Contents

Bendigo Message
Annual Report 2011

As **Community Bank®** shareholders you are part of something special, a unique banking movement which has evolved into a whole new way of thinking about organising and strengthening community.

Together, we have reached new heights and achieved many great successes, all of which has been underpinned by our commitment and dedication to the communities we're a part of.

Together we're making extraordinary progress, with more than $58.25 million returned to support community groups and endeavours since the network was established in 1998.

The returns grow exponentially each year, with $469 thousand returned within the first five years, $8.15 million within the first eight and $22.58 million by the end of the first decade of operation. Based on this, we can predict the community returns should top $100 million within the next three years, which equates to new community facilities, better health care, increased transport services and generally speaking, more prosperous communities.

Together, we haven't just returned $58.25 million; there is also the flow on economic impact to consider. Bendigo and Adelaide Bank is in the process of establishing an evidential basis that captures the complete picture and the economic outcomes these initiatives generate. However, the tangible outcomes are obvious. We see it in tenanted shops, increased consumer traffic, retained local capital and new jobs but we know that there are broader elements of community strength beyond the economic indicators, which demonstrate the power of our community models.

It is now evident that branches go through a clear maturity phase, building customer support, generating surpluses and establishing a sustainable income stream. This enables boards to focus less on generating business and more on the community's aspirations. Bendigo is facilitating this through director engagement and education, community consultations and other community solutions (Community Enterprise Foundation™, Community Sector Banking, Generation Green, Community Telco, Generation Green™ and Community Enterprises) that will provide boards with further development options.

In Bendigo, your **Community Bank®** board has a committed and successful partner. Our past efforts and continued commitment to be Australia's leading customer-connected bank, that is relevant, connected and valued, is starting to attract attention and reap rewards.

In January, a Roy Morgan survey into customer satisfaction saw Bendigo Bank achieve an industry leading score among Australian retail banks. This was the first time Bendigo Bank has led the overall results since August 2009.

In May, Fitch Ratings upgraded Bendigo and Adelaide Bank's Long-Term Issuer Default Rating (IDR) to A- from BBB+. This announcement saw us become the first Australian bank – and one of the very few banks globally – to receive an upgrade since the Global Financial Crisis.

Standard & Poor's revised credit rating soon followed seeing Bendigo and Adelaide Bank (BEN) shift from BBB+ stable, to BBB+ positive. These announcements reflect the hard and diligent work by all our staff, our sound risk management practices, low-risk funding and balance sheet structure, sound capital ratios and a sustained improvement in profitability.

The strength of our business model – based on our commitment to our customers and the communities that we operate in – is being recognised by all three ratings agencies.

Over the past year the bank has also added more than 700 additional ATMs through a network sharing agreement with Suncorp Bank, which further enhances our customers' convenience and expands our footprint across the country. In addition to this a further 16 **Community Bank®** branches were opened.

The bank has also had a renewed focus on business banking and re-launched our wealth management services through Bendigo Wealth, which oversees the Adelaide Bank, Leveraged Equities, Sandhurst Trustees and financial planning offering.

The **Community Bank®** model is unique and successful, it's one of our major points of difference and it enables us to connect with more than 550,000 customers, in excess of 270 communities and make a difference in the lives of countless people.

We are very proud of the model we have developed and we're very thankful for the opportunity to partner with communities to help build their balance sheets.

We thank you all for the part you play in driving this success.

Russell Jenkins
Executive Customer and Community

Plantagenet Community Financial Services Limited
Chairman's Report 2011

As Chairman of Plantagenet Community Financial services I am very proud to present this our tenth annual report. In nearly ten years we have achieved many milestones far in excess of what we ever thought we would have achieved when we first opened.
We now have over $100 million under management and we have returned over $500 thousand by way of dividends and sponsorships. We again invested in a broad range of projects. From the Community College and Kendenup Primary School, various junior sports clubs, Riding for the Disabled, the Kendenup First Response Group, Probus, the RSL and many more.

Our Walpole Agency continues to make a strong contribution, the ATM proving to be a popular service to its community.

I think you will agree that our **Community Bank®** Branch should be very proud of itself. We have won several awards from our peers, this year winning the State **Community Bank®** Hall of Fame Award, and also together with Tambellup/Cranbrook and Albany **Community Bank®** bBranches, winning the state's Best Promotion for The Great Southern Art Trail. We were also a finalist for the Best Project award for our assistance with the installation of air-conditioners at Overton.

And what makes us really proud was that at the National Conference in Sydney in September this year we were together with Maldon in Victoria inducted into the **Community Bank®** National Hall of Fame award for outstanding contribution to Community Banking in Australia. This is a real honour to be recognised for our efforts from among 275 **Community Bank®** branches around Australia.

The Board is pleased to announce that we will again pay an 8% dividend fully franked; I think you will agree this is a respectable return in today's climate.

I would like to particularly thank Leigh Wallace our inaugural Branch Manager, with a ten year commitment to our **Community Bank®** Branch , together with our dedicated, friendly and efficient staff upon which a great deal of our success depends.

The Board has been a great support to me and we have achieved much together. I would also like to thank our two junior observers, Mitch Berliner and Rachell Handasyde whose input from the young people's point of view has been most welcome.

I would like to thank all our shareholders and our customers for their business because without them we would not have such a successful enterprise that has returned so much to our community making it so much more vibrant and stronger.

We look forward to the next ten years.

John Howard
Chairman.

Plantagenet Community Financial Services Limited
Manager's Report 2011

It is with great pleasure that I report another successful year for our **Community Bank**® branch, in this our 10th year of operation. Our business base continues to grow with a combined deposit and lending portfolio of $104 million. Profits generated over the 10 year period have resulted in more than $500,000 being returned to the community by way of sponsorships, grants and shareholder dividends.

The success of our business and community engagement was recognised at the 2011 State **Community Bank**® Conference by our induction into the **Community Bank**® Hall of Fame. We then went on to receive the ultimate recognition by being inducted into the **Community Bank**® Hall of Fame at the National level. We value these awards as recognition of our contribution to ensuring we have a sustainable, vibrant and healthy community.

As Branch Manager of our **Community Bank**® branch, I must acknowledge the strong support received from an extremely dedicated group of staff who embrace the **Community Bank**® concept and focus on providing service excellence with a strong team ethic. I also recognise the dedication and commitment of the Board members. This combination has proven to be a great recipe in achieving our success to date by promoting our excellent service, products and community engagement.

I look back with pride on an extraordinary journey over the past 10 years which has seen the vision of a passionate community group transformed into the reality of a successful local enterprise returning significant dividends to the community. For this outcome I recognise our loyal shareholders and customers for their support and for promoting their **Community Bank**® branch with pride and confidence.

Leigh Wallace
Branch Manager

Plantagenet Community Financial Services Ltd
ABN 89 096 387 816
Directors' Report

Your Directors submit their report of the Company for the financial year ended 30 June 2011.

Directors

The names and details of the Company's Directors who held office during or since the end of the financial year are:

John Reginald Howard
Chairman
Farmer

Geoffrey Thomas Jones
Company Secretary/Treasurer
Retired Farmer

Jonathan Michael Fathers
Vice Chairman
Manager

Grant Cooper
Director
Farmer

Elizabeth Van Zeyl
Director
Farmer

Melanie Greeney
Director
Veterinary Assistant

William Devant Bentley
Director
Farmer

Lesley Forbes Righton
Director
Accountant

Suzanne Etherington
Director
Business Proprietor
Resigned 30/11/10

Michelle Moore
Director
Retired
Resigned 30/11/10

Marie O'Dea
Director
Project Officer
Appointed 30/11/10

Directors were in office for this entire year unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the Company.

Principal activities

The principal activities of the Company during the course of the financial year were in providing **Community Bank®** services under management rights to operate a franchised branch of Bendigo and Adelaide 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 / (loss) after income tax expense for the Company for the financial year was $82,134 (2010: $53,167).

Plantagenet Community Financial Services Ltd
ABN 89 096 387 816
Directors' Report

Dividends	**Year ended 30 June 2011** Cents per share	$
Final dividends recommended:	8	38,762
Dividends paid in the year:		
- Interim for the year	-	-
- As recommended in the prior year report	8	38,762

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.

Significant events after the balance date

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 providing banking services to the community.

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. 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 agreed to indemnify each Officer (Director, Secretary or employee) out of assets of the Company to the relevant extent against any liability incurred by that person arising out of the discharge of their duties, except where the liability arises out of conduct involving dishonesty, negligence, breach of duty or the lack of good faith. The Company also has Officers' insurance for the benefit of Officers of the Company against any liability occurred by the Officer, which includes the Officers' liability for legal costs, in or arising out of the conduct of the business of the Company or in or arising out of the discharge of the Officer's duties.

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 during the year were:

Director	**Board meetings #**	
John Reginald Howard	11	(11)
Geoffrey Thomas Jones	9	(11)
Jonathan Michael Fathers	9	(11)
Grant Cooper	8	(11)
Elizabeth Van Zeyl	11	(11)
Melanie Greeney	11	(11)
William Devant Bentley	7	(11)
Lesley Forbes Righton	10	(11)
Suzanne Etherington	2	(5)
Michelle Moore	3	(5)
Marie O'Dea	7	(8)

 # The first number is the meetings attended while in brackets is the number of meetings eligible to attend.

Company Secretary

Geoffrey Jones has been the Company Secretary of Plantagenet Community Financial Services Ltd since 2005.

Corporate governance

The Company has implemented various corporate governance practices, which include:

(a) Director approval of operating budgets and monitoring of progress against these budgets;
(b) Ongoing Director training; and
(c) Monthly Director meetings to discuss performance and strategic plans.

Auditor Independence Declaration

The Directors received the following declaration from the auditor of the Company:

Lincolns
Accountants & Business Advisors

LINCOLNS
Accountants
and Business Advisers

70-74 Frederick Street
PO Box 494
Albany. 6331
Ph. 08 9841 1200
Fax. 08 9842 1034
E-mail: russellh@lincolns.com.au

Auditor's Independence declaration

In relation to our audit of the financial report of Plantagenet Community Financial Services Ltd for the financial year ended 30 June 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Russell Harrison
Partner
Lincolns Accountants & Business Advisors
Albany
October 2011

Signed in accordance with a resolution of the Board of Directors at Mount Barker on 10 October 2011.

John Reginald Howard
CHAIRMAN

Geoffrey Thomas Jones
SECRETARY/TREASURER

Plantagenet Community Financial Services Limited
ABN 89 096 387 816
Statement of Comprehensive Income
for the year ended 30 June 2011

	Notes	2011 $	2010 $
Revenue from ordinary activities	2	970,677	867,432
Employee benefits expense	3	(465,087)	(410,282)
Charitable donations and sponsorship		(67,772)	(118,094)
Depreciation and amortisation expense	3	(23,206)	(23,633)
Finance costs	3	(13,683)	(13,253)
Other expenses from ordinary activities		(283,594)	(225,248)
Profit/(loss) before income tax expense		117,335	76,922
Income tax expense	4	(35,201)	(23,755)
Profit/(loss) after income tax expense		82,134	53,167
Other comprehensive income			
Revaluation of property plant and equipment		-	
Income tax on other comprehensive income		-	-
Total comprehensive income		82,134	53,167
Earnings per share (cents per share)			
- basic for profit / (loss) for the year	23	16.95	10.97
- diluted for profit / (loss) for the year	23	16.95	10.97

Plantagenet Community Financial Services Limited
ABN 89 096 387 816
Statement of Financial Position
As at 30 June 2011

	Notes	2011 $	2010 $
Current assets			
Cash and cash equivalents	6	57,558	112,851
Receivables	7	110,383	94,937
Loan Receivables	8	30,000	20,000
Prepayments		3,595	-
Total current assets		201,536	227,788
Non-current assets			
Property, plant and equipment	9	269,306	251,593
Loan Receivables	8	275,000	155,000
Deferred tax assets	4	1,254	2,064
Intangible assets	10	53,588	12,670
Other		118	118
Total non-current assets		599,266	421,445
Total assets		800,802	649,233
Current liabilities			
Payables	11	59,367	53,565
Loans and borrowings	12	64,003	45,317
Current tax payable	4	18,014	7,125
Provisions	13	47,679	40,828
Total current liabilities		189,063	146,835
Non-current liabilities			
Loans and borrowings	12	173,721	107,752
Total non-current liabilities		173,721	107,752
Total liabilities		362,784	254,587
Net assets		438,018	394,646
Equity			
Share capital	14	484,525	484,525
Retained earnings / (accumulated losses)	15	(46,507)	(89,879)
Total equity		438,018	394,646

Plantagenet Community Financial Services Limited
ABN 89 096 387 816
Statement of Cash Flows
For the year ended 30 June 2011

	Notes	2011 $	2010 $
Cash flows from operating activities			
Cash receipts in the course of operations		958,087	863,084
Cash payments in the course of operations		(803,347)	(743,259)
Interest paid		(13,683)	(26,507)
Interest received		3,493	1,537
Income tax paid		(19,656)	(11,818)
Net cash flows from/(used in) operating activities	16b	124,894	83,037
Cash flows from investing activities			
Payment for intangible assets		(51,025)	-
Payments for property, plant and equipment		(30,829)	(4,190)
Net cash flows from/(used in) investing activities		(81,854)	(4,190)
Cash flows from financing activities			
Proceeds from issue of shares		-	-
Proceeds from borrowings		146,212	25,300
Payment for loan		(150,000)	(1,000)
Repayment of borrowings		(55,795)	(38,121)
Dividends paid		(38,750)	(28,964)
Net cash flows from/(used in) financing activities		(98,333)	(42,785)
Net increase/(decrease) in cash held		(55,293)	36,062
Cash and cash equivalents at start of year		112,851	76,789
Cash and cash equivalents at end of year	16a	57,558	112,851

Plantagenet Community Financial Services Limited
ABN 89 096 387 816
Statement of Changes in Equity
for the year ended 30 June 2011

	Notes	2011 $	2010 $
Share capital			
Balance at start of year		484,525	484,525
Issue of share capital		-	-
Share issue costs		-	-
Balance at end of year		484,525	484,525
Retained earnings / (accumulated losses)			
Balance at start of year		(89,879)	(114,082)
Profit/(loss) after income tax expense		82,134	53,167
Dividends paid	22	(38,762)	(28,964)
Balance at end of year		(46,507)	(89,879)

1. Basis of preparation of the financial report

(a) Basis of preparation

Plantagenet Community Financial Services Limited ('the Company') is domiciled in Australia. The financial statements for the year ending 30 June 2011 are presented in Australian dollars. The Company was incorporated in Australia and the principal operations involve providing **Community Bank®** services.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets.

The financial statements require judgements, estimates and assumptions to be made that affect the application of accounting policies. Actual results may differ from these estimates.

(b) Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with Australian Accounting Standards (including Australian Interpretations) adopted by the Australian Accounting Standards Board and the Corporations Act 2001. The financial report of the Company complies with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board. Australian Accounting Standards that have been recently issued or amended, but are not yet effective, have not been adopted in the preparation of this financial report.

(c) Significant accounting policies

The following is a summary of the material accounting policies adopted. The accounting policies have been consistently applied and are consistent with those applied in the 30 June 2010 financial statements.

Income tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled.

1. Basis of preparation of the Financial Report (continued)

Property, plant and equipment

Property, plant and equipment are brought to account at cost less accumulated depreciation and any impairment in value.

Land and buildings are measured at fair value less accumulated depreciation.

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Class of asset	*Depreciation rate*
Buildings	2.5%
Plant & equipment	10-20%

Impairment
The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Revaluations
Following initial recognition at cost, land and buildings are carried at a revalued amount which is the fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and accumulated impairment losses.

Fair value is determined by reference to market based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

Recoverable amount of assets

At each reporting date, the Company assesses whether there is any indication that an asset is impaired. Where an indicator of impairment exists, the Company makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

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 from 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.

1. Basis of preparation of the Financial Report (continued)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position. 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 operating cash flows.

Employee benefits

The provision for employee benefits to wages, salaries and annual leave represents the amount which the Company has a present obligation to pay resulting from employees' services provided up to the reporting date. The provision has been calculated on undiscounted amounts based on wage and salary rates expected to be paid and includes related on-costs.

The Company contributes to a defined contribution plan. Contributions to employee superannuation funds are charged against income as incurred.

Intangibles

Franchise fee is amortised on a straight line basis at a rate of 10% per annum.
Establishment costs have been initially recorded at cost and amortised on a straight line basis at a rate of 20% per annum.

Cash

Cash on hand and in banks are stated at nominal value.

For the purposes of the cash flow statement, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Revenue

Interest and fee revenue is recognised when earned. All revenue is stated net of the amount of goods and services tax (GST).

Receivables and payables

Receivables and payables are non interest bearing and generally have payment terms of between 30 and 90 days. Receivables are recognised and carried at original invoice amount less a provision for any uncollected debts. 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.

Loans and borrowings

All loans are measured at the principal amount. Interest is recognised as an expense as it accrues.

1. Basis of preparation of the financial report (continued)

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.

Share capital

Issued and paid up capital is 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.

2. Revenue from ordinary activities

	2011 $	2010 $
Operating activities		
- services commissions	967,184	865,895
- other revenue	-	-
Total revenue from operating activities	967,184	865,895
Non-operating activities:		
- interest received	3,493	1,537
- other revenue	-	-
Total revenue from non-operating activities	3,493	1,537
Total revenue from ordinary activities	970,677	867,432

3. Expenses

	2011 $	2010 $
Employee benefits expense		
- wages and salaries	385,953	348,985
- superannuation costs	72,294	56,218
- workers' compensation costs	-	1,660
- other costs	6,840	3,419
	465,087	410,282
Depreciation of non-current assets:		
- plant and equipment	9,178	9,711
- buildings	3,921	3,787
Amortisation of non-current assets:		
- intangibles	10,107	10,135
	23,206	23,633
Finance Costs:		
- Interest paid	13,683	13,253
Bad debts	136	48

Plantagenet Community Financial Services Limited
ABN 89 096 387 816
Notes to the Financial Statements
for the year ended 30 June 2011

4. Income tax expense

	2011 $	2010 $
The prima facie tax on profit/(loss) before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on profit/(loss) before income tax at 30%	(35,201)	(23,077)
Add tax effect of:		
- Non-deductible expenses	-	(678)
- Prior year tax losses not previously brought to account	-	-
- Future income tax benefit not brought to account	-	-
Current income tax expense	(35,201)	(23,755)
Origination and reversal of temporary differences	-	-
Deferred income tax expense	-	-
Income tax expense	(35,201)	(23,755)
Tax liabilities		
Current tax payable	18,014	7,125
Deferred tax assets		
Future income tax benefits arising from tax losses are recognised at reporting date as realisation of the benefit is regarded as probable.	1,254	2,064

5. Auditors' remuneration

	2011 $	2010 $
Amounts received or due and receivable by Lincolns for:		
- Audit or review of the financial report of the Company	5,800	6,500
- Completion of feasibility study	-	-
- Share registry services	-	-
- Accounting	8,000	4,500
	13,800	11,000

6. Cash and cash equivalents

	2011 $	2010 $
Cash at bank and on hand	57,558	112,851

7. Receivables

	2011 $	2010 $
GST receivable	21,512	15,390
Trade debtors	88,871	78,847
Loan S Ansell	-	700
	110,383	94,937

	2011	2010
8. Loan Receivables	**$**	**$**
Current		
Loans to other parties	30,000	20,000
Non-Current		
Loans to other parties	275,000	155,000

9. Property, plant and equipment

	2011	2010
Land		
Freehold land at cost	79,419	79,419
Buildings		
At cost	187,336	160,630
Less accumulated depreciation	(37,527)	(33,606)
	149,809	127,024
Plant and equipment		
At cost	128,465	127,104
Less accumulated depreciation	(88,387)	(81,954)
	40,078	45,150
Total written down amount	269,306	251,593
Movements in carrying amounts		
Buildings		
Carrying amount at beginning of year	127,024	130,810
Additions	26,706	-
Disposals	-	-
Depreciation expense	(3,921)	(3,786)
Carrying amount at end of year	149,809	127,024
Movements in carrying amounts		
Plant and equipment		
Carrying amount at beginning of year	45,150	50,698
Additions	4,123	4,190
Disposals	(16)	(27)
Depreciation expense	(9,179)	(9,711)
Carrying amount at end of year	40,078	45,150

10. Intangible assets

	2011	2010
Franchise fee		
At cost	150,000	100,000
Less accumulated amortisation	(97,500)	(87,500)
	52,500	12,500
Preliminary expenses		
At cost	2,057	1,032
Less accumulated amortisation	(969)	(862)
	1,088	170
	53,588	12,670

11. Payables

	2011 $	2010 $
Trade creditors	16,446	14,665
Other creditors and accruals	42,921	38,900
	59,367	53,565

12. Loans and borrowings

	2011 $	2010 $
Current		
Bank Loans - Secured	64,003	45,317
Non Current		
Bank Loans - Secured	173,721	107,752

Bank loans are repayable monthly with the final instalment due on June 2012 and May 2016. Interest is recognised at an average rate of 5.76% (2010: 8.66%). The loans are secured by mortgage the freehold land and buildings and motor vehicle of the Company.

13. Provisions

	2011 $	2010 $
Employee benefits	47,679	40,828

14. Share capital

	2011 $	2010 $
484,525 Ordinary Shares fully paid of $1 each	484,525	484,525

Share Capital equal to share register held by ASIC.

15. Retained earnings / (accumulated losses)

	2011 $	2010 $
Balance at the beginning of the financial year	(89,879)	(114,082)
Profit/(loss) after income tax	82,134	53,167
Dividends	(38,762)	(28,964)
Balance at the end of the financial year	(46,507)	(89,879)

16. Statement of cash flows

(a) *Cash and cash equivalents*

	2011 $	2010 $
Cash assets	57,558	112,851
Bank overdraft	-	-
	57,558	112,851

16. Statement of cash flows (Continued)	**2011 $**	**2010 $**
(b) *Reconciliation of profit / (loss) after tax to net cash provided from/(used in) operating activities*		
Profit / (loss) after income tax	82,134	53,167
Non cash items		
- Depreciation	13,099	13,498
- Amortisation	10,107	10,135
- Loss on Sale of Plant	16	26
- Interest & Fees on Loans	14,938	
Changes in assets and liabilities		
- (Increase) decrease in receivables	(16,146)	(3,093)
- Increase (decrease) in payables	5,802	(2,513)
- Increase (decrease) in provisions	18,538	8,417
- (Increase) decrease in prepayments	(3,595)	3,400
Net cashflows from/(used in) operating activities	124,893	83,037

17. Director and related party disclosures

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

John Reginald Howard
Geoffrey Thomas Jones
Jonathan Michael Fathers
Grant Cooper
Elizabeth Van Zeyl
Melanie Greeney
William Devant Bentley
Lesley Forbes Righton
Suzanne Etherington
Michelle Moore
Marie O'Dea

No Director or related entity has entered into a material contract with the Company. No Director's fees have been paid as the positions are held on a voluntary basis.

Directors' shareholdings	**2011**	**2010**
John Reginald Howard	4,000	4,000
Geoffrey Thomas Jones	500	500
Jonathan Michael Fathers	-	-
Grant Cooper	1,600	1,600
Elizabeth Van Zeyl	1,500	1,500
Melanie Greeney	-	-
William Devant Bentley	1,000	1,000
Lesley Forbes Righton	100	100
Marie O'Dea	-	-

There was no movement in Directors' shareholdings during the year. Each share held has a paid up value of $1 and is fully paid.

18. Subsequent events

There have been no events after the end of the financial year that would materially affect the financial statements.

19. Contingent liabilities

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

20. Segment reporting

The economic entity operates in the financial services sector were it provides banking services to its clients. The economic entity operates in one geographic area being Mount Barker, WA.

21. Corporate information

Plantagenet Community Financial Services Ltd is a Company limited by shares incorporated in Australia.

The registered office is:	4 Short Street MOUNT BARKER
The principal place of business is:	4 Short Street MOUNT BARKER

22. Dividends paid or provided for on ordinary shares	**2011** **$**	**2010** **$**
(a) Dividends proposed and recognised as a liability		
Franked dividends	-	-
(b) Dividends paid during the year		
(i) Current year interim		
Unfranked dividends (2010: 6 cents per share)	-	28,964
(ii) Previous year final		
Franked dividends - 8 cents per share	38,750	-
(c) Dividends proposed and not recognised as a liability		
Franked dividends - 8 cents per share	38,762	38,762
(d) Franking credit balance		
The amount of franking credits available for the subsequent financial year are:		
- Franking account balance as at the end of the financial year	28,299	21,580
- Franking credits that will arise from the payment of income tax payable as at the end of the financial year	12,558	9,469
- Franking debits that will arise from the payment of dividends as at the end of the financial year	(16,612)	(16,784)
- Franking credits that will arise from the payment of dividends recognised as receivables at the reporting date	-	-
- Franking credits that the entity may be prevented from distributing in the subsequent year	-	-
	24,245	14,265

	2011	2010
	$	$

The tax rate at which dividends have been franked is 30% (2010: 30%).
Dividends proposed will be franked at a rate of 30% (2010: 30%).

23. Earnings per share

Basic earnings per share amounts are calculated by dividing profit / (loss) after income tax by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing profit / (loss) after income tax by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of any dilutive options or preference shares).

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2011 $	2010 $
Profit/(loss) after income tax expense	82,134	53,167
Weighted average number of ordinary shares for basic and diluted earnings per share	484,525	484,525

24. Financial risk management

The Company has exposure to credit risk, liquidity risk and market risk from their use of financial instruments.

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. For the Company it arises from receivables and cash assets.

The maximum exposure to credit risk at reporting 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. The Company's maximum exposure to credit risk at reporting date was:

	Carrying amount	
	2011	2010
	$	$
Cash assets	57,558	112,851
Receivables	110,383	94,937
	167,941	207,788

The Company's exposure to credit risk is limited to Australia by geographic area. The entire balance of receivables is due from Bendigo and Adelaide Bank Ltd.

24. Financial risk management (continued)

None of the assets of the Company are past due (2010: nil past due) and based on historic default rates, the Company believes that no impairment allowance is necessary in respect of assets not past due.

The Company limits its exposure to credit risk by only investing in liquid securities with Bendigo and Adelaide Bank Ltd.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures it will have enough liquidity to meet its liabilities when due under both normal and stressed conditions. Liquidity management is carried out within the guidelines set by the Board.

Typically, the Company maintains sufficient cash on hand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the estimated contractual maturities of financial liabilities, including estimated interest payments.

	Carrying amount	Contractual cash flows	1 year or less	over 1 to 5 years	more than 5 years
30 June 2011	**$**	**$**	**$**	**$**	**$**
Payables	59,367	59,367	59,367	-	-
Loans and borrowings	237,724	360,652	97,112	263,540	-
	297,091	420,019	156,479	263,540	-
30 June 2010					
Payables	53,565	53,565	53,565	-	-
Loans and borrowings	153,069	182,316	58,792	123,525	-
	206,634	235,881	112,357	123,525	-

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Interest rate risk

Interest rate risk is that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company reviews the exposure to interest rate risk as part of the regular board meetings.

24. Financial risk management (continued)
Sensitivity analysis

At the reporting date the interest rate profile of the Company's interest bearing financial instruments was:

	Carrying amount	
	2011	2010
Fixed rate instruments	$	$
Financial assets	305,000	175,000
Financial liabilities	12,825	19,017
	317,825	194,017
Variable rate instruments		
Financial assets	-	-
Financial liabilities	224,900	134,051
	224,900	134,051

Fair value sensitivity analysis for fixed rate instruments
The Company does not account for any fixed interest rate financial assets or liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments
A change of 100 basis points in interest rates at the reporting date would have minor impact on profit or retained earnings. For the analysis performed on the same basis as at 30 June 2010 there was also minor impact. As at both dates this assumes all other variables remain constant.

(d) 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 year end.

(e) Capital management

The Board's policy is to maintain a strong capital base so as to sustain future development of the Company. The Board of Directors monitor the return on capital and the level of dividends to shareholders. Capital is represented by total equity as recorded in the Statement of Financial Position.

In accordance with the franchise agreement, in any 12 month period, the funds distributed to shareholders shall not exceed the Distribution Limit.

(i) the Distribution Limit is the greater of:
  (a) 20% of the profit or funds of the Franchisee otherwise available for distribution to shareholders in that 12 month period; and
  (b) subject to the availability of distributable profits, the Relevant Rate of Return multiplied by the average level of share capital of the Franchisee over that 12 month period; and
(ii) the Relevant Rate of Return is equal to the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%.

The Board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the Company is such that amounts will be paid in the form of charitable donations and sponsorship. Charitable donations and sponsorship paid for the year ended 30 June 2011 can be seen in the Statement of Comprehensive Income.

There were no changes in the Company's approach to capital management during the year.

Plantagenet Community Financial Services Limited
ABN 89 096 387 816
Directors' Declaration

In accordance with a resolution of the Directors of Plantagenet Community Financial Services Limited, I 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 2011 and of their performance for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and Corporations Regulations 2001;

(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; and

(c) this declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ending 30 June 2011.

JRHoward.

John Reginald Howard
CHAIRMAN

GTJones.

Geoffrey Thomas Jones
SECRETARY/TREASURER

Signed at Mount Barker on 10 OCTOBER 2011.

LINCOLNS

Accountants
and Business Advisers

PLANTAGENET COMMUNITY FINANCAL SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PLANTAGENET COMMUNITY FINANCAL SERVICES LIMITED

Report on the Financial Report
We have audited the accompanying financial report of Plantagenet Community Financial Services Limited (the Company), which comprises the statement of financial position as at 30 June 2011 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report
The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial report complies with the International Financial Reporting Standards.

Auditor's Responsibility
Our responsibility is to express an opinion on the financial report based on our audit. We conducted the 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due o fraud or error. In making those risk assessments, the auditor considers internal control 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 mad by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence
In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Opinion
In our opinion,

a) the financial report of Plantagenet Community Financial Services Limited is 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 2011 and of its performance for the year ended on that date; and
   ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001, and

b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

RUSSELL HARRISON
PARTNER

Date: 10th October 2011