



Community office news.

We have had some big changes in our community office this financial year.

We have restructured our Community Investment Policy and now hold two grant rounds each year. One in Spring and one in Autumn. Due to the reduced budgets we are working with, we needed to get 'more bang for our buck', so each of these grant rounds comes with a Grant Presentation Evening. All the grant recipients are invited to the Presentation Evening where we tell them all the great things about the **Community Bank®** model and how we are doing 'Big Things in WA'. The night also gives community groups the opportunity to network with other groups and really see what amazing things are happening in the Hills.

Our first grant round distributed \$12,450 to 15 Community Groups, with one of the more unique projects being 'The Bridge Between'. This was a collaborative project between writer Jay Crisp Crow and photographer Kate McHardy exploring how and what 12 year old girls believe about themselves, others and the world. The project culminated in an exhibition held in November 2015, which was well attended. The 'Bridge Between' received a grant of \$1,500 to assist with photographic printing and we

are very proud to say it was a complete success and will continue in 2016.

Another popular request was for Heart Start First Aid defibrillators. Cheques for \$1,000 were given to both the Mundaring Men's Shed and the Darlington Tennis Club to assist with the purchase of these very useful pieces of equipment, although we sincerely hope they never need to use them.

The Autumn Grant night was held this March and gave away \$16,017 in community support. Further details of this evening will be included in the 2016 Annual Report.



Our other BIG news is The Treehouse Business Centre. Opening in April, The Treehouse is using all our existing facilities to provide support for local businesses. No longer will Hills people need to go 'down the hill' for printing or secretarial services, we also provide meeting rooms and co-working spaces all with great WIFI. For more information call 9295 6411 or check out our new website www.treehousemundaring.com.au.

Karen and Andrea.



Mundaring Community Financial Services 6895 Great Eastern Highway, Mundaring WA 6073 **ABN** 63 097 289 677

Directors: Dr Richard Stuart (Chairman), Matt Yacopetti (Vice Chair), James Saunders (Company Secretary), Arthur Maddison, Peter Hackett, Ben Fillery, Susie Fox-Mooney, Tara Herbert and David Earnshaw.

Message from the Board.

The revenue for the six months to 31 December 2015 has been reduced significantly due to the low interest rate and resultant margins. However due to an outstanding effort of the staff in ensuring costs are kept under control the results represent a significant improvement over last year's results and our internally set budget for the year. A lot of the benefit was also as a result of branch and admin staff finding alternative sources of revenue such as hiring facilities to support the community and branch staff generating larger levels of income from alternative bank products such as insurance. The net profit generated in such a tough economic climate is a commendable effort and the Board's thanks go to the staff for this achievement.

Our community activities have seen some innovations this year. A very successful change has been the consolidation of our community sponsorship into two annual rounds, with a presentation evening at the end of each round. These evenings have brought together sponsorship recipients from widely varying community groups, who have had the opportunity to share experiences and learn more about our **Community Bank**[®] branch. The events have been a great opportunity to spread the message about our full range of banking services and the community benefits of doing business with our locally owned **Community Bank**[®] branch.

In addition to financial sponsorship, our community activities include in-kind practical support for local groups. This has been expanded to include making our Community Office facilities available for meetings and temporary work space, which is free of charge for local community groups. In turn, this has developed into our new 'Treehouse Business Centre' initiative, which makes a range of business support services and facilities available, at competitive commercial rates, to local businesses. As well as providing facilities for local small enterprises and generating extra income for our company, the 'Treehouse' provides another avenue to



communicate our message and attract new customers for our banking business.

Our successful Community Office has also begun an initiative to support other **Community Bank**[®] companies by providing them with administrative services. This is another potential revenue source for our company, as well as developing cooperation within the **Community Bank**[®] network and assisting our partner companies.

With business conditions remaining challenging, we are pursuing ways to continue growing the business. A 'Business Transformation' initiative by Bendigo Bank is providing a very useful range of marketing statistics for its **Community Bank**[®] companies. These figures confirm our strong presence in the Hills 'heartland', but also identify adjacent areas where substantial scope for business growth exists. We are involving staff and Directors in our own business development programme to target new business and decide strategies to pursue it.

Our initiative to support the Midland community in their endeavours to commence a Midland-based **Community Bank**[®] branch, has been put on hold by Bendigo Bank.

We are continuing to work with the Midland community through their re-invigorated committee to find a more cost effective model to bring the benefits of the **Community Bank**[®] model to that community.

Bendigo Bank's 'Project Horizon' review of the **Community Bank**[®] model is currently being implemented. This involves a change in the revenue sharing model, scheduled to take effect on 1 July 2016. The new model will be based on a Funds Transfer Pricing (FTP) mechanism, and Bendigo Bank has been providing monthly updates of the likely impact on each **Community Bank**[®] company's revenue. In our case, the likely impact appears so far to be positive, but is influenced by changing factors such as portfolio balance and money market conditions.

The shareholder dividend for 2015 was paid to our shareholders in December. Dividends were 6 cents per share, a total of 33,942. This brings the total returned to shareholders to \$642,069 since opening in 2002.



Mundaring Community Financial Services Ltd
ACN 63 097 289 677

Summary of Financial Results for the half year ended 31 December 2015

	31-Dec-15	31-Dec-14
	\$	\$
Revenue from ordinary activities	676,719	773,280
Employee benefits	(440,529)	(497,101)
Donations and support to community groups	(37,804)	(60,711)
Depreciation and amortisation expense	(23,167)	(24,400)
Other operating expenses	(175,219)	(191,068)
Profit/(loss) from ordinary activities	19,274	(30,513)
Income tax expense	(6,071)	(6,028)
Profit/(loss) after income tax expense	13,203	(36,541)
Balance sheet		
Current assets cash and receivables	1,300,246	1,295,951
Non-current assets incl plant, equipment and intangibles	193,972	231,210
Total assets	1,494,218	1,527,161
Total liabilities and provisions	207389	253535
	1,286,829	1,273,626
Equity		
Capital	559,585	559,585
Retained earnings	727,244	714,041
	1,286,829	1,273,626

These are summaries of the financial reports prepared by the Directors and reviewed Auditors. The principle activity and focus of the company is the operation of Mundaring **Community Bank**[®] Branch, pursuant to a franchise agreement. There are about 679 shareholders holding 565,700 shares in the company.

By order of the Board.

James Saunders CA
Company Secretary and Director.

10 February 2016

Manager's report.



It is certainly a very competitive market place at the moment with added pressure from the state of the economy.

To assist in this climate you should have seen on TV our exciting new WA Brand Campaign based on 'Doing BIG things in WA'. This is a great initiative with all **Community Bank**[®] branches contributing funds in conjunction with

Bendigo and Adelaide Bank to get these ads happening.

The focus is based on the more people who bank with us i.e. Insurance, Home Loan, Personal Loans, Financial Planning etc. the more funds we have available to distribute within our community.

The faces behind these ads are not actors, they are real customers and groups who have benefited in WA from having a Bendigo Bank in their local area.

So please look out for them and let the staff know next time you are in what you think.

As shareholders you should all be proud of the performance of our staff. I am still amazed at how committed they are to customer service and their 'can do' attitude.

The staff work very hard and consistently perform above expectations, so I would like to acknowledge and thank Ann,

Leanne, Taryn, Denise, Heidi, Penny, Mariana and Rebecca. We have also welcomed Kiera Bidmead to our team as a Customer Service Officer, so if you have not met Kiera drop in and say hello.

I would also like to acknowledge the hardworking Board members who support and promote the business at every opportunity, and provide us with an excellent environment in which to work.

The work that Karen and Andrea do from our corporate office together with their community involvement is a credit to them both.

I would finally like to extend the appreciation on behalf of myself and staff to you the shareholders, your investment and commitment has made it all possible.

Please check out our Facebook page to see what else we have been up to and do not forget to like it and share it.

Our catch cry at the moment is 'We do Big things in Mundaring, Shop Local + Bank Local = Community'.

Thank you,

Gerry Toovey
Manager

Bendigo Loans and Credit Cards are subject to terms and conditions, fees and charges apply. All loans are subject to Bendigo Bank's normal lending criteria. Bendigo and Adelaide Bank Limited ABN 11 068 049 178. AFSL/Australian Credit Licence 237879.

Bendigo Bank offers financial planning and advice through representatives of its subsidiary, Bendigo Financial Planning Limited, ABN 81 087 585 073 AFSL 237898, Level 5, 120 Harbour Esplanade, Docklands, VIC, 3008. A member of the Bendigo and Adelaide Bank Group, ABN 11 068 049 178, AFSL 237879.

Bendigo Bank issues insurance on behalf of a number of insurance providers. Please consider your situation and the relevant Product Disclosure Statement available at bendigobank.com.au before making a decision. Bendigo and Adelaide Bank Limited ABN 11 068 049 178. AFSL 237879.

Home loan deals.

At Bendigo Bank, it's all about rewarding you with greater savings on your home loan, the more you choose to bank with us.

And for you, that could include saving \$600 on home loan fees*.

So, consider a home loan from Australia's most reputable bank (AMR Corporate Reputation Index 2015).

Drop into your nearest branch at 6945 Great Eastern Highway, Mundaring or phone 9295 0744 to find out more about securing a home loan you can count on.

 **Bendigo Bank**
Bigger than a bank.

bendigobank.com.au/homeloans



*Terms, conditions, fees, charges and lending criteria apply. Full details available from www.bendigobank.com.au/homeloans. Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL/Australian Credit Licence 237879. S53787-03 (304462_v1) (25/05/2016)



Mundaring Community Bank[®] Branch

6945 Great Eastern Highway, Mundaring WA 6073 Phone: 9295 0744

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

Website: www.bendigobank.com.au/mundaring facebook.com/MundaringCommunityBankBranch twitter.com/bendigobank

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