annual report | 2009

Wantirna Community
Financial Services Limited
ABN 43 118 000 230

Wantirna **Community Bank®** Branch

Contents

Chairman's report

For year ending 30 June 2009

This is the fourth annual report for Wantirna Community Financial Services Limited.

Our **Community Bank®** branch opened on 18 September 2006. At that time, we had $2 million in business on the books which comprised total deposits and total loans.

At the end of the financial year 07/08 (30 June 2008) we had $31 million in business on the books.

At the end of the financial year 09/09 (30 June 2009) our book has grown to $46 million.

That is a very pleasing result and represents a 48 percent increase in our book. The increase itself is 100 percent above budget.

All of that is encouraging and leads us to conclude that our initial decision in establishing the bank branch was correct and that there is banking business in Wantirna.

The financial report shows that despite the dramatic increase in our book, the Company still incurred a loss of $46,763 for the year. That compares with the loss the previous year of $78,255 and a small profit expected in our prospectus.

Everybody knows that we have been through a global financial crisis, and this global financial crisis has also hit our bank branch. We estimate that the cost to our bank branch has been approximately $70,000. Without the financial crisis, the bank branch would have made a small profit, in line with the prospectus forecast.

I want to try and explain what happened. You will remember that in September and October last year (2008), shock waves went through the world financial system.

Lehman Brothers collapsed Citibank and American International Group tottered on the brink of bankruptcy. Both of those dominating institutions would have failed had it not been for cash injections by the United States Government. There was then a wave of fear and uncertainty amongst those world banks on whether they would be repaid money which had been lent to other banks. That included money lent to Australian banks. That money borrowed overseas is used to fund lending in Australia. Those sources of finance suddenly dried up - for fear that money lent to Australian Banks, may not be repaid.

That led to the Reserve Bank slashing the cash rate by more than four percent in a short period of time. That translated into lower lending interest rates. Term deposits are the backbone of home lending deposit rates, which meant that banks were locked into paying higher interest rates on term deposits than the rates they were receiving on interest paid by borrowers. That meant that the margin between deposits and loans declined and in some cases disappeared over a period of time.

The Federal Government then gave a guarantee to depositors and lenders that the Australian Government would guarantee deposits and loans made to Australian Banks.

Chairman's report continued

With lending interest rates hovering around about five percent, it does not take too much mathematics to understand that paying term deposit rates at upwards of eight percent, will produce a loss.

From January to April this year, matters became more stable. Deposit interest rates dropped and the term deposits paying high interest started to mature. Gradually the monthly losses we suffered began to diminish.

As we talk today, we are in a much more stable environment. The relativity of interest rates between deposits and lending is much more akin to what it was before the impact of the global financial crisis. That led to a relatively modest profit of $1,020 in the month of June 2009.

In July 2009 I am delighted to tell you that we had a profit of $4,000 and in August the results further improved.

With the impact of the global financial crisis now beginning to wain, and the return of more stable conditions, our expectation is that we will now be entering into consistent profitability.

Our Bank continues to support local community activities. We have been involved in:-

1. The construction of a children's playground at Wantirna Health. Wantirna Health is located on the corner of Wantirna Road and Mountain Highway. We donated $3,000 towards the playground.
2. A number of **Community Bank®** branches in the eastern suburbs have banded together to manage a campaign on Ban the Bulb. That is where local community groups replace incandescent lights with low energy lights.
3. Youth Elite Outlaws Cheerleaders Trivia Night. This is a fundraiser to assist in Australian cheerleading championships. The bank branch has provided deposit vouchers.
4. U3A 13th Annual Knox Art and Craft Exhibition Sale. The bank branch is sponsoring a prize.
5. We continue to support Eliza Baird. She is an eight year old girl who suffers from a rare skin condition, where her skin is not "glued" to her underlying muscular structure. We have helped to raise more than $15,000 for Eliza.
6. Sports and Academic Challenge. We have adopted this competition as our own. We provide a perpetual shield. This year is our third year in running of the event.
7. Continued sponsorship of Wantirna South Football Club and Bayswater Park Cricket Club and relevant sponsorship of Wantirna South Cricket Club and Bayswater Bowls Club.
8. We are also one of the sponsors of the Wantirna Rotary Golf Day.

Our branch staff has remained the same since we opened the branch. With the increased level of business, we have advertised for the appointment of a Customer Relationship Manager (CRM). Our expectation is that the CRM will assist Steve in his duties. Our expectation is that the CRM will lead to an increase in our loan book and ultimately in profitability.

Your Board of Directors has also remained stable, except for the resignation of Julianne Spithall on 31 March 2009. Julianne was a strong contributor to the Board. However Julianne remains committed to the **Community Bank®** branch, and she is one of a number of a wider circle of people who assist when called upon.

Chairman's report continued

Our Board meets on the last Tuesday of the month. Generally all members of the Board are able to attend, except if a Board member is absent from Victoria. Our Board continues to enjoy a spirit of cooperation and good humour.

Our thanks go to Bendigo and Adelaide Bank Ltd and their State Support Office for their assistance during the year. When we need invitations or material prepared, they are ready to assist.

There is regular communication from Bendigo and Adelaide Bank Ltd to all Board members, and Officers of the Company. We are regularly invited to attend seminars and training.

Alison Burr is the Area Manager, and she is responsible for the whole of the Yarra Valley. She is a regular visitor to our Directors meetings. Our thanks go to Alison and Bendigo and Adelaide Bank Ltd for giving us this opportunity to manage our own **Community Bank®** branch here in the Wantirna Mall.

Garry Harrison Grace
Chairman

Manager's report

For year ending 30 June 2009

The Wantirna **Community Bank®** Branch opened for business on 18 September 2006 and during the last 33 months we have seen the branch grow to a book of $45 million in business.

The hard work that the initial steering committee, Board and the current staff have put in has helped create a full service branch offering outstanding service. The branch is going from strength to strength and with our continued Sponsorship's of Bayswater Park Cricket Club and Wantirna South Football Club and more recently Wantirna South Cricket Club and Bayswater Bowling Club, our awareness, and Community engagements in general, have increased tremendously since our first 21 months of operation.

We need to continue this momentum, with the help of our shareholders. We ask all shareholders to become ambassadors of their **Community Bank®** Company and to spread the word and the benefits of banking with Wantirna **Community Bank®** Branch.

Bendigo and Adelaide Bank Ltd's **Community Bank®** model is unique, in that it is a win-win for everyone in the communities in which these businesses operate. What other banking institution is dedicated to returning a significant percentage of its profits back to the community?

The success of your branch is dependent on the banking support of the Wantirna and District community and you, our valued shareholders.

I urge you all to get behind your bank branch and conduct as much of your banking, insurance and financial business as possible with Wantirna **Community Bank®** Branch today.

The sooner we reach the point of consistent and adequate profitability, the sooner the Board of Directors can begin the process of distributing profits to shareholders and our community.

I would also like to thank our Board Members for their continued support and dedication to their roles as Directors. All our Directors are volunteers (although because of the work involved, and following the example of other **Community Bank®** branches, our Treasurer receives appropriate payment).

Last, but by no means least, I would like to thank my enthusiastic staff, Karen Veltri, Debra Frazer, Lee Freeman and Mary-Lee Banfield for the valuable contribution they continue to make in supporting myself, in delivering a high level of service to our customers and engaging themselves in the Wantirna community.

Steve Wright
Branch Manager

Directors' report

For year ending 30 June 2009

Your Directors submit the financial report of the Company for the financial year ended 30 June 2009.

Directors

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

Garry Harrison Grace
Chairman
Age: 55
Lawyer
Holds a Bachelor of Science degree majoring in Chemistry and Mathematics, also holds a Law degree. A number of years experience in city law firms before establishing as a sole practitioner in Wantirna.
Member of the Human Resources sub committee.
Interests in shares: 20,002

Thomas Adrian Spiesser
Treasurer
Age: 56
Business Propietor, former banker
Holds a Bachelor of Business Science (Honours), a Master's degree in Business Science and Graduate Diplomia in Applied Finance and Investment from the Securities Institute of Australia. 24 years experience as a banker for 2 global banks in Australia and overseas, currently owns the Wantirna Video Ezy Franchise. Previous Treasurer for 3 years of the Gliding Club of Victoria.
Member of the Finance/Audit sub committee.
Interests in shares: 501

Judy Ann Blizzard
Secretary
Age: 48
Home Duties
Experience in sales, direct marketing, team management and law, with McEwans, Victoria Police and Homecare Direct Shopping. President of the 1st Bayswater Scouts since 2006.
Company Secretary
Interests in shares: 501

Robert Frederick Scott
Director
Age: 72
Retired
Aircraft Maintenance Engineer.
Served with the Royal Australian Air Force within Australia and overseas for 23 years.
Joined Defence Quality Assurance - Air Force as a Senior Technical Officer Engineering for a further 20 years.
Current Treasurer and founding Member of Knox 1 Neighbourhood Watch Group.
Former Scout Leader of 1st Studfield Scout Group.
Past President of the Probus Club of Boronia (Mens).
Member of the Maritime Squadron Association.
Member of the Premises sub committee.
Interests in shares: 7,501

Rowland Skipsey Ward
Director
Age: 63
Presbyterian Minister
Formerly a Senior Account Executive with an international insurance broker, studied for the ministry in Edinburgh and was ordained in 1976. In 1987 established Knox Presbyterian Church in Wantirna. Holds a doctorate in history from the Australian College of Theology and has authored a number of books. Previously chaired the Allocations and Investments Committee of the Presbyterian Ladies' College Foundation Ltd, chair of Ramabai Mukti Mission Australia Inc. (supporting women and children in India) and has chaired the Superannuation Committee of his denomination since 1978.
Member of the Finance/Audit and Human Resources sub-committees.
Interests in shares: 1,000

Gary Tor
Director
Age: 55
Home Carer
Holds a Bachelor of Economics majoring in Economic Statistics. Vast experience in retailing and marketing and has worked for a major global bank in mortgage lending.
Member of the Business Development, Marketing & Sponsorship sub committee.
Interests in shares: 2,001

John Katselas
Director
Age: 50
Licenced Estate Agent
Involved in general Property Sales and Property Management with 22 years experience.
Member of the Human Resources sub committee.
Interests in shares: 1,000

Julianne Mary Spithall
Director (Resigned 31 March 2009)
Age: 54
Administrator
A banking background with experience at both branch and head office level.
Member of the Business Development, Marketing & Sponsorship subcommittee.
Interests in shares: 501

Franciscus Antonius Kruize
Director
Age: 57
Architect
Holds a Bachelor of Planning and Design and a Bachelor of Architecture. 30 years of experience in banking, architecture and general management.
Currently self-employed as a practicing architect providing consulting services to a major multinational corporation.
Interests in shares: 5,000

Directors (continued)

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 Judy Bizzard. Judy was appointed to the position of Secretary on 23 January 2006. Judy has experience in sales, direct marketing, team management and law, with McEwans, Victoria Police and Homecare Direct Shopping.

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 and Adelaide Bank Ltd.

There has been no significant changes in the nature of these activities during the year.

Operating results

The recent global financial crisis has adversely impacted the stability of the international financial system. The current global financial crisis presents a challenge for all financial institutions, including Bendigo and Adelaide Bank Ltd and in turn Wantirna Community Financial Services Limited. The duration and extent of the global financial crisis is still largely unknown and continuation of these conditions could adversely affect the ongoing financial performance or financial condition of the Company's business as a franchisee of a **Community Bank®** branch.

The loss of the Company for the financial year after provision for income tax was:

Year ended 30 June 2009 $	Year ended 30 June 2008 $
(46,763)	(78,255)

Remuneration report

During the 2009 year the Board resolved that remuneration was to be paid Thomas Adrian Spiesser for services performed in his role as Treasuer. Thomas was paid a total of $7,200 (2008: $ -) during the financial year for these services.

No other Director receives remuneration for services as a Company Director or Committee Member.

There are no employees who are directly accountable and have responsibility for the strategic direction and operational management of the entity.

There are therefore no specified Executives whose remuneration requires disclosure.

Remuneration report (continued)

The Branch Manager commenced employment on 1 August 2006. He is employed by Bendigo and Adelaide Bank Ltd, with his services seconded to Wantirna Community Financial Services Limited. He is employed on a contract which is in line with the standard remuneration levels applicable to Bendigo and Adelaide Bank Ltd staff in similar roles.

Dividends

No dividends were declared or paid for the previous year and the Directors recommend that no dividend be paid for the current year.

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.

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 the Manager 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' report continued

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
Garry Harrison Grace	11	11
Thomas Adrian Spiesser	11	11
Judy Ann Blizzard	11	11
Robert Frederick Scott	11	11
Rowland Skipsey Ward	11	9
Gary Tor	11	9
John Katselas	11	9
Franciscus Antonius Kruize	11	9
Julianne Mary Spithall (Resigned 31 March 2009)	7	4

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.

Directors' report continued

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 12.

Signed in accordance with a resolution of the Board of Directors at Wantirna, Victoria on 7 September 2009.

Garry Harrison Grace
Chairman

Thomas Adrian Spiesser
Treasurer

Auditor's independence declaration

AFS
partners in success
Chartered Accountants & Business Advisors

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Lead Auditor's Independence Declaration under section 307C of the Corporations Act 2001 to the directors of Wantirna 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 2009 there have been:

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

David Hutchings
Auditor

Andrew Frewin & Stewart
Bendigo Victoria

Dated this 7th day of September 2009

Liability limited by a scheme approved under Professional Standards Legislation

Financial statements

Income statement
For year ending 30 June 2009

	Note	2009 $	2008 $
Revenues from ordinary activities	3	330,740	259,769
Salaries and employee benefits expense		(225,255)	(216,338)
Charitable donations, sponsorship, advertising & promotion		(13,328)	(4,139)
Occupancy and associated costs		(49,726)	(45,988)
Systems costs		(19,322)	(20,174)
Depreciation and amortisation expense	4	(20,739)	(22,349)
General administration expenses		(70,911)	(63,239)
Loss before income tax credit		**(68,541)**	**(112,458)**
Income tax credit	5	21,778	34,203
Loss for the period		**(46,763)**	**(78,255)**
Loss attributable to members of the entity		**(46,763)**	**(78,255)**
Earnings per share (cents per share)		**¢**	**¢**
- basic for profit for the year	18	(5.07)	(8.49)

The accompanying notes form part of these financial statements.

Balance sheet
As at 30 June 2009

	Note	2009 $	2008 $
Assets			
Current assets			
Cash assets	6	149,236	203,801
Trade and other receivables	7	29,337	20,761
Total current assets		**178,573**	**224,562**
Non-current assets			
Property, plant and equipment	8	234,409	253,144
Intangible assets	9	27,406	29,410
Deferred tax assets	10	146,098	124,320
Total non-current assets		**407,913**	**406,874**
Total assets		**586,486**	**631,436**
Liabilities			
Current liabilities			
Trade and other payables	11	8,400	9,028
Provisions	12	10,869	10,140
Total current liabilities		**19,269**	**19,168**
Non-current liabilities			
Provisions	12	3,297	1,585
Total non-current liabilities		**3,297**	**1,585**
Total liabilities		**22,566**	**20,753**
Net assets		**563,920**	**610,683**
Equity			
Contributed equity	13	891,225	891,225
Accumulated losses	14	(327,305)	(280,542)
Total equity		**563,920**	**610,683**

The accompanying notes form part of these financial statements.

Statement of cash flows
As at 30 June 2009

	Note	2009 $	2008 $
Cash flows from operating activities			
Receipts from customers		367,820	276,963
Payments to suppliers and employees		(434,584)	(386,999)
Interest received		12,199	17,253
Net cash used in operating activities	**15**	**(54,565)**	**(92,783)**
Cash flows from investing activities			
Payments for property plant and equipment		-	(5,645)
Net cash used in investing activities		**-**	**(5,645)**
Net decrease in cash held		**(54,565)**	**(98,428)**
Cash at the beginning of the financial year		203,801	302,229
Cash at the end of the financial year	**6(a)**	**149,236**	**203,801**

The accompanying notes form part of these financial statements.

Statement of changes in equity
As at 30 June 2009

	Note	2009 $	2008 $
Total equity at the beginning of the period		610,683	688,938
Net loss for the period		(46,763)	(78,255)
Net income/expense recognised directly in equity		-	-
Total profit/(loss) recognised by the entity		**563,920**	**610,683**
Dividends provided for or paid		-	-
shares issued during period		-	-
Costs of issuing shares		-	-
Total equity at the end of the period		**563,920**	**610,683**

The accompanying notes form part of these financial statements.

Notes to the financial statements

For year ending 30 June 2009

Note 1. Summary of significant accounting policies

Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (including the Australian Accounting 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

Note 1. Summary of significant accounting policies (continued)

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired branch/agency at the date of acquisition. Goodwill on acquisition is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units represents the Company's investment in each branch.

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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

<u>Estimated impairment of goodwill</u>

The Company tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 1(above). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions.

Impairment of assets

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets that have an indefinite useful life to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. Goodwill is tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

Recoverable amount is the higher 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 for which the estimates of future cash flows have not been adjusted.

Note 1. Summary of significant accounting policies (continued)

Impairment of assets (continued)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

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.

Financial instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Notes to the financial statements continued

Note 1. Summary of significant accounting policies (continued)

Financial instruments (continued)

Classification and subsequent measurement

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the entity are classified as finance leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Note 1. Summary of significant accounting policies (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 of 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.

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 and Adelaide Bank Ltd.

Note 2. Financial risk management (continued)

(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 and Adelaide Bank Ltd mitigates this risk significantly.

(v) Cash flow and fair value interest rate risk

Interest-bearing assets are held with Bendigo and Adelaide Bank Ltd 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 and Adelaide Bank Ltd mitigates this risk significantly.

(vi) 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 Balance Sheet.

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 2009 can be seen in the Income Statement.

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

Notes to the financial statements continued

	2009 $	2008 $

Note 3. Revenue from ordinary activities

Operating activities:		
- services commissions	321,154	245,940
Total revenue from operating activities	**321,154**	**245,940**
Non-operating activities:		
- interest received	9,586	13,829
Total revenue from non-operating activities	**9,586**	**13,829**
Total revenues from ordinary activities	**330,740**	**259,769**

Note 4. Expenses

Depreciation of non-current assets:		
- plant and equipment	9,479	11,156
- leasehold improvements	9,256	9,189
Amortisation of non-current assets:		
- franchise agreement	2,004	2,004
	20,739	**22,349**
Bad debts	**699**	**532**

Note 5. Income tax expense

The components of tax expense comprise:		
- Current tax	-	-
- Deferred tax on provisions	839	2,917
- Recoupment of prior year tax losses	-	-
- Future income tax benefit attributable to losses	20,939	31,286
	21,778	**34,203**
The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Operating loss	(68,541)	(112,458)
Prima facie tax on profit/(loss) from ordinary activities at 30%	(20,562)	(33,737)

Notes to the financial statements continued

	Note	2009 $	2008 $
Note 5. Income tax expense (continued)			
Add tax effect of:			
- non-deductible expenses		601	601
- timing difference		839	3,667
- blackhole expenses		(1,817)	(1,817)
Current tax		(20,939)	(31,286)
Movement in deferred tax	10	(839)	(2,917)
		(21,778)	**(34,203)**

Note 6. Cash assets

		2009 $	2008 $
Cash at bank and on hand		14,236	10,842
Term deposits		135,000	192,959
		149,236	**203,801**

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

		2009 $	2008 $
6(a) Reconciliation of cash			
Cash at bank and on hand		14,236	10,842
Term deposits		135,000	192,959
		149,236	**203,801**

Note 7. Trade and other receivables

		2009 $	2008 $
Trade receivables		22,287	16,003
Prepayments		5,845	941
Accrued income		1,204	3,817
		29,337	**20,761**

Notes to the financial statements continued

	2009 $	2008 $

Note 8. Property, plant and equipment

	2009 $	2008 $
Plant and equipment		
At cost	85,398	85,398
Less accumulated depreciation	(29,469)	(19,990)
	55,929	**65,408**
Leasehold improvements		
At cost	204,030	204,030
Less accumulated depreciation	(25,550)	(16,294)
	178,480	**187,736**
Total written down amount	**234,409**	**253,144**
Movements in carrying amounts:		
Plant and equipment		
Carrying amount at beginning	65,408	76,564
Additions	-	-
Less: depreciation expense	(9,478)	(11,156)
Carrying amount at end	**55,930**	**65,408**
Leasehold improvements		
Carrying amount at beginning	187,736	191,280
Additions	-	5,645
Less: depreciation expense	(9,257)	(9,189)
Carrying amount at end	**178,479**	**187,736**
Total written down amount	**234,409**	**253,144**

Note 9. Intangible assets

	2009 $	2008 $
Franchise fee		
At cost	10,000	10,000
Less: accumulated amortisation	(5,594)	(3,590)
Goodwill	23,000	23,000
	27,406	**29,410**

Notes to the financial statements continued

	2009 $	2008 $

Note 10. Deferred tax

Deferred tax asset		
Opening balance	124,320	90,117
Future income tax benefits attributable to losses	20,939	31,286
Recoupment of prior year tax losses	-	-
Deferred tax on provisions	839	2,917
Closing balance	**146,098**	**124,320**

Note 11. Trade and other payables

Trade creditors	5,100	6,028
Other creditors & accruals	3,300	3,000
	8,400	**9,028**

Note 12. Provisions

Current:		
Employee benefits	**10,869**	**10,140**
Non-current:		
Employee benefits	**3,297**	**1,585**
Number of employees at year end	**4**	**4**

Note 13. Contributed equity

921,509 Ordinary shares fully paid of $1 each (2007: 921,509)	921,509	921,509
Less: equity raising expenses	(30,284)	(30,284)
	891,225	**891,225**

Rights attached to shares

(a) Voting rights

Subject to some limited exceptions, each shareholder has the right to vote at a general meeting.

On a show of hands or a poll, each shareholder attending the meeting (whether they are attending the meeting in person or by attorney, corporate representative or proxy) has one vote, regardless of the number of shares held. However, where a person attends a meeting in person and is entitled to vote in

Note 13. Contributed equity (continued)

Rights attached to shares (continued)

more than one capacity (for example, the person is a shareholder and has also been appointed as proxy for another shareholder) that person may only exercise one vote on a show of hands. On a poll, that person may exercise one vote as a shareholder and one vote for each other shareholder that person represents as duly appointed attorney, corporate representative or proxy.

The purpose of giving each shareholder only one vote, regardless of the number of shares held, is to reflect the nature of the Company as a community based Company, by providing that all shareholders of the community who have contributed to the establishment and ongoing operation of the **Community Bank®** branch have the same ability to influence the operation of the Company.

(b) Dividends

Generally, dividends are payable to shareholders in proportion to the amount of the share capital paid up on the shares held by them, subject to any special rights and restrictions for the time being attaching to shares. The Franchise Agreement with Bendigo and Adelaide Bank Ltd contains a limit on the level of profits or funds that may be distributed to shareholders. There is also a restriction on the payment of dividends to certain shareholders if they have a prohibited shareholding interest (see below).

(c) Transfer

Generally, ordinary shares are freely transferable. However, the Directors have a discretion to refuse to register a transfer of shares.

Subject to the foregoing, shareholders may transfer shares by a proper transfer effected in accordance with the Company's constitution and the Corporations Act.

Prohibited shareholding interest

A person must not have a prohibited shareholding interest in the Company.

In summary, a person has a prohibited shareholding interest if any of the following applies:

- They control or own 10% or more of the shares in the Company (the "10% limit").
- In the opinion of the Board they do not have a close connection to the community or communities in which the Company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the Company to that person the number of shareholders in the Company is (or would be) lower than the base number (the "base number test"). The base number is 294. As at the date of this report, the Company had 317 shareholders.

As with voting rights, the purpose of this prohibited shareholding provision is to reflect the community-based nature of the Company.

Where a person has a prohibited shareholding interest, the voting and dividend rights attaching to the shares in which the person (and his or her associates) have a prohibited shareholding interest, are suspended.

Note 13. Contributed equity (continued)

Prohibited shareholding interest (continued)

The Board has the power to request information from a person who has (or is suspected by the Board of having) a legal or beneficial interest in any shares in the Company or any voting power in the Company, for the purpose of determining whether a person has a prohibited shareholding interest. If the Board becomes aware that a shareholder has a prohibited shareholding interest, it must serve a notice requiring the shareholder (or the shareholder's associate) to dispose of the number of shares the Board considers necessary to remedy the breach. If a person fails to comply with such a notice within a specified period (that must be between three and six months), the Board is authorised to sell the specified shares on behalf of that person. The holder will be entitled to the consideration from the sale of the shares, less any expenses incurred by the Board in selling or otherwise dealing with those shares.

The Bendigo Stock Exchance (BSX) has advised that in its view the prohibited shareholding provisions are appropriate and equitable but the 'base number test' is not as a result the base number clause does not operate whilst the Company remains listed on the BSX.

In the Constitution, shareholders acknowledge and recognise that the exercise of the powers given to the Board may cause considerable disadvantage to individual shareholders, but that such a result may be necessary to enforce the prohibition.

	2009 $	**2008 $**

Note 14. Accumulated losses

Balance at the beginning of the financial year	(280,542)	(202,287)
Net loss from ordinary activities after income tax	(46,763)	(78,255)
Balance at the end of the financial year	**(327,305)**	**(280,542)**

Note 15. Statement of cash flows

Reconciliation of loss from ordinary activities after tax to net cash used in operating activities

Loss from ordinary activities after income tax	(46,763)	(78,255)
Non cash items:		
- depreciation	18,735	20,345
- amortisation	2,004	2,004

Notes to the financial statements continued

	2009 $	2008 $
Note 15. Statement of cash flows (continued)		
Changes in assets and liabilities:		
- (increase)/decrease in receivables	(8,576)	(5,737)
- (increase)/decrease in other assets	(21,778)	(34,203)
- increase/(decrease) in payables	(628)	(1,872)
-increase/(decrease) in provisions	2,441	4,935
Net cash flows used in operating activities	**(54,565)**	**(92,783)**

Note 16. Auditors' remuneration

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

- audit & review services	4,200	4,000
- non audit services	2,030	1,832
	6,230	**5,832**

Note 17. Director and related party disclosures

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

Garry Harrison Grace

Thomas Adrian Spiesser

Judy Ann Blizzard

Robert Frederick Scott

Rowland Skipsey Ward

Gary Tor

John Katselas

Franciscus Antonius Kruize

Julianne Mary Spithall (Resigned 31 March 2009)

No Director or related entity has entered into a material contract with the Company. No Directors' fees have been paid as the positions are held on a voluntary basis. Thomas Adrian Spriesser received remuneration for his duties as Treasurer.

Note 17. Director and related party disclosures (continued)

Directors' shareholdings	2009	2008
Garry Harrison Grace	20,002	20,002
Thomas Adrian Spiesser	501	501
Judy Ann Blizzard	501	501
Robert Frederick Scott	7,501	7,501
Rowland Skipsey Ward	1,000	1,000
Gary Tor	2,001	2,001
John Katselas	1,000	1,000
Franciscus Antonius Kruize	5,000	5,000
Julianne Mary Spithall (Resigned 31 March 2009)	501	501

Note 18. Earnings per share

	2009 $	2008 $
(a) Profit attributable to the ordinary equity holders of the Company used in calculating earnings per share	(46,763)	(78,255)

	2009 Number	2008 Number
(b) Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	921,509	921,509

Note 19. 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 20. 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 21. Segment reporting

The economic entity operates in the service sector where it facilitates **Community Bank®** services pursuant to a franchise agreement with Bendigo and Adelaide Bank Ltd. The economic entity operates in one geographic area being the Melbourne suburb of Wantirna, Victoria.

Note 22. Registered office/principal place of business

The registered office and principal place of business is:

Registered office	**Principal place of business**
Suite 30,	Shop 5 - 6 Wantirna Mall,
348 Mountain Highway,	348 Mountain Highway,
Wantirna VIC 3152	Wantirna VIC 3152

Note 23. 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 23. Financial instruments (continued)

Interest rate risk

Financial instrument	Floating interest rate		Fixed interest rate maturing in: 1 year or less		Over 1 to 5 years		Over 5 years		Non interest bearing		Weighted average effective interest rate	
	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 %	2008 %
Financial assets												
Cash assets	13,931	10,537	-	-	-	-	-	-	305	305	0.05	0.05
Investment account	-	-	135,000	192,959	-	-	-	-	-	-	5.75	7.70
Receivables	-	-	-	-	-	-	-	-	29,337	20,761	N/A	N/A
Financial liabilities												
Payables	-	-	-	-	-	-	-	-	8,400	9,028	N/A	N/A

Directors' declaration

In accordance with a resolution of the Directors of Wantirna 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 2009 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.

Garry Harrison Grace	**Thomas Adrian Spiesser**
Chairman	**Treasurer**

Signed on 7 September 2009.

Independent audit report

AFS partners in success
Chartered Accountants & Business Advisors

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INDEPENDENT AUDITOR'S REPORT

To the members of Wantirna Community Financial Services Limited

We have audited the accompanying financial statements of Wantirna Community Financial Services Limited, which comprise the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The Directors of the company 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 in accordance with the Accounting Standard AASB 101 Presentation of Financial Statements that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

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.

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.

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 directors' 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 on the Financial Report

In our opinion:

1) The financial report of Wantirna Community Financial Services Limited is in accordance with the Corporations Act 2001 including

   (a) giving a true and fair view of the company's financial position as at 30 June 2009 and of its financial performance and its cash flows for the year then ended and;
   (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001 and;

2) The financial statements and notes also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Wantirna Community Financial Services Limited for the year ended 30 June 2009, complies with section 300A if the Corporations Act 2001.

DAVID HUTCHINGS

ANDREW FREWIN & STEWART
61-65 Bull Street Bendigo 3550

Dated this day 7th of September 2009

BSX report

Share information

In accordance with Bendigo Stock Exchange listing rules the Company provides the following information as at 30 September 2009, which is within 6 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	186
1,001 to 5,000	101
5,001 to 10,000	24
10,001 to 100,000	6
100,001 and over	0
Total shareholders	**317**

Each of the above shareholders are entitled to 1 vote, irrespective of the number of shares held.

There are no substantial shareholders (holding more than 5% of voting rights) as each shareholder is entitled to 1 vote. Normally holding more than 5% of total issued shares would create a substantial shareholder, but this is not applicable due to the voting restrictions for the Company.

There are 4 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
Adrian Clarke Barclay	75,000	8.13%
Neil G Jebb	50,000	5.42%
Margaret Anne Morgan	50,000	5.42%
Trover Investments Pty Ltd	35,000	3.79%
Dundas River Pty Ltd	20,000	2.17%
Brian M & Susan Williams	20,000	2.17%
A&C Spina Corporation Pty Ltd	10,000	1.08%
Adonica Pty Ltd	10,000	1.08%
David Wilkinson Group Pty Ltd	10,000	1.08%
Dr Roger Churchward	10,000	1.08%
	290,000	**31.42%**

Registered office and principal administrative office

The registered office of the Company is located at:
Suite 30 348 Mountain Highway,
Wantirna VIC 3152
Phone: (03) 9720 2922

The principal administrative office of the Company is located at:
Shops 5-6 Wantirna Mall,
348 Mountain Highway,
Wantirna VIC 3152
Phone: (03) 9720 4122

Security register

The security register (share register) is kept at:
AFS & Associates
61-65 Bull Street,
Bendigo VIC 3550
Phone (03) 5443 0344

Other information

Please refer to the Directors report, within the annual report, for details of the Company Secretary and main corporate governance practices of the entity.

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.

Wantirna **Community Bank®** Branch
Shops 5-6, Wantirna Mall,
348 Mountain Highway, Wantirna VIC 3152
Phone: (03) 9720 4122

Franchisee: Wantirna Community Financial Services Limited
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ABN: 43 118 000 230

www.bendigobank.com.au
Bendigo and Adelaide Bank Limited,
The Bendigo Centre, Bendigo VIC 3550
ABN 11 068 049 178. AFSL 237879. (BMPAR9091) (10/09)

Bendigo Bank