



annual report **2012**

West Beach & Districts
Community Financial Services Limited
ACN 094 486 727

**West Beach & Districts
Community Financial Services Ltd**

A.C.N. 094 486 727

Financial Statements

For the Year Ended 30th June 2012

Prepared by: Glenn and Herriot Pty Ltd Accountants

West Beach & Districts Community Financial Services Limited
Financial Statements
For the Year Ended 30th June 2012

Contents Page

Directors' Report	3
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Cash Flows	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10
Directors Declaration	23

West Beach & Districts Community Financial Services Limited
Directors' Report
For the Year Ended 30th June 2012

The Directors submit their report of West Beach and Districts Community Financial Services Limited (hereinafter referred as 'the Company') for the year ended 30th June 2012.

Directors	Peter Bardadyn	Chairman
	Andrew Farran	Deputy Chairman
	Paul Glover	Treasurer
	Jenny Bruce	Company Secretary
	Rodney Beames	
	Ian Butterfield	
	Tony Delo	
	Athanasios Economos	
	Stephen Marks	
	Joan Mutton	
	Terence McClean	
	Erica Thomas	Appointed September 2011

Principal Activities

The principal activities of the Company during the course of the financial period were in providing **Community Bank®** services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

Review and Results of Operations

Operations have continued to perform in line with expectations. The profit / (loss) after income tax expense for the Company for the full year was \$165,911 (Full Year 2011: \$168,621).

Financial Position

The net assets of the Company have increased by \$70,811 from \$488,577 in 2011 to \$559,388 in 2012. The increase is largely due to improved operating performance of the Company.

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 period under review not otherwise disclosed in this report.

Matters Subsequent to the End of the Reporting Period

Since balance date, the world financial markets have shown volatility that may have an impact on investment earnings in the 2012/2013 financial year. The Company continues to maintain a conservative investment strategy to manage the exposure to market volatility.

There are no other 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.

Future Developments

The Company will continue its policy of providing banking services to the community.

Environmental Issues

The Company is not subject to any significant environmental regulation.

West Beach & Districts Community Financial Services Limited
Directors' Report
For the Year Ended 30th June 2012

Proceedings on Behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not party to any proceedings during the year.

Indemnifying Officers or Auditor

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 incurred by the Officer, which includes the Officer's 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.

Directors' Meetings

The number of Directors' meetings attended during the year were: 12

Director	Board Meeting	Audit Committee Meeting
Peter Bardadyn	10 (12)	1 (1)
Andrew Farran	12 (12)	1 (1)
Paul Glover	8 (12)	1 (1)
Jenny Bruce	5 (12)	1 (1)
Rodney Beames	12 (12)	1 (1)
Ian Butterfield	10 (12)	N/A
Tony Delo	10 (12)	N/A
Athanasios Economos	10 (12)	N/A
Terence McClean	11 (12)	N/A
Stephen Marks	8 (12)	N/A
Joan Mutton	10 (12)	N/A
Erica Thomas	7 (10)	N/A

(#) Number of meetings attended compared to number of meetings eligible to attend. N/A not a member

Company Secretary

Jenny Bruce has been Company Secretary of West Beach and Districts Community Financial Services Limited since 2010 and assists with the implementation of corporate governance and all reporting requirements.

Corporate Governance

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

- (a) The establishment of an Audit Committee.
- (b) Director approval of operating budgets and monitoring of progress against these budgets;
- (c) Ongoing Director training; and
- (d) Monthly Director meetings to discuss performance and strategic plans.

**West Beach & Districts Community Financial Services Limited
Directors' Report
For the Year Ended 30th June 2012**

Non Audit Services

The Directors in accordance with advice from the Audit Committee, are satisfied that the provision of non audit services during the year is compatible with the general standard of independence for Auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed in Note 5 did not compromise the external Auditor's independence for the following reasons:

- all non audit services are reviewed and approved by the Audit Committee prior to commencement to ensure they do not adversely affect integrity and objectivity of the Auditor; and
- the nature of the services provided does not compromise the general principles relating to Auditor independence in accordance with APES 110 "Code of Ethics for Professional Accountants" set by the Accounting Professional and Ethical Standards Board.

Auditor Independence Declaration (Section 307C of the Corporations Act 2001)

The Directors received the following declaration from the Auditor of the Company, to the best of their knowledge and belief, during the year ended 30 June 2012 there have been:

- (i) no contraventions of the Auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the Audit.

Richard George Freer, Freer Parker, Adelaide

Dated:

Signed in accordance with a resolution of the Board of Directors on 27th day in August 2012.

Peter Bardadyn, Chairman

Dated:

West Beach & Districts Community Financial Services Limited
Statement of Comprehensive Income
For the Year Ended 30th June 2012

	Notes	Full Year Jun-12	Full Year Jun-11
Revenue	2	1,072,622	1,007,310
Finance Costs	3	2,247	3,811
Property and Equipment	3	19,862	20,366
Employment Expense	3	395,071	375,693
Other		<u>257,950</u>	<u>201,773</u>
Operating Profit/(Loss) Before Charitable Donations & Sponsorships		397,492	405,667
Charitable Donations and Sponsorships		<u>164,523</u>	<u>163,785</u>
Profit/(Loss) Before Income Tax Expense		232,969	241,882
Income Tax Expense / (Benefit)	4	<u>67,058</u>	<u>73,260</u>
Net Profit/(Loss) for the Year		165,911	168,622
Other Comprehensive Income		<u>-</u>	<u>-</u>
Total Comprehensive Income for the Year		<u><u>165,911</u></u>	<u><u>168,622</u></u>

West Beach & Districts Community Financial Services Limited
Statement of Financial Position
For the Year Ended 30th June 2012

	Notes	Full Year Jun-12	Full Year Jun-11
Assets			
Current Assets			
Cash and Cash Equivalent Assets	6	445,700	374,481
Prepayments		5,249	1,501
Receivables	7	<u>89,028</u>	<u>86,252</u>
		539,977	462,234
Non Current Assets			
Property, Plant & Equipment	8	70,733	80,975
Deferred Tax Assets	4	18,761	21,291
Intangible Assets	9	<u>38,209</u>	<u>48,717</u>
		127,703	150,983
Total Assets		667,680	613,217
Liabilities			
Current Liabilities			
Payables	10	13,112	13,859
Borrowings	11	5,196	4,811
Provisions	12	67,911	79,824
Deferred Tax Liability	4	<u>1,575</u>	<u>451</u>
		87,794	98,945
Non Current Liabilities			
Borrowings	11	<u>20,498</u>	<u>25,694</u>
		20,498	25,694
Total Liabilities		108,292	124,640
Net Assets/(Liabilities)		<u><u>559,388</u></u>	<u><u>488,577</u></u>
Equity			
Issued Capital	13	475,500	475,500
Retained Earnings / Accumulated Profit/(Loss)	14	83,888	13,077
Total Equity		<u><u>559,388</u></u>	<u><u>488,577</u></u>

West Beach & Districts Community Financial Services Limited
Statement of Cash Flows
For the Year Ended 30th June 2012

	Notes	Full Year Jun-12	Full Year Jun-11
Cash Flow from Operating Activities			
Cash Receipts in the Course of Operations		1,150,925	1,077,345
Cash Payments in the Course of Operations		(922,690)	(766,129)
Borrowing Costs		(6,993)	(47,256)
Income Tax Paid		(66,987)	(95,972)
Interest Paid		(2,194)	(2,633)
Interest Received		<u>23,808</u>	<u>19,441</u>
Net Cash Flows from Operating Activities	15 b	<u>175,869</u>	<u>184,796</u>
Cash Flow from Investing Activities			
Franchise Fee		-	(57,118)
Borrowing Expense		-	(539)
Payments for Property, Plant and Equipment		<u>(9,549)</u>	<u>(30,278)</u>
Net Cash Flow from Investing Activities		<u>(9,549)</u>	<u>(87,935)</u>
Cash Flow from Financing Activities			
Proceeds from Borrowings		-	-
Dividend Paid		<u>(95,100)</u>	<u>(95,100)</u>
Net Cash Flow from Financing Activities		<u>(95,100)</u>	<u>(95,100)</u>
Net Increase/(Decrease) in Cash Held		71,219	1,761
Cash and Cash Equipments at Start of the Year		<u>374,481</u>	<u>372,720</u>
Cash and Cash Equivalentents at End of the Year	15 a	<u><u>445,700</u></u>	<u><u>374,481</u></u>

West Beach & Districts Community Financial Services Limited
Statement of Changes in Equity
For the Year Ended 30th June 2012

	Notes	Full Year Jun-12	Full Year Jun-11
Issued Capital		-	-
Balance at Start of the Year		475,500	475,500
Issue of Share Capital		-	-
Share Issue Costs		-	-
Balance at End of the Year		<u>475,500</u>	<u>475,500</u>
Retained Earnings/(Accumulated Losses)			
Balance at Start of the Year		13,077	(60,445)
Net Profit/(Loss) for the Year		165,911	168,622
Dividends Paid		(95,100)	(95,100)
Balance at End of the Year		<u>83,888</u>	<u>13,077</u>
Total Equity		<u>559,388</u>	<u>488,577</u>

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

West Beach and Districts Community Financial Services Limited ('the Company') is domiciled in Australia. The Financial Statements for the year ended 30 June 2012 are presented in Australian dollars. The Company was incorporated in Australia and the principal operations involve providing community banking services.

The Financial Statements are general purpose financial statements, that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Company is a for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in preparation of these financial statements are presented below and have been consistently applied unless stated.

The Financial Statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement of fair value of selected non current assets, financial assets and financial liabilities.

The Financial Statements require judgments, estimates and assumptions to be made that affect the application of accounting policies. Actual results may differ from these estimates.

The Financial Statements were authorised for issue by the Directors on 27th August 2012.

(b) 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 un-used 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 un-used tax assets and un-used 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.

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

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

(c) 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:

<i>Class of asset</i>	Buildings	Plant and Equipment
<i>Depreciation rates</i>	2.50%	15-30%

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 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.

(d) Impairment 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.

(e) 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.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of 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.

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

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

(f) 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.

(g) Intangibles

Establishment costs are recorded at cost and amortised on a straight line basis at a rate of 20% per annum.

(h) Cash

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

(i) Revenue

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

(j) 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.

(k) New Accounting Standards for Application in Future Periods

Australian Accounting Standards that have been recently issued or amended but not yet effective have not been adopted in the preparation of these financial statements. These changes have been assessed by Directors and determined they will not have a material impact on the Company's financial statements.

(l) Loans and Borrowings

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

(m) 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.

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

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

(n) 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.

(o) Comparative Figures

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

(p) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. Estimates and judgments are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The estimates and judgments that have a significant risk of causing material adjustments to the carrying values of assets and liabilities are as follows:

Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation changes for its property, plant and equipment and intangible assets. The depreciation and amortisation charge will increase where useful lives are less than previously estimated lives.

Income tax

The Company is subject to income tax. Significant judgment is required in determining the provision for income tax.

Impairment

The Company assesses impairment at the end of each reporting period by calculating conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate various key assumptions.

(q) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to the profit or loss immediately.

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

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

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method or cost.

Fair value represents the amount for which an asset would be exchanged or a liability settled, between knowledgeable willing parties. Where available quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are applied to determine the fair value.

Amortised costs is calculated as the amount which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

(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.

(ii) Financial liabilities

Non derivative financial liabilities are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset is deemed impaired if and only if, there is objective evidence of impairment as a result of one or more events (a loss event) having occurred, which has an impact on the estimated future cash flows of the financial asset. In the case of financial assets carried at amortised cost, loss events may include indications that the debtor are experiencing significant financial difficulty or changes in economic conditions.

2. Revenue	2012	2011
	\$	\$
Revenue from Continuing Activities		
- Commission Received	198,201	209,774
- Fee Income	97,458	94,129
- Franchise Margin Income	703,155	633,966
- Market Development Income	50,000	50,000
- Other Revenue	-	-
	<u>1,048,814</u>	<u>987,869</u>
Other Revenue		
- Interest Received	23,808	19,441
- Other Revenue	-	-
	<u>23,808</u>	<u>19,441</u>
	<u>1,072,622</u>	<u>1,007,310</u>

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

3. Expenses	2012	2011
	\$	\$
Employee Benefits Eexpense		
- Wages and Salaries	365,092	328,298
- Superannuation Costs	31,304	29,238
- Other Costs	(1,325)	18,157
	<u>395,071</u>	<u>375,693</u>
Depreciation of Non Current Assets:		
- Plant and Equipment	19,862	20,366
- Buildings Depreciation	-	-
Amortisation of Non-Current Assets:		
- Intangibles Assets	10,724	10,724
Disposal Gain/Loss on Property and Equipment	-	649
	<u>30,586</u>	<u>31,739</u>
Finance Costs:		
- Interest Paid	2,194	2,633
- Bad Debts	53	1,178
	<u>2,247</u>	<u>3,811</u>
4. Income Tax Expense		
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%	232,969	241,882
Add tax effect of:		
- Non-deductible expenses	(9,442)	6,120
- Prior year tax losses not previously brought to account	-	-
- Future income tax benefit not brought to account	-	(3,800)
<i>Current income tax expense</i>	<u>223,527</u>	<u>244,202</u>
Income Tax Expense / Benefit	<u>67,058</u>	<u>73,260</u>
Deferred Tax Assets		
Future income tax benefits arising from timing differences reporting date as realisation of the benefit is regarded as probable.	18,761	21,291
	- 1,575	- 451
	<u>17,186</u>	<u>20,841</u>
5. Auditors' Remuneration		
Remuneration of the Auditor for:		
- Audit or review of the financial report	6,030	5,730
	<u>6,030</u>	<u>5,730</u>

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

	2012	2011
	\$	\$
6. Cash and Cash Equivalents		
<i>Cash at Bank and on Hand</i>		
- Bendigo Bank Trust Account	1,190	500
- Bendigo Bank Cheque Account	39,226	22,825
- Bendigo Bank Cash Management Account	105,000	50,000
- Bendigo Bank Term Deposit	300,000	300,000
- Bendigo Bank Piggybank Account	84	956
- Petty Cash Float	200	200
	<u>445,700</u>	<u>374,481</u>
7. Receivables		
Trade Debtors	89,028	86,252
Other Assets	-	-
	<u>89,028</u>	<u>86,252</u>
8. Property, Plant and Equipment		
<i>Plant and Equipment</i>		
Carrying amount at beginning of year	80,975	70,986
Additions	9,620	43,733
Disposals	-	(13,378)
Depreciation Expense	(19,862)	(20,366)
Carrying amount at end of year	<u>70,733</u>	<u>80,975</u>
9. Intangible Assets		
Franchise Fee	51,925	51,925
Less Accumulated Amortisation	(14,017)	(3,632)
Borrowing Costs	1,020	1,020
Less Accumulated Amortisation	(719)	(596)
	<u>38,209</u>	<u>48,717</u>
10. Payables		
Trade Creditors	3,096	3,008
Other Creditors and Accruals	-	3,290
GST Payable	10,016	7,561
	<u>13,112</u>	<u>13,859</u>
11. Borrowings		
Current Hire Purchase (Secured)	5,196	4,811
Non-Current Hire Purchase (Secured)	20,498	25,694
	<u>25,694</u>	<u>30,505</u>

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

	Notes	2012 \$	2011 \$
12. Provisions			
<i>Employee Benefits</i>			
- Annual Leave		29,888	32,346
- Long Service Leave		32,650	38,625
Income Tax Provision		5,373	8,853
		<u>67,911</u>	<u>79,824</u>
13. Share Capital			
475,500 Ordinary Shares Fully Paid - \$1 each		<u>475,500</u>	<u>475,500</u>
14. Retained Earnings/(Accumulated Losses)			
Balance at the beginning of the financial year		13,077	(60,444)
Other Appropriations - Dividend Paid		(95,100)	(95,100)
Profit/(loss) after Income Tax		165,911	168,621
Balance at the End of the Financial Year		<u>83,888</u>	<u>13,077</u>
15. Cash Flow Information			
(a) Cash and Cash Equivalents			
Cash Assets	6	445,700	374,481
Bank Overdraft		-	-
		<u>445,700</u>	<u>374,481</u>
(b) Reconciliation of Profit /(Loss) after tax to net cash provided from/(used in) operating activities			
Profit /(Loss) After Income Tax		165,911	168,622
Non Cash Items			
- Depreciation		19,862	21,015
- Amortisation		10,507	10,724
- Interest on Hire Purchase		2,182	2,610
Changes in Assets and Liabilities			
- (Increase) decrease in receivables		(6,524)	(5,676)
- Increase (decrease) in payables		(4,155)	6,275
- Increase (decrease) in provisions		(11,913)	(18,774)
Net cash flows from/(used in) operating activities		<u>175,869</u>	<u>184,796</u>

16. Director and Related Party Disclosures

The names of Directors who have held office during the financial year is as declared in the Directors Declaration on page three (3) with related party disclosures as follows:

Paul Glover	A Director of Glenn and Herriot Pty Ltd, Company appointed Accountant
Jenny Bruce	Employee of Glenn and Herriot Pty Ltd, Company appointed Accountant
Andrew Farran	Owner of Fazz Plumbing, provides repairs and maintenance to Branch as required
Ian Butterfield	Director of Butterfield Services, provides repairs and maintenance to Branch as required
Terence McClean	Part owner of the Burbridge Shopping Centre.

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

16. Director and Related Party Disclosures (continued)

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

The Company rents premises from Burbridge Shopping Centre. Mr. Terence McClean is a part owner.
 Total rent paid to Burbridge Shopping Centre (excl. GST) \$ 35,437
 The Burbridge Shopping Centre also owns 15,000 shares in the Company.

The Company engages the Accounting Services of Glenn & Herriot Pty Ltd.
 One of the directors, Paul Glover is also a director of Glenn & Herriot Pty Ltd.
 Total fees paid to Glenn & Herriot Pty Ltd (excl. GST) \$ 12,000

No Director or related entity has entered into a material contract with the Company.

The position of Company Secretary has received an annual honorarium. \$ 8,000
 No other positions have been paid as the positions are held on a voluntary basis.

Directors' Shareholdings		2012	2011
Peter Bardadyn	Direct	3,500	3,500
Tony Delo	Direct and Indirect	6,000	6,000
Athanasios Economos	Direct and Indirect	5,001	5,001
Andrew Farran	Direct	6,001	6,001
Stephen Marks	Direct and Indirect	46,000	45,000
Joan Mutton	Direct	12,201	12,201
Terence McClean	Direct and Indirect	4,001	4,001
Paul Glover	Direct and Indirect	1,000	1,000

Each share held has a paid up value of \$1 and is fully paid.

17. Events After the Reporting Period

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

18. Contingent Liabilities and Assets

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

19. Operating Segments

The Company operates in the financial services sector where it provides banking services to its client. The Company operates in one geographic area being West Beach, South Australia. The Company has a franchise agreement in place with Bendigo & Adelaide Bank Limited who account for 100% of the revenue (2011: 100%).

20. Corporate Information

West Beach and Districts Community Financial Services Limited is a Company limited by shares incorporated in Australia, whose shares are managed by Share Data Pty Ltd.

The registered office is: 22 Nile Street, PORT ADELAIDE SA 5015
 The principal place of business is: 695B Burbridge Road , WEST BEACH SA 5024

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

21. Earnings Per Share	Notes	2012	2011
		\$	\$
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.		0.3489	0.3546
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:			
Profit/(loss) after income tax expense		<u>165,911</u>	<u>168,622</u>
Weighted average number of ordinary shares for basic and diluted earnings per share		<u>0.3489</u>	<u>0.3546</u>

22. Dividends Paid or Provided for on Ordinary Shares

(a) Dividends proposed and recognised as a liability			
Franked dividends - 0 cents per share (2011: 0 cents)		-	-
(b) Dividends paid during the year			
(i) Current year interim			
Franked dividends - 0 cents per share (2011: 0 cents per share)		-	-
(ii) Previous year final			
Franked dividends - 20 cents per share (2011: 20 cents per share)		95,100	95,100
(c) Dividends proposed and not recognised as a liability			
Franked dividends - 0 cents per share (2011: 0 cents per share)		95,100	95,100
(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		158,681	104,658

The tax rate at which dividends have been franked is 30% (2011: 30%).
Dividends proposed will be franked at a rate of 30% (2011: 30%).

23. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, account receivables and payables, bank overdraft and loans.

The totals for each category of financial instruments measured in accordance with AASB 139 are as follows:

Financial Assets			
Cash & Cash Equivalents	6	445,700	374,481
Receivables	7	<u>89,028</u>	<u>86,252</u>
Total Financial Assets		<u><u>534,728</u></u>	<u><u>460,733</u></u>
Financial Liabilities			
Payables	10	13,112	13,859
Borrowings	11	<u>25,694</u>	<u>30,505</u>
Total Financial Liabilities		<u><u>38,806</u></u>	<u><u>44,364</u></u>

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

Financial risk management policies

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has established an Audit Committee which reports regularly to the Board. The Audit Committee is assisted in the area of risk management by an internal audit function.

Specific financial risk exposure and management

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

There have been no substantive changes in the types of risks the Company is exposed to, how the risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(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	2012	2011
	\$	\$
Cash Assets	450,949	375,981
Receivables	89,028	86,252
	<u>539,977</u>	<u>462,233</u>

(a) Credit Risk Continued

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.

None of the assets of the Company are past due (2011: 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.

In addition, the Company does not have an established overdraft facility with Bendigo and Adelaide Bank Ltd.

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

Financial Liability and Financial Asset Maturity Analysis

		Total	Within 1 year	1 to 5 years	Over 5 years
	\$	\$	\$	\$	\$
30 June 2012					
Payables	13,112	13,112	13,112	-	-
Loans and Borrowings	25,694	27,491	6,993	20,498	-
	<u>38,806</u>	<u>40,603</u>	<u>20,105</u>	<u>20,498</u>	<u>-</u>
30 June 2011					
Payables	13,859	13,859	13,859	-	-
Loans and Borrowings	30,506	32,269	6,993	25,276	-
	<u>44,365</u>	<u>46,128</u>	<u>20,852</u>	<u>25,276</u>	<u>-</u>

There are no material amounts of collateral held as security as at 30 June 2012 and 30 June 2011.

(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.

Sensitivity Analysis

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

	2012	2011
	\$	\$
Fixed Rate Instruments		
Financial Assets	300,000	300,000
Financial Liabilities	25,694	30,506
	<u>325,694</u>	<u>330,506</u>
Floating Rate Instruments		
Financial Assets	145,500	74,281
Financial Liabilities	-	-
	<u>145,500</u>	<u>74,281</u>

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 no impact on profit or retained earnings. For the analysis performed on the same basis as at 30 June 2011 there was also no impact. As at both dates this assumes all other variables remain constant.

The Company is not exposed to any material price risk.

West Beach & Districts Community Financial Services Limited
Notes to the Financial Statements
For the Year Ended 30th June 2012

(d) Price Risk

The Company is not exposed to any material price risk.

Fair Values

The fair values of financial assets and liabilities approximate the carrying values as disclosed in the Statement of Financial Position. Fair value is the amount at which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction. The Company does not have any unrecognised financial instruments at year end.

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 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;
- (ii) the Relevant Rate of Return is equal to the weighted average interest rate 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.

**West Beach & Districts Community Financial Services Limited
Directors Declaration
For the Year Ended 30th June 2012**

In accordance with a resolution of the Directors of West Beach and Districts Community Financial Services Limited, the Directors of the Company declare that:

- 1 the Financial Statements and Notes of the Company as set out on pages 1 to 23 are in accordance with the Corporations Act 2001 and:
 - (i) comply with Australian Accounting Standards, which as stated in accounting policy Note 1(a) to the financial statements constitutes compliance with International Financial Reporting Standards (IFRS); and
 - (ii) give a true and fair view of the Company's financial position as at 30 June 2012 and of the performance for the year ended on that date;

- 2 in the Director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.



Peter Bardadyn
CHAIRMAN



Paul Glover
TREASURER

Signed at the August Board Meeting of Directors, 235b Burbridge Road, Henley Beach SA 5035
On Monday, the 27th day of August 2012.

WEST BEACH & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED

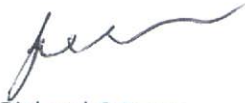
ABN 86 094 486 727

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS
ACT 2001 TO THE DIRECTORS OF
WEST BEACH & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED**

I declare that, to the best of my knowledge and belief, during the period ended 30 June 2012 there have been:-

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Signed at Adelaide this *24* day of September 2012.



Consultant: Richard G Freer
Registered Company Auditor No 5211

C/- Freer Parker & Associates
40 Sturt Street
ADELAIDE SA 5000

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
WEST BEACH & DISTRICTS COMMUNITY FINANCIAL SERVICES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of **West Beach & Districts Community Financial Services Limited**, which comprises the statement of financial position as at 30 June 2012, 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 director's 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 gives a true and fair view and 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 statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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.

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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- a) the financial report of **West Beach & Districts 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 2012 and of its performance for the year ended on that date; and
 - ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.



Consultant: Richard G Freer
Registered Company Auditor No 5211

C/- Freer Parker & Associates
40 Sturt Street
ADELAIDE SA 5000

Dated:  September 2012

Bendigo and Adelaide Bank report

For year ending 30 June 2012

Thanks to your support as shareholders the **Community Bank**[®] network has achieved a significant milestone this year, contributing more than \$80 million to support the communities these unique companies operate within.

This figure was almost unimaginable when the **Community Bank**[®] model was first launched in 1998, in partnership with the people from the small Victorian wheat farming towns of Rupanyup and Minyip. For these communities the **Community Bank**[®] model was seen as a way to restore branch banking services to the towns, after the last of the major banks closed its services. However, in the years since the **Community Bank**[®] model has become so much more.

In the past financial year a further 20 **Community Bank**[®] branches have opened, this growth is in-line with our forecast and consistent with what we have seen in recent years. Demand for the model remains strong and there are currently another 32 **Community Bank**[®] sites in development, with many more conversations happening with communities Australia wide.

At the end of the financial year 2011/12 the **Community Bank**[®] network had achieved the following:

- Returns to community – \$80 million
- **Community Bank**[®] branches – 295
- **Community Bank**[®] branch staff – more than 1,400
- **Community Bank**[®] branch Directors – 1,905
- Volume footings – \$21.75 billion
- Customers – 500,000
- Shareholders – 71,197
- Dividends paid to shareholders – \$28.8 million

Almost 300 communities have now partnered with Bendigo and Adelaide Bank, so they can not only enhance banking services, but more importantly aggregate the profits their banking business generates and reinvest it in local groups and projects that will ultimately strengthen their community.

In the past 14 years we have witnessed the **Community Bank**[®] network's returns to communities grow exponentially each year, with \$470,000 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.

Today that figure is an astonishing \$80 million and with the continued growth and popularity of the **Community Bank**[®] model, returns should top \$100 million by the end of 2013. These dollars add up to new community facilities, improved services, more opportunities for community engagement activities and generally speaking, a more prosperous society.

The communities we partner with also have access to Bendigo and Adelaide Bank's extensive range of other community building solutions including Community Enterprise Foundation™ (philanthropic arm), Community Sector Banking (banking service for not-for-profit organisations), Generation Green™ (environment and sustainability initiative), Community Telco (telecommunications solution), sponsorships, scholarships and Community Enterprises that provide **Community Bank**[®] companies with further development options.

In Bendigo and Adelaide Bank, your **Community Bank**[®] company has a committed and strong partner and over the last financial year our company has also seen much success.

Bendigo and Adelaide Bank report (continued)

Last December, our Bank joined the ranks of Australia's A-rated banks following an upgrade announced by Standard & Poor's. Its decision to raise our long-term rating from BBB+ to A- means the Bank (and its **Community Bank**[®] partners) are now rated 'A' by all three of the world's leading credit rating agencies. This is a huge boost to the Bank and will allow us to access new funding opportunities. It will also enable our group to service supporters who were precluded from banking with us because we were not A rated.

The rating upgrade is a welcome boost for the Bank and its partners at a time when funding is expensive and likely to remain so, margins have been eroded across the industry, credit growth is sluggish at best and subsequently, the profitability of banks remains under pressure.

Not surprisingly, these factors continue to place pressure on our Bank's margin and as **Community Bank**[®] margin share is still in part based on fixed trails, this is continuing to reflect a skew in margin share between the Bank and its **Community Bank**[®] partners.

We've been working with the **Community Bank**[®] network to take action to reduce this imbalance (which is in favour of the **Community Bank**[®] partners) and see the share of revenue on core banking products closely aligned to the key principal of 50/50 revenue share. Recent market developments are challenging this goal, but the Bank and its partners remain committed to addressing this.

It's Bendigo and Adelaide Bank's vision to be Australia's leading customer-connected bank. We believe our strength comes from our focus on the success of our customers, people, partners and communities. We take a 100-year view of our business; we listen and respect every customer's choice, needs and objectives. We partner for sustainable long-term outcomes and aim to be relevant, connected and valued.

This is what drives each and every one of our people and we invite you as **Community Bank**[®] shareholders to support us as we work with our partners to deliver on our goals and ensure our sustained and shared success.

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 banking and the role it plays in modern society.

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



Russell Jenkins
Executive Customer and Community

West Beach & Districts Financial Services Ltd.

Executive Reports

CHAIRMAN'S REPORT

Financial Year ended 30 June 2012

On behalf of my fellow Directors, I present to you the Annual Report of the West Beach and Districts Community Financial Services Limited for the 2011 - 2012 Financial Year.

This has been a year of continued success for your Community Bank. The vast majority of the key measures and indicators of performance are above those of the previous financial period including:

- Total deposits under management,
- Totals loans under management,
- Numbers of accounts, and
- Numbers of transactions.

As pleasing and rewarding as these achievements are, it is disappointing to have recorded an after tax profit of \$232,969, down \$8,913 on last year. Central to this decrease has been the impact of the realignment of the share of income between ourselves and Bendigo and Adelaide Bank (Bendigo).

The effect of this realignment has been to lower the percentage of revenue we receive for certain loans and deposits. This is a structural adjustment of the share of revenue on those loans and deposits back towards an equal share between Bendigo and ourselves. This concept of an equal share of the income derived is one of the core principals upon which the 'Community Bank model' was founded.

Having said that, it is important to understand that our other key measures for this financial year have all increased. They are the:

- Amount credited to the Community Enterprise Foundation (CEF),
- Amount distributed via the Community Enterprise Foundation (CEF),
- Dollar value of community investments, and
- Number of entities receiving those community investments.

Whilst financial strength, ultimately measured by profitability, is central to all enterprises including this enterprise, it is the impact we have on our Community that I believe is the ultimate measure of the success of this enterprise, making the stewardship of your shareholding significantly more challenging than maximising profits. Given all of the above I believe this result for our community-entity in the past year can be only but be described as successful.

I therefore thank everyone who has contributed including our Customers, our Manager and Staff, you our Shareholders and your Directors who give of their time voluntarily, in commending this report to you.

Peter Bardadyn
CHAIRMAN

West Beach & Districts Financial Services Ltd.
Executive Reports

TREASURER'S REPORT

Financial Year ended 30 June 2012

In relation to the Financial Year ended 30 June 2012, I report the following:

I am pleased to report that West Beach and Districts Community Financial Services Limited delivered another strong performance in a very competitive market.

Our Branch's financial strength, customer loyalty, dedicated team and the resilience of the Community Bank model have again delivered excellent outcomes for our Shareholders and Community Partners.

We continued to focus on achieving even better results from existing business, investing more back into the community (with community investment and donations) and rewarding Shareholders with a fully franked dividend of 20 cents per share in December 2011.

Our total revenue increased by 6.5% to \$1,072,000. The total expenditure increased to \$839,000, compared to \$765,000 last year. This included community investments and sponsorships expenditure of over \$164,000.

The net profit before income tax was \$232,969 compared to \$241,882.

Despite solid growth in our funds under management, which increased \$13.5 million to \$128 million, margin pressure led to a more subdued growth in our revenue which contributed to the slightly reduced profit position.

The Community Bank's cash position remains strong with cash reserves now at \$445,000.

In 2012 the Community Bank maintained momentum in delivering value for its Customers and the Community.

We are proudly a Community Bank and by investing in the Community we are investing in our future.

In closing, I would like to thank our customers and shareholders for their continued support to the West Beach and Districts Community Bank® branch.

Paul Glover
TREASURER/DIRECTOR

West Beach & Districts Financial Services Ltd.

Executive Reports

SECRETARY'S REPORT

Financial Year ended 30 June 2012

With improved and more regulated operating requirements of Company Boards, as Company Secretary, I am pleased to report all matters have been completed in a timely manner as necessary.

The West Beach and Districts Community Bank® Board saw the appointment of Erica Thomas, who is before you for election along with 5 Directors for re-election. This brings the Board to eleven sitting directors. The Board is continuing to review its operations to ensure that it has a balanced group of Directors to enable the appropriate outcomes are within corporate governance guidelines.

With this years after tax profits of \$233,000, the West Beach and Districts Community Bank® Board was able to invest a total of \$119,933 back into the community by means of sponsorship and donations.

The Community Partners to benefit in the 2011/2012 financial year are as follows:

SA Sea Rescue Squadron	West Beach Primary School
Trees for Life	West Beach Surf Life Saving Club
Mens Probus Club	Reedbeds Community Centre
Chikara Budo	Camden Community Centre
Henley & Grange RSL	Charles Sturt Memorial Museum Trust
Holdfast Ring Bowls Club	Fulham Cricket Club
Lockleys Bowling Club	Lockleys Football Club
Henley Beach Bowling Club	Henley Beach Kindergarten
West Lakes Golf Club	West Beach Kindergarten
Grange Golf Club	Lockleys Neighborhood Watch
Riverside Golf Club	Immanuel College Old Scholars
Downs Syndrome of SA	Personal Best Aquatics
Henley South Tennis Club	Henley Rotary Club
Col Light West Tennis Club	3H Wine and Food
Southern Districts Tennis Club	Fulham United Soccer Club
Seniors Tennis Association	Legacy SA
West Beach Soccer Club	Henley Beach Surf Life Saving Club
Christian Family Centre	SA Amateur Soccer League
West Beach Baptist Playgroup	West Beach Playgroup
Gym West Gymnastics Centre	Henley Beach Sailing Club
Henley Beach Rotary Club	Make a Wish Foundation

The Board will continue to strive to improve the internal operations and functions to the benefit of the Shareholders, Community Partners and Directors.

Jenny Bruce
COMPANY SECRETARY/DIRECTOR

West Beach & Districts Financial Services Ltd.

Executive Reports

MANAGER'S REPORT

Financial Year ended 30 June 2012

The 12 months since the 2011 Annual Report, have been an exciting time for the West Beach & Districts **Community Bank**[®] Branch, having attained a major milestone of \$125M in banking business.

From an operational point of view we have increased our customer base by a further 64 accounts, taking the total number of accounts to 4157. This represents a growth of almost 2% in our eleventh full year of operations. This is slightly lower than in recent years however, has been effected by a large number of inactive accounts being removed from the system. The branch is still opening, on average, approximately 30 accounts each and every month.

Our total deposits and loans have also increased by a further \$13.1M to a total now of \$129.3M. This is further growth of over 11.3% in total balances. This result also reflects highly on all the staff at West Beach and also the work put in by your **Community Bank**[®] branch Directors.

West Beach actually out-performed a significant number of other Bendigo Banks in South Australia over this Financial Year, which is also very encouraging.

Once again, we are still looking for the support of all our Shareholders and customers in assisting us with the continued growth of our branch.

Our staff numbers have reduced slightly to seven, following resignations in 2011 of the two Cathy's, and the subsequent employment of Annette. Our existing Part time staff have taken up some additional hours, so that customers will continue to get the same good service they have always received at West Beach. Please call in and say hello to them when you are next at the branch.

The SA Produce Market at Pooraka continues to provide new business to our operations via Agency operating at the SA Produce Credit office at the Market. It provides significant benefits to the merchants, retailers and employees at the market (this is now rapidly approaching \$220,000) and also to West Beach & Districts Community Financial Services.

We continue to contribute worthwhile funds to local community & sporting groups (as per list provided in Secretary's report), and it is a genuine pleasure to be able to have visited a number of these projects over the past 12 months and even 'show them off' to some of the Bendigo and Adelaide Bank Limited Executives. The Staff that attended really enjoyed their involvement with the Anzac Day celebrations in conjunction with the Henley and Grange RSL.

Once again I wish to congratulate the Board on their continued good work and continue to encourage all Shareholders to experience 'The Bendigo Way' of banking, at West Beach & Districts **Community Bank**[®] Branch.

Peter Hodgkison
COMMUNITY BANK BRANCH MANAGER

West Beach **Community Bank**[®] Branch



franchise of bendigo and adelaide bank limited ABN 11 068 049 178 AFSL 237879

postal address: po box 18 west beach sa 5024

branch address: 695b burbridge road west beach sa 5024

ph 08 8235 0208 fax 08 8235 1199 email peterhodgkison@bendigobank.com.au

share registry: sharedata, po box 298 st. agnes sa 5097, sharedata.com.au, ph 08 8395 2308

