her Bachelor of Business (Accounting) and is also a Chartered Account, currently taking a break from the profession to raise her family. Haley was originally elected as Treasurer for the Company and now holds the position of Company Secretary. With experience in private enterprise and public practice, Haley has also held the honorary position of Treasurer for MACCRO in Mansfield.



Rowena Ellis

Occupation: Human Resource Consultant

Background Information:

Prior to moving into consulting, Rowena enjoyed nine years as a Senior HR practitioner within a wide range of industries including Health, Manufacturing and Corporate Business. Rowena's qualifications in Human Resource Management coupled with her extensive experience has anchored her approach to developing and delivering on HR Strategy in a practical, commercially focused and results orientated way. In conjunction with her role in the partnership, Rowena is currently an associate of RidgelineHR, a Melbourne based HR Company specializing in Industrial Relations and Agreement Making.

Board profiles



Jaya Naidu

Occupation: Accountant /Registered Company Auditor

Background Information:

Originally from Malaysia, Jaya came to Melbourne in 1952 to study Accountancy at Royal Melbourne Institute of Technology. After graduating, Jaya returned to Malaysia for a short time to work in the Prime Minister's Department of the newly independent nation of Malaysia. However, he returned to Australia in 1958 to pursue better career opportunities.

His career includes working as an internal auditor at Ansett/ANA, Assistant Accountant at Olympic General Products and Chief Accountant/Company Secretary of a subsidiary of CSR Ltd. He resigned his position in CSR after achieving the post of Commercial Manager in 1974.

Jaya started his own accountancy practice in 1974, specialising in income tax and audit until June 2010, then retiring from all compliance work but continues to perform some audit work.

He has been a part time resident of Merrijig for more than 25 years and since his retirement from full time work, is now a permanent resident.

He is a keen skier and loves to travel, visiting and learning more about ancient civilizations.

His voluntary work includes Directorships of the Ski Club of Victoria, Mount Buller and The Mansfield Hospital

Men at work

Customers will have noticed a change behind the counter at our **Community Bank®** branch, with two new staff joining in the last couple of months.

Adam Osmani now has a couple of months experience and is enjoying the change from the retail scene at a local ski hire.

Ryan Daykin is the latest addition to the branch staff and comes with experience in banking already, but is keen to learn the Bendigo way.

As part of the team led by Vanessa, they have already received quality training in customer service, and are really enjoying the face to face contact with our customers.

It may interest you to know that they each consider career opportunities in the industry and personal development as main reasons why they have chosen this field.



▲ Adam Osmani and Ryan Daykin.

They both are of the belief that it is so much more than counting money and interaction with the customers is the most enjoyable part.

Rather than list a standard profile, we encourage you to get to know these eager young men next time you visit.

Community Bank® network returns \$50 million

Mansfield: May 2011 : Bendigo and Adelaide Bank's **Community Bank®** network celebrates a significant milestone, returning more than \$50 million to support local community groups and projects right across Australia.

This milestone follows the **Community Bank®** network returning more than \$40 million to local communities in 2010, further strengthening the importance of the **Community Bank®** network as an alternative source of funding for local community initiatives.

Bendigo and Adelaide Bank's, Executive, Customer and Community, Russell Jenkins, said the **Community Bank®** initiative has far exceeded all expectations.

"Achieving \$51.2 million in returned profit to the community is a fantastic achievement and shows the **Community Bank®** model is not only innovative, but makes significant and valuable contributions to communities across Australia," Mr Jenkins said.

Mansfield & District Community Enterprise Ltd Chair, Marian Dowling, said she was proud to be part of a banking network that supports local communities.

"Mansfield & District **Community Bank®** Branch is dedicated to the continued growth of the Mansfield community," Mrs Dowling said.

The funding granted by the Mansfield & District **Community Bank®** Branch has gone towards supporting the following community initiatives:

- Beolite Village Library -Funding to fit out library
- L 2 P Youth Driver Training Program-Providing Funds for running costs vehicles
- Mansfield Autistic Centre-Providing funding to support running costs of vehicles for home carers
- Mansfield Pony Club-providing major sponsorship funds for running of the annual state gymkhana

"We hope that this success is an indication of things to come and we will continue to be an important part of the Mansfield community,"she said.

For more information about the Mansfield & District **Community Bank®** Branch contact Marian Dowling, on 0407 316 815.

Strategic plan

Strategic objectives

- 1 Be a strong financially sustainable organisation
- 2 Be an organisation with vibrant stakeholder engagement and focus
- 3 Be a significant economic and social presence in Mansfield & District and the Community
- 4 Be a best practice organisation with strong governance and effective procedures
- 5 Have a staff team which is customer orientated, dedicated and capable

How does the **Community Bank®** concept really work?

Many people in our community may be still a little unsure how a **Community Bank®** branch actually works. The following may help clarify why we think our **Community Bank®** branches are pretty important for our towns

Why Mansfield & District **Community Bank®** Branch is like other banks?

- We offer the full range of banking services offered by other banks covering deposits, loans, superannuation, internet banking, credit cards, ATMs etc.
- All funds are protected by Bendigo and Adelaide Bank Ltd and the Federal Government's guarantee.

Why Mansfield & District **Community Bank®** Branch are different to other banks?

- The Company which runs Mansfield & District **Community Bank®** Branch is owned by more than 300 local residents through shareholdings in Mansfield & District Financial Services Ltd.
- We offer traditional face to face banking services with Branch Managers that can make decisions on the spot.
- Profits made are returned to the local community through dividends back to shareholders and via sponsorship and grants to community groups. So returns from the business stay in our community.

So how does the **Community Bank®** concept work?

- Mansfield & District Financial Services Ltd (the Company) is owned by local residents through shareholdings.
- The Company has a long term franchise agreement with Bendigo and Adelaide Bank Ltd.
- Bendigo and Adelaide Bank Ltd operates and guarantees all the banking roles.
- The Company is managed by a Board of Directors who are all locals and who volunteer their time and no Director fees are paid.
- The Company leases and fits out the premises, employs all the staff and pays for all day to day operating costs.
- Jointly, Bendigo and Adelaide Bank Ltd and the community owned Company share profits equally.

Ask yourself this question!

If you want to make a contribution to the future of our community or just want great service why wouldn't you transfer your banking to the Mansfield & District **Community Bank®** Branch? That way, every time you do your banking, you and your community benefits.

It just makes sense – dollars and cents back into our community!

Shares for sale

Several of our original shareholders have left the district and are willing to dispose of their shares. As the Company operates under a Low Volume Market, shares are not listed on any market. The Board keeps a register of "shares for sale" which can be viewed on our website. Anyone who may be interested in acquiring new or additional shares should register their interest. The Company cannot re-purchase the shares issued but will introduce any prospective purchasers to the "seller". For more information, please contact our Company Secretary Eileen Curtis on 0438 092 610.

L2P Learner Driver Mentor Program

To support the newly introduced L2P Program, Mansfield & District **Community Bank®** Branch will contribute \$250 per month as the program establishes, with the contribution to be reviewed after 12 months.

L2P is a volunteer mentor/mentee program designed to provide driving experience to young learner drivers, between the ages of 16 to 21. Many of these drivers are unable to achieve the mandatory 120 hours of road practice due to a variety of circumstances, such as lack of vehicle access, family support, homelessness or economic disadvantage.

L2P will assist young learner drivers participating gain practical driving experience with professional instructors in the first instance then with the trained community mentors. It is being coordinated by Mansfield Shire employee, Michele Wood, and North East Support and Action for Youth (NESAY), with support from the Mansfield Secondary College and other agencies.

Mansfield & District **Community Bank®** Branch

96-98 High Street, Mansfield VIC 3724

Phone: 5775 3273

Website: www.bendigobank.com.au/mansfield

Opening hours: Monday to Friday 9.00am - 5.00pm
and Saturday mornings 9.00am - 12noon.



Board of Directors: Mansfield & District Community Enterprises Limited
96-98 High Street, Mansfield VIC 3724

Directors: Marian Dowling, Graham Corless, Rowena Ellis, Jaya Naidu, Paul Sladdin, Richard Tucker, Noel Willaton, Haley Tudor-Harrop.