

# Annual General Meeting – 5 November 2020

## Physical Attendees, please:

- Remain seated at your table
- Be seated while drinking
- Socially distance
- Register at entrance

## Housekeeping:

- Fire exits at room entrance and rear wall
- Bathrooms: Exit room + 2 right turns
- Annual Reports + Previous minutes available at Registration table

## Virtual Attendees, please:

- Remain on mute except for questions
- Keep video off except for questions
- Identify yourself when asking questions

## Meeting Attendance Verification Code:

- **VOTE**

# **Molonglo Financial Services Ltd.**

Annual General Meeting – 5 November 2020

**Please remain on mute with video off until directed**



# Agenda

## General Meeting

- Adoption of new Constitution

## Annual General Meeting

- Chair's Report
- Treasurer's Report
- Resolutions
- Questions

# Molonglo Financial Services Ltd.

General Meeting – 5 November 2020



# New Constitution

## Updates:

- Changes to formatting
- Changes to reflect best practice
- Changes to reflect change in law
- Changes to Rule 9
  - 'Close connection' definition
  - Base number update (now 75%)

# General Meeting

## Special Resolution 1 – Requires 75% approval

Adopt the new company Constitution

|             | For | Against | Abstain |
|-------------|-----|---------|---------|
| Proxy Votes | 10  | 2       | 0       |

**Online Meeting Attendance Verification Code:**

VOTE

**General Meeting closed**

# Molonglo Financial Services Ltd.

Annual General Meeting – 5 November 2020





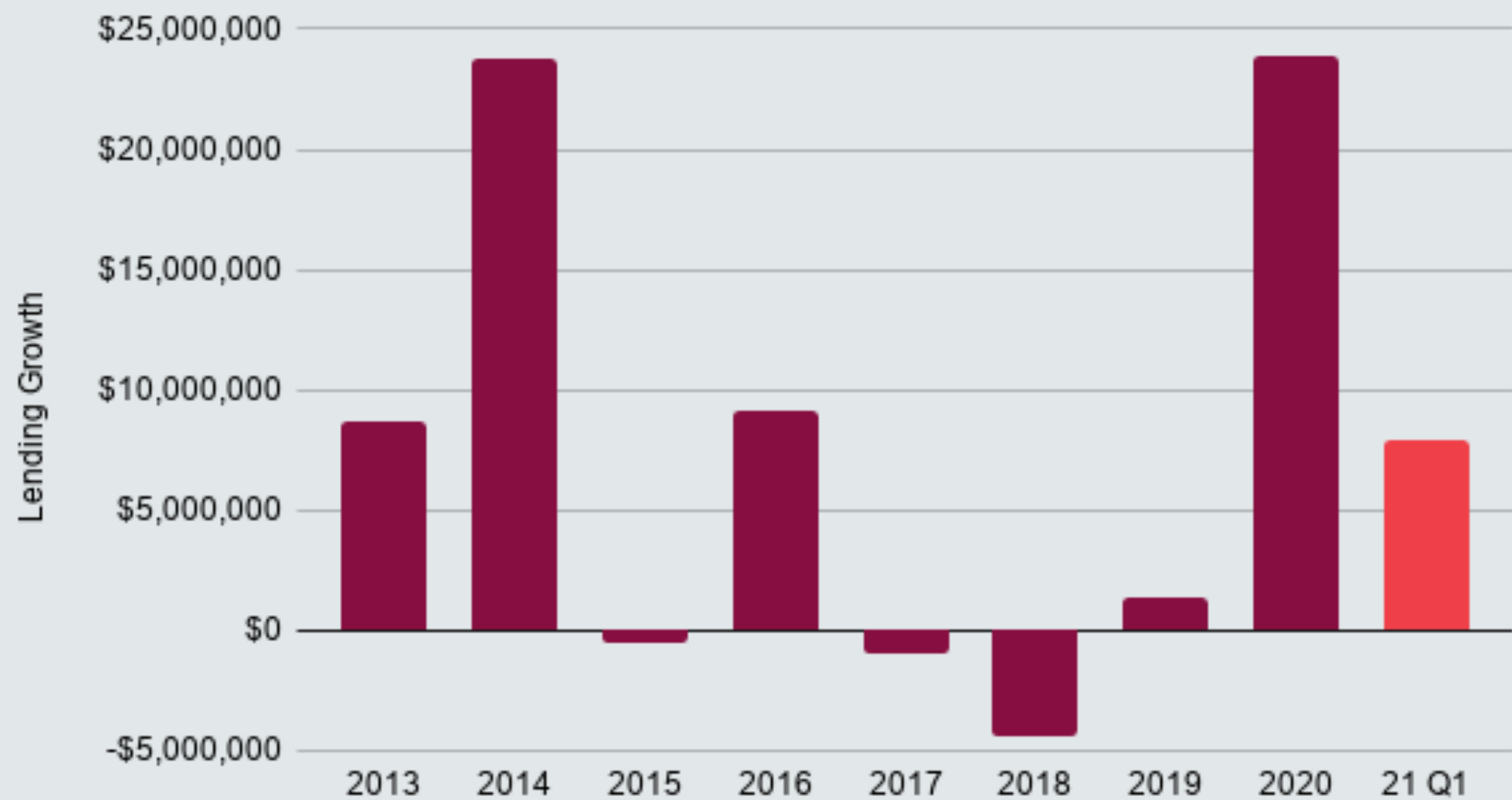
# Chair's Report

After-tax Profit - \$2,418

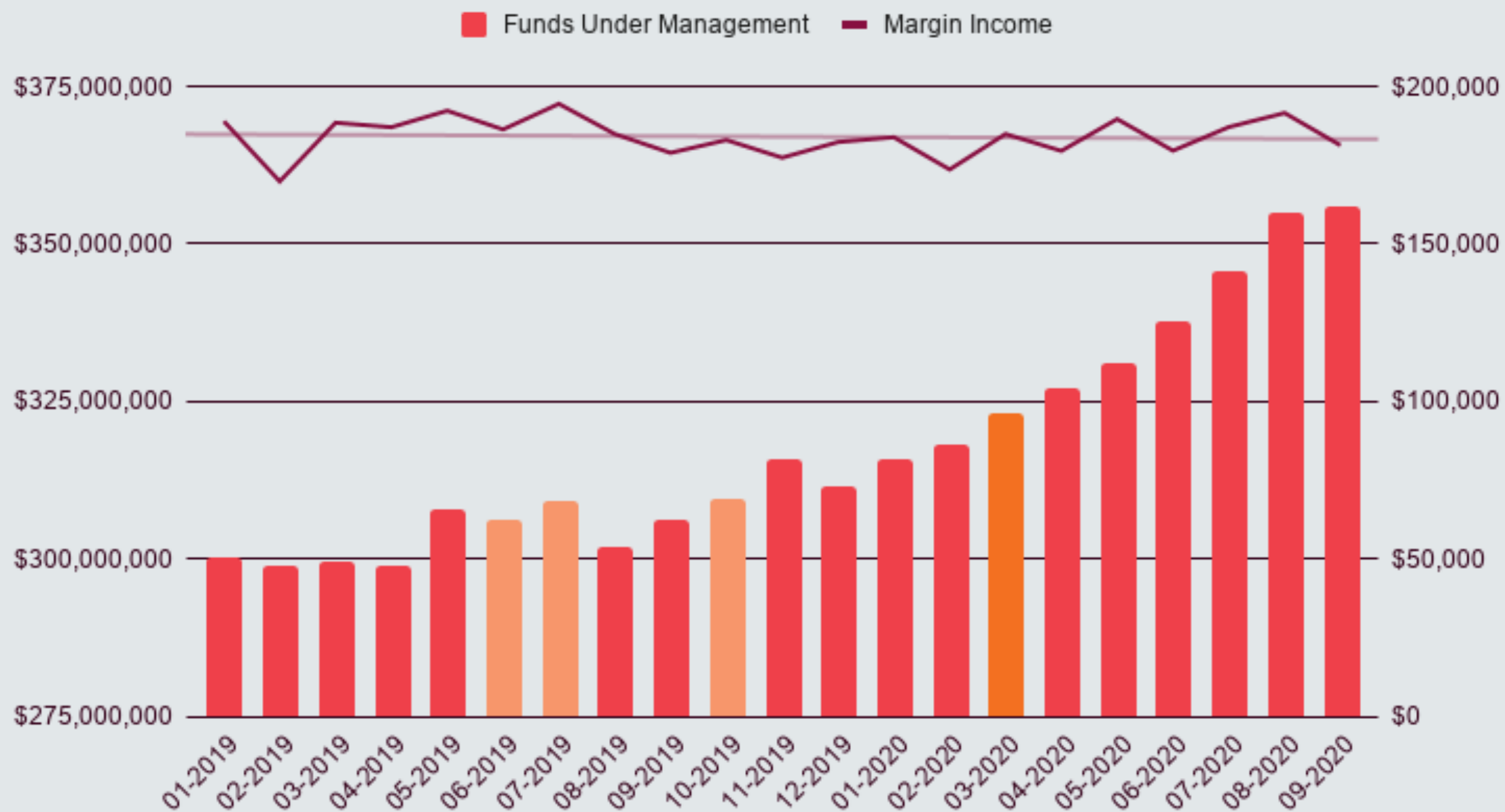
Community Spend - \$47,078

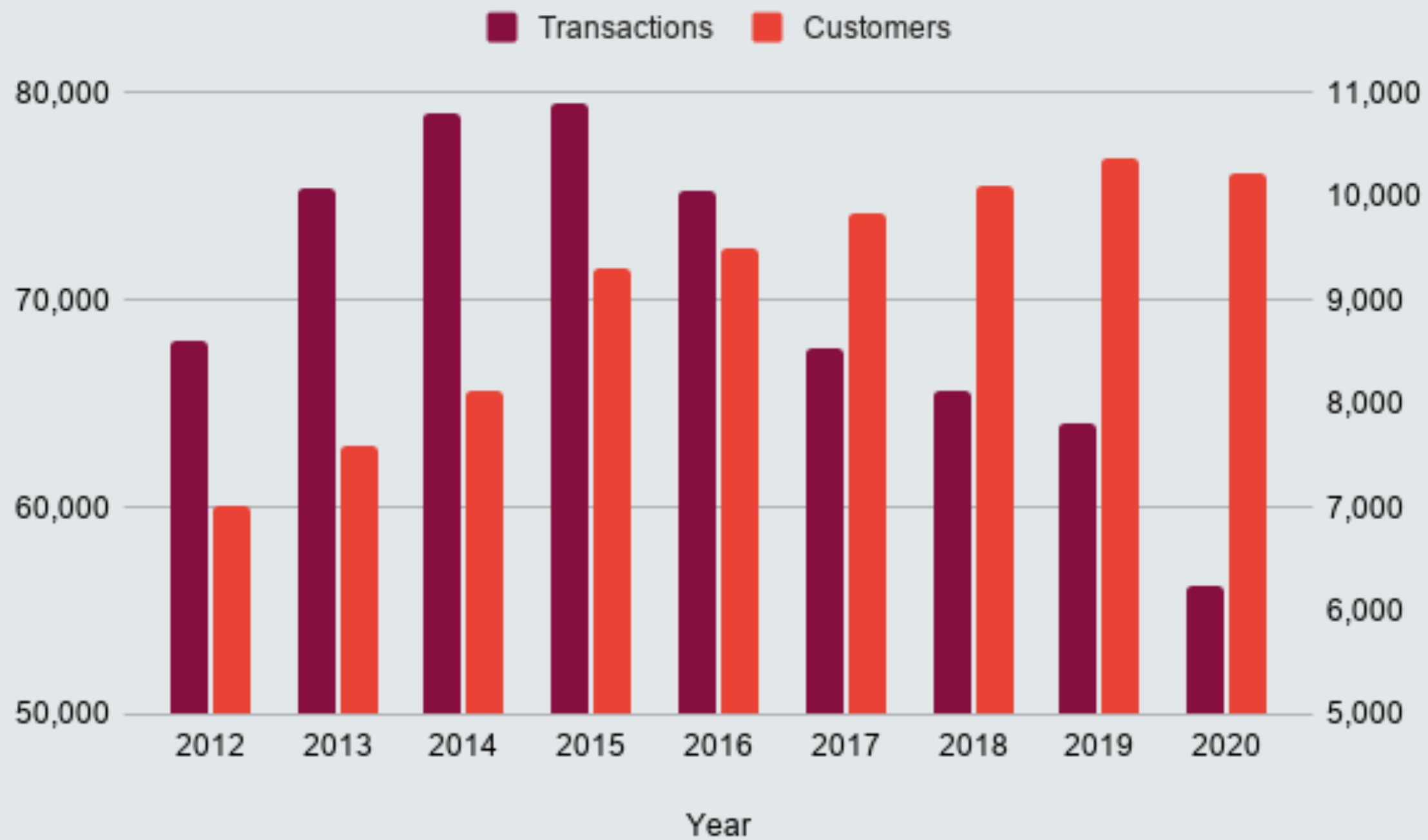
Dividend - \$0.02 per share (01 December 2019)

## Lending Growth



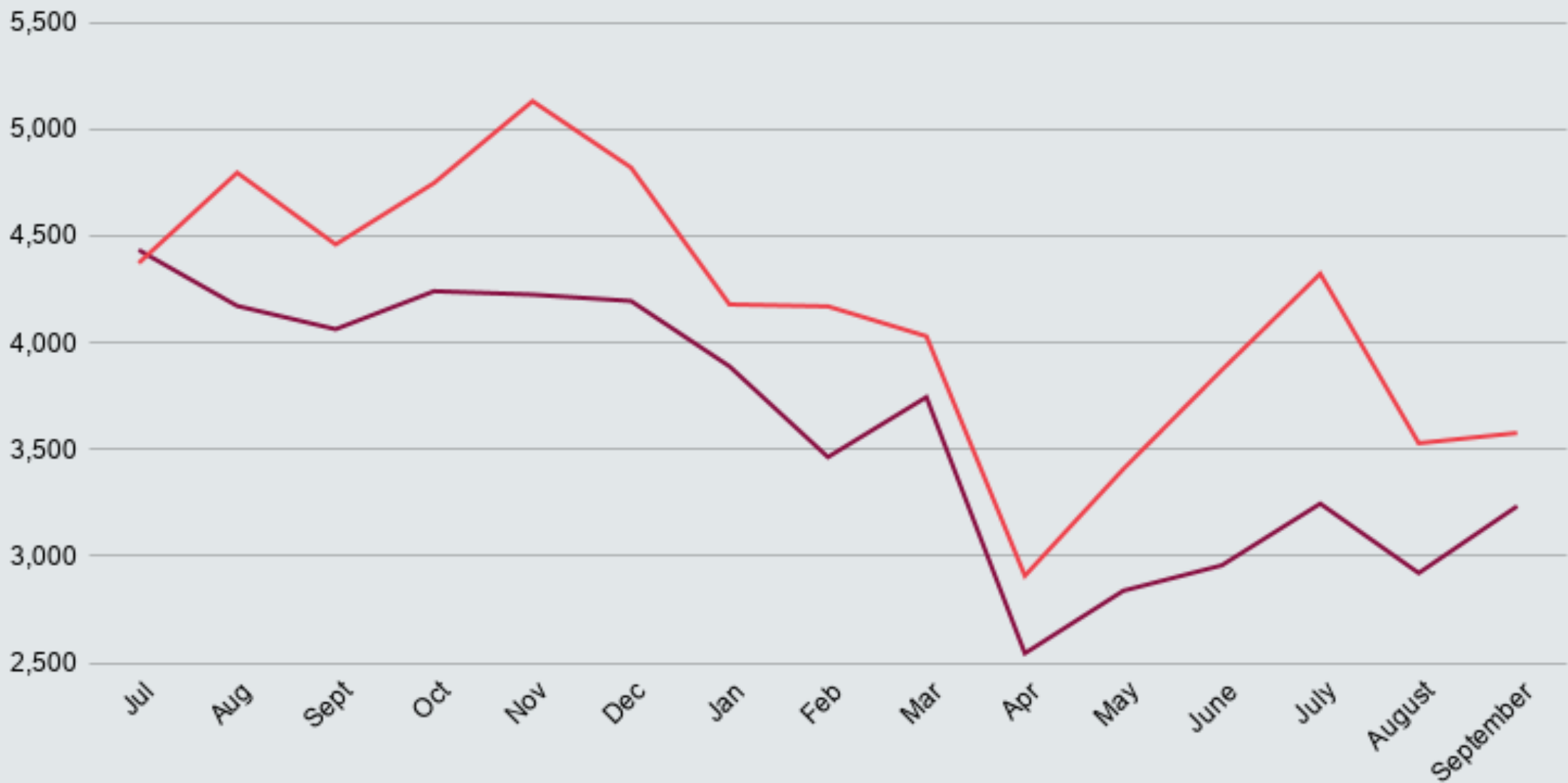
# Gross Margin





# Transactions

Teller ATM



# Future State

- Future network study with Bendigo Bank
- Rationalise our cost base
- Adapt to future customer needs
- Growth – Volume
- Strengthen balance sheet through asset acquisition
- Alternate income (sublet, complementary services)

# Director Superannuation

- Unpaid superannuation on Director Remuneration from 2002 – 2020
- Identified by auditors in early July
- Repaid before superannuation amnesty ended in September
- Total cost (superannuation + interest) of \$37,420.68
- Total paid Director remuneration costs remain below approved amount

## 2020-21 Q1

|             | Budget    | Q1        |
|-------------|-----------|-----------|
| Income      | \$688,589 | \$660,891 |
| Expenses    | \$690,638 | \$608,377 |
| Profit/Loss | (\$2,050) | \$77,754  |



## 2020-21 Q1

|             | Budget    | Q1        |
|-------------|-----------|-----------|
| Income      | \$688,589 | \$660,891 |
| Expenses    | \$690,638 | \$608,377 |
| Profit/Loss | (\$2,050) | \$77,754  |

# Dividend Announcement

\$0.02 per share (un-franked)

Ex-dividend date: 17 November 2020

Record date: 24 November 2020

Payment date: 1 December 2020

# Board changes

- Neale Guthrie stepping down as Chair 31 December 2020, remaining as Director
- Brian Brown assuming role as Chair 1 January 2021
- Nigel Phair and Sarah Rajic to share Deputy Chair role
- Recruitment of three new Directors in 2020

# Treasurer's Report

Alison Bleathman CA

Molonglo Financial Services Limited

## 2019-20

|                     | <b>Budget</b>    | <b>Actual</b>  |
|---------------------|------------------|----------------|
| Gross Margin Income | \$2,494,605      | \$2,192,991    |
| Service Commissions | \$128,456        | \$101,693      |
| Fee Income          | \$213,933        | \$191,139      |
| Expenses            | \$2,642,925      | \$2,634,802    |
| <b>Profit</b>       | <b>\$314,485</b> | <b>\$6,139</b> |

# Impacts on income

## Gross Margin Income

- 5 interest rate cuts
- Greater impact on Deposits
- MFS deposit book is \$40m greater than lending

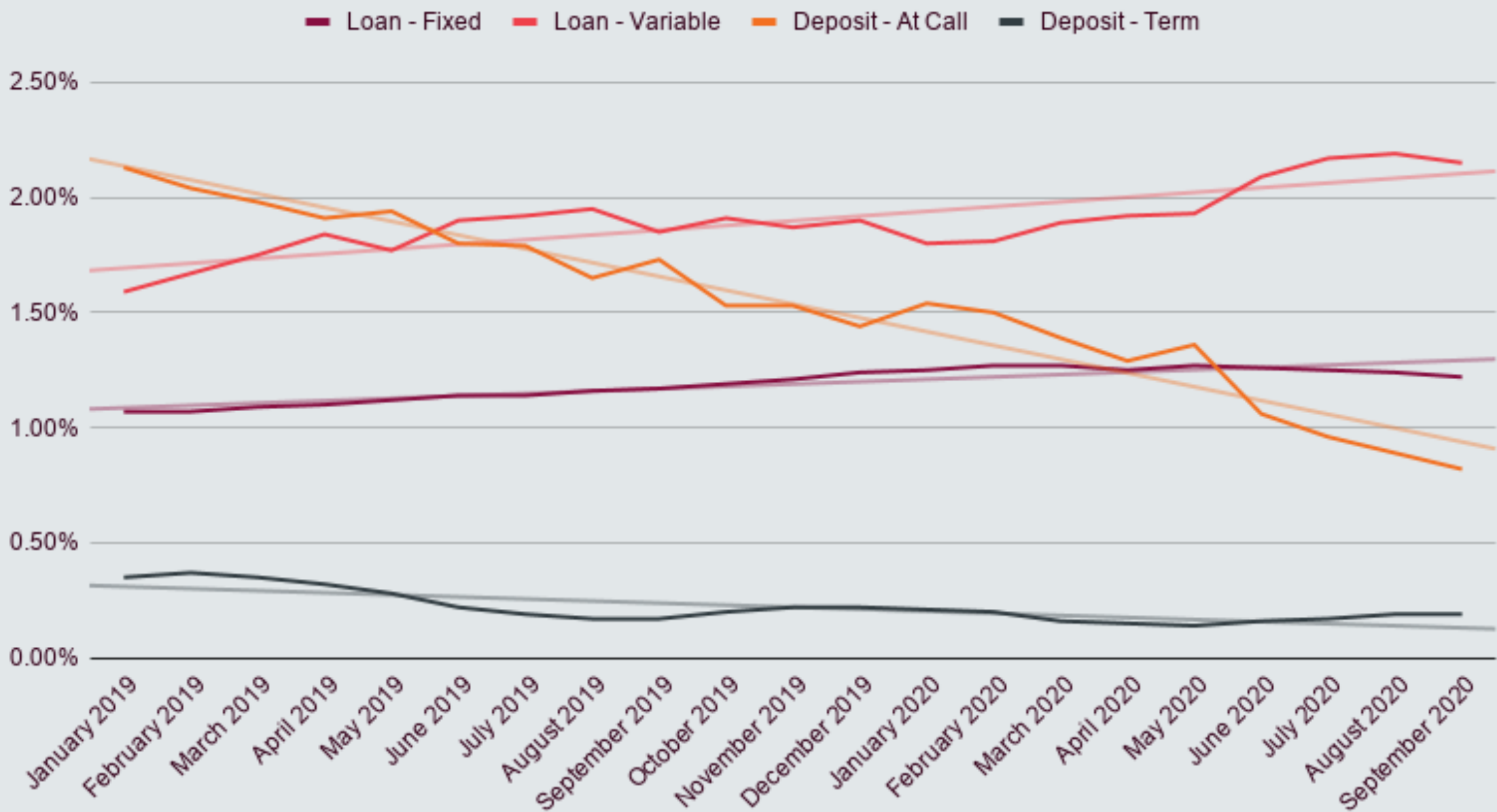
## Service Commissions

- Sale of Financial Planning business - >\$16,500 impact p.a.

## Market Development Fund

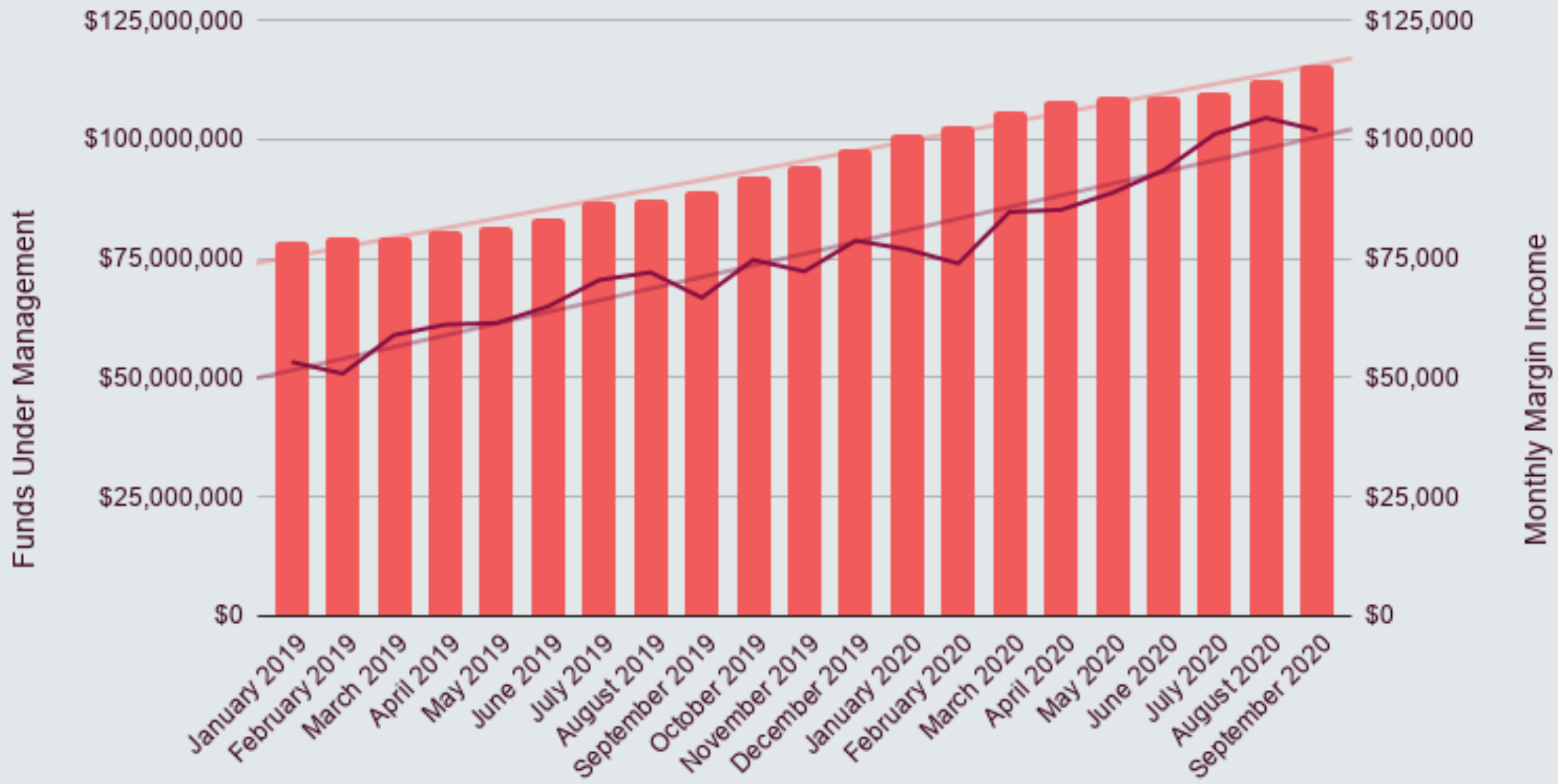
|           | 2020-21   | 2021-22   | 2022-23   |
|-----------|-----------|-----------|-----------|
| Reduction | ~\$15,000 | ~\$22,500 | ~\$35,000 |

# Funds Transfer Pricing - Margin Rate - 21 Months



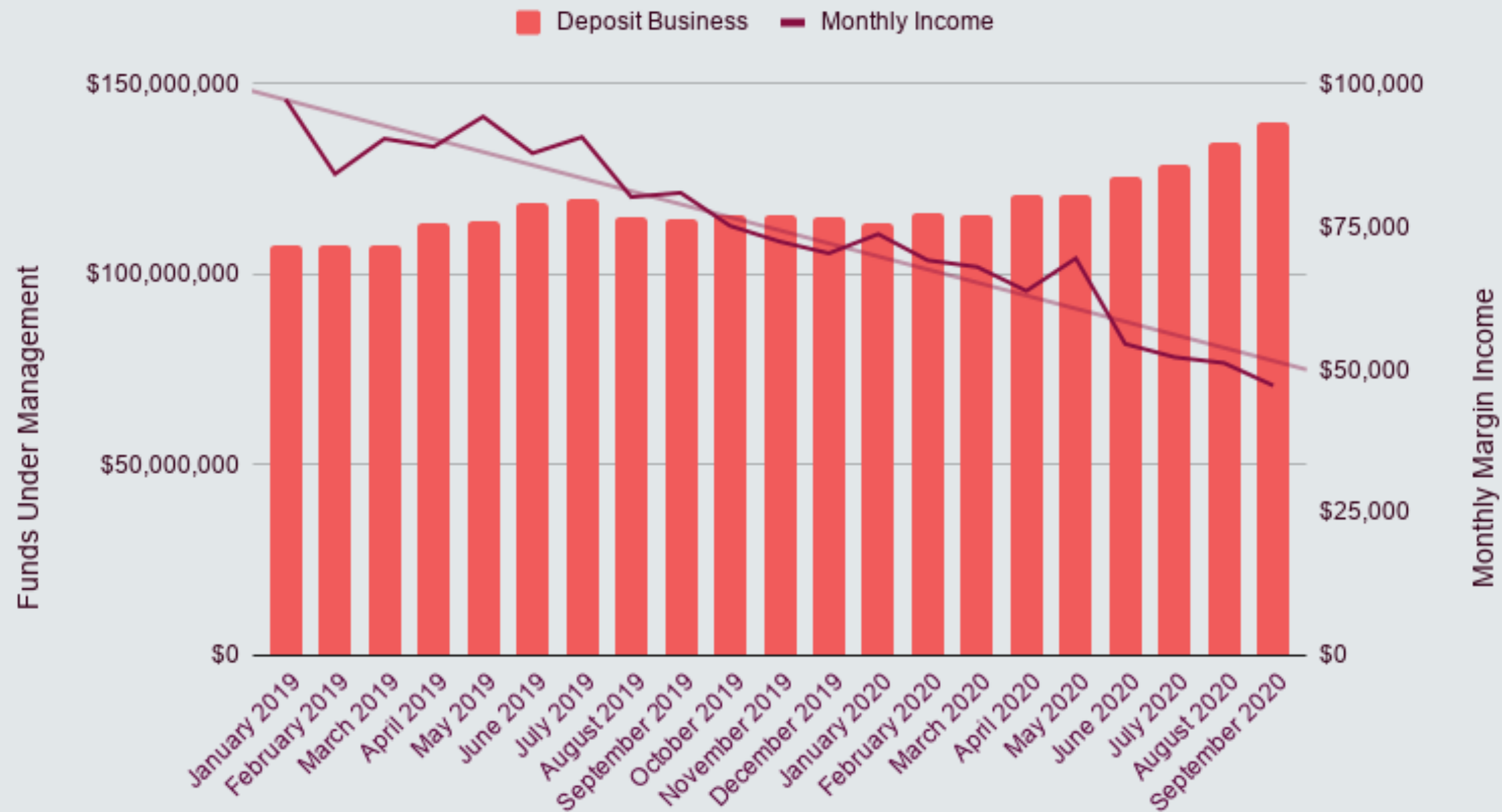
# Variable Housing Loans - 21 Months

Lending Business Monthly Revenue





# At Call Deposits - 21 Months



# Current Ratio

|                     | 2017-18   | 2018-19   | 2019-20   |
|---------------------|-----------|-----------|-----------|
| Current Assets      | \$815,277 | \$836,834 | \$837,390 |
| Current Liabilities | \$294,598 | \$277,016 | \$518,809 |
| Current Ratio       | 2.77      | 3.02      | 1.61      |

# **Bendigo Bank Report**

Brendan Hendry

Regional Manager

Canberra and Central NSW

# Resolution 1

Receipt of Financial Report, Director's Report and Auditor's Report

|             | For | Against | Abstain |
|-------------|-----|---------|---------|
| Proxy Votes | 10  | 2       | 0       |

Online meeting attendance verification code:

VOTE

# Resolution 2

Election of Neale Guthrie as a Director

|             | For | Against | Abstain |
|-------------|-----|---------|---------|
| Proxy Votes | 10  | 2       | 0       |

# Resolution 3

Election of Brian Brown as a Director

|             | For | Against | Abstain |
|-------------|-----|---------|---------|
| Proxy Votes | 10  | 2       | 0       |

# Resolution 4

Election of Radmila Noveska as a Director

|             | For | Against | Abstain |
|-------------|-----|---------|---------|
| Proxy Votes | 9   | 3       | 0       |

# Resolution 5

Approve remuneration of Board of Directors up to \$20,000 for 2020-21

|             | For | Against | Abstain |
|-------------|-----|---------|---------|
| Proxy Votes | 8   | 4       | 0       |



# Questions