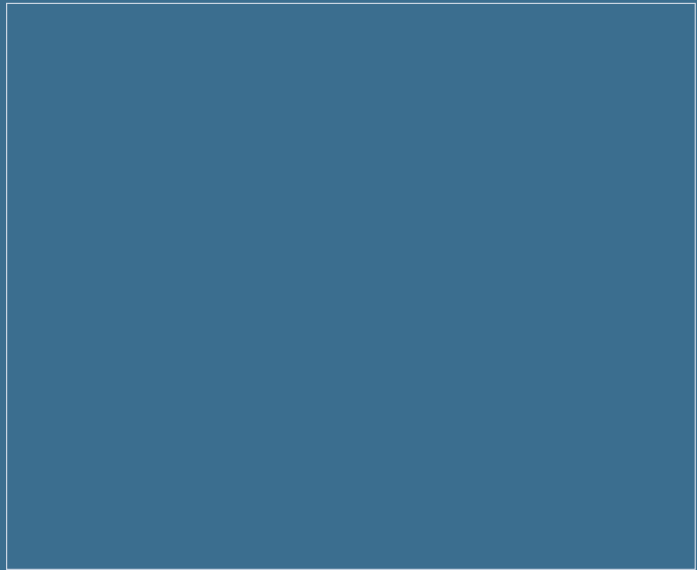
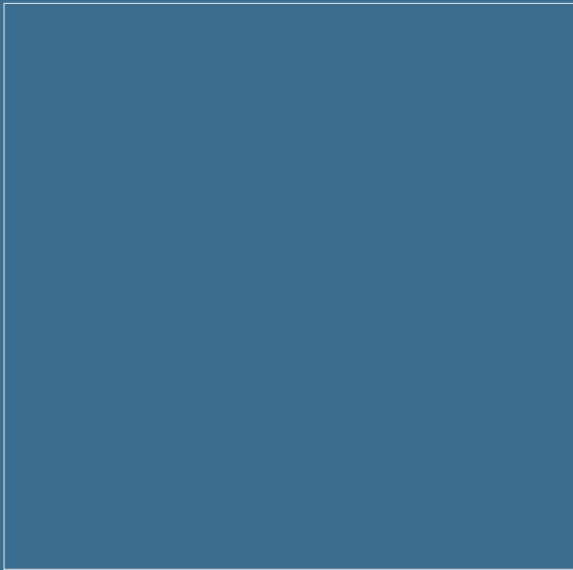


annual report | 2009



WYDCOM Financial
Services Limited
ABN 71 102 202 595

Woori Yallock & District **Community Bank**[®] Branch

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Chairman's report

For year ending 30 June 2009

The financial year 2008/2009 has seen the world plunged into financial turmoil, with businesses, banks and financial institutions struggling, and in some cases failing. Whilst Australia has been spared the worst of this, times have still been tough overall.

Against this backdrop, Wydcom Financial Services Limited has continued to perform above expectations. Business has recorded steady growth, with banking business under management exceeding \$66 million at end of year, well above budget. This represents growth of approximately 20% for the year. Even more impressive is the profit generated from that business, being a healthy \$220,526 before tax. When tax deductible sponsorships are added, this figure is considerably higher.

These figures highlight the overall strength of our business, and the success of local people supporting local businesses, such as our **Community Bank**[®] branch.

Even more pleasing is the amount of financial support we have been able to return to the community. Sponsorships and grants for this financial year have increased dramatically to approximately \$88,000. These funds have been made available to schools, sporting clubs, and youth projects to name a few. The bushfire appeal, launched by Bendigo and Adelaide Bank Ltd in the days following the disastrous February fires, received a boost of \$15,000 from our bank. We also provided generators and a mobile cool room to affected communities within days of the tragedy. This type of immediate support really shows the value of the **Community Bank**[®] concept, and its local grass root foundations.

During the year, the Board was extremely pleased to be able to issue a 9 cent per share dividend to shareholders, again showing the underlying strength of the business. The Board has yet to determine any dividend payment for this current year, but remains committed to rewarding the shareholders whose faith and foresight made this venture possible.

To all who contributed to the successes of this year, I extend sincere thanks. As always, the Board of Directors, our dedicated Manager and staff, and the staff of Bendigo and Adelaide Bank Ltd have supported each other to produce an extremely positive outcome.

Furthermore, all the indicators suggest that the 2009/2010 financial year will be just as positive.

Finally, thanks go to our customers for their ongoing support. It is their business which supports our business, which supports the community.



Rick Shaw
Chairman

Manager's report

For year ending 30 June 2009

Another year has gone by since I last reported our achievements, which this year are truly remarkable. As shareholders you will be very pleased with the progress of the branch that you had the confidence in which to invest your hard earned money.

As at 30 June 2009 we have achieved \$67 million in footings, which is a growth of more than \$12 million for the year. We had set a budget to achieve \$7.7 million but we have far exceeded this due to the strong support of our many new and existing customers.

The impact of the new branch in Yarra Junction has not had the effect we envisaged and this has been pleasing for us as we have still had extremely good growth. This has turned in a strong net profit position, before tax, of \$220,000 for the year.

With the global recession, and the change to banking dynamics due to this, we have still been able to grow in all areas of our business. The pleasing area of growth has been in our deposits which are \$2.6 million over our budget for the various products. This was due to the interest rates offered late last year before the industry went into turmoil.

With the cost of investments comes the problem with earning capacity as the better rates were for longer terms. This means as rates went down we were still holding deposits that were paying 3 to 4% above the rates available today. The last of these matured in May and we are far more balanced now in our interest expense to our customers.

We have set a growth target of \$8.70 million for this financial year, which if achieved will see our footings grow to around \$76 million. This will see us attaining profits, before tax, of in excess of \$300,000. These figures for our branch are exciting to say the least, but show you, the shareholder, of what your investment has done for the district and all who now benefit from this. Our support for our shareholders and communities of Woori Yallock and District will grow as we have more profits to distribute.

Some \$66,000 has been contributed this year to our local communities, including schools, clubs, youth initiatives and the broader community, to support festivals and events. We also contributed \$20,000 to the bushfire appeal and a further \$3,000 to the flood appeal in Queensland. It is amazing that we have supported two disasters that are so far apart in both distance and event. These contributions are as a result of the strong support for our **Community Bank**[®] branch. A fully franked dividend of 0.09¢ was also paid to our shareholders in March, a total of \$47,700, which recognised their support.

To my staff, what can I say? Each year I find it hard to gather the words that truly offer them the accolades they deserve. They have a reputation in the area for being so professional with the service they provide and are the reason we have achieved such strong growth this year.

Manager's report continued

Where we are today would not have been achieved if it wasn't for the support of the Board of Directors. To Rick Shaw, our Chairman, and all the Board members we owe a lot of thanks. They have committed their time and efforts into the administration of the business without any financial rewards. This is a credit to their community spirit and to see the results that have been achieved under their governance is inspiring.

We continue on our journey with the knowledge that we have achieved a level of success that cements our place in the community as a provider of full service banking. We have the added ability to make a difference to the people who live in the district with the financial assistance we can provide.

I look forward to presenting my report to you at the end of 2010 and trust it will be with the same enthusiasm.



Rick Tolsher
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:

Richard Warden Shaw

Director & Chairman

Age: 58

Occupation: Proprietor

Lisa Maree Kennedy

Director, Treasurer & Secretary

Age: 42

Occupation: Proprietor & Bookkeeper

Lynette Collier

Director

Age: 54

Occupation: Vice Principal

Robert George Thompson

Director

Age: 47

Occupation: Orchardist

William Edward Cadle

Director

Age: 72

Occupation: Retired Viticulturist

Angela Marie Spicer

Director

Age: 42

Occupation: Student

Raymond Richard Gregson

Director

Age: 62

Occupation: Cabinet Maker

Peter Cownley

Director & Deputy Chairman

Age: 57

Occupation: Civil Engineer

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 Lisa Kennedy. Lisa was appointed to the position of Secretary on 18 December 2007. Lisa is employed full time and operates her own bookkeeping business.

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.

Directors' report continued

Operating results

Operations have continued to perform in line with expectations. The profit of the Company for the financial year after provision for income tax was:

Year ended 30 June 2009 \$	Year ended 30 June 2008 \$
152,910	123,208

Dividends

	Year ended 30 June 2009	
	Cents	\$'000
Dividends paid in the year:		
- As recommended in the prior year report	9.0	47,700

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.

Directors' report continued

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' 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
Richard Warden Shaw	12	12
Lisa Maree Kennedy	12	12
Lynette Collier	12	8
Robert George Thompson	12	12
William Edward Cadle	12	11
Angela Marie Spicer	12	10
Raymond Richard Gregson	12	10
Peter Cownley	12	11

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.

Directors' report continued

Non Audit services (continued)

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.

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 9.

Signed in accordance with a resolution of the Board of Directors at Woori Yallock on Tuesday 22 September 2009.



Richard Warden Shaw
Chairman



Lisa Maree Kennedy
Director

Auditor's independence declaration



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ABN 51 061 795 337

Lead Auditor's Independence Declaration under section 307C of the Corporations Act 2001 to the directors of Wydcom 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 22nd day of September 2009

Financial statements

Income statement For year ending 30 June 2009

	Note	2009 \$	2008 \$
Revenues from ordinary activities	3	741,317	595,628
Salaries and employee benefits expense		(285,816)	(260,030)
Charitable donations, sponsorship, advertising & promotion		(77,247)	(26,767)
Occupancy and associated costs		(28,965)	(26,294)
Systems costs		(17,822)	(20,333)
Depreciation and amortisation expense	4	(16,807)	(18,039)
General administration expenses		(94,135)	(72,475)
Profit before income tax expense		220,526	171,690
Income tax expense	5	(67,615)	(48,482)
Profit for the period		152,910	123,208
Profit attributable to members of the entity		152,910	123,208
Earnings per share (cents per share)		¢	¢
- basic for profit for the year	20	28.85	23.25
- dividends paid per share	18	9.0	7.0

The accompanying notes form part of these financial statements.

Financial statements continued

Balance sheet As at 30 June 2009

	Note	2009 \$	2008 \$
Assets			
Current assets			
Cash assets	6	467,829	404,271
Trade and other receivables	7	72,224	122,710
Total current assets		540,053	526,981
Non-current assets			
Property, plant and equipment	8	87,274	92,650
Intangible assets	9	38,381	13,696
Deferred tax assets	10	13,374	8,852
Total non-current assets		139,029	115,198
Total assets		679,082	642,179
Liabilities			
Current liabilities			
Trade and other payables	11	43,999	116,247
Current tax liabilities	10	10,218	19,903
Provisions	12	31,391	25,575
Total current liabilities		85,608	161,725
Non-current liabilities			
Provisions	12	15,258	7,448
Total non-current liabilities		15,258	7,448
Total liabilities		100,866	169,173
Net assets		578,216	473,006
Equity			
Issued capital	13	512,969	512,969
Retained earnings	14	65,247	(39,963)
Total equity		578,216	473,006

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of cash flows As at 30 June 2009

	Note	2009 \$	2008 \$
Cash flows from operating activities			
Receipts from customers		769,569	563,979
Payments to suppliers and employees		(570,032)	(387,474)
Interest received		29,659	15,626
Income taxes paid		(81,822)	-
Net cash provided by operating activities	15	147,374	192,131
Cash flows from investing activities			
Payments for property, plant and equipment		(2,139)	-
Payments for intangible assets		(33,977)	-
Net cash used in investing activities		(36,116)	-
Cash flows from financing activities			
Dividends paid		(47,700)	(37,100)
Net cash used in financing activities		(47,700)	(37,100)
Net increase in cash held		63,558	155,031
Cash at the beginning of the financial year		404,271	249,240
Cash at the end of the financial year	6(a)	467,829	404,271

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of changes in equity As at 30 June 2009

	Note	2009 \$	2008 \$
Total equity at the beginning of the period		473,006	386,898
Net profit for the period		152,910	123,208
Net income/expense recognised directly in equity		-	-
Total income and expense recognised by the entity for the year		152,910	123,208
Dividends provided for or paid		(47,700)	(37,100)
shares issued during period		-	-
Total equity at the end of the period		578,216	473,006

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 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 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

Notes to the financial statements continued

Note 1. Summary of significant accounting policies (continued)

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.

There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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.

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.

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.

Notes to the financial statements continued

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.

(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.

Notes to the financial statements continued

Note 2. Financial risk management (continued)

(vi) Capital management (continued)

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.

2009
\$

2008
\$

Note 3. Revenue from ordinary activities

Operating activities:

- services commissions	711,658	573,204
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Total revenue from operating activities	711,658	573,204
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Non-operating activities:

- interest received	29,659	22,424
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Total revenue from non-operating activities	29,659	22,424
--	---------------	---------------

Total revenues from ordinary activities	741,317	595,628
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Notes to the financial statements continued

	Note	2009 \$	2008 \$
Note 4. Expenses			
Depreciation of non-current assets:			
- plant and equipment		4,811	6,786
- leasehold improvements		2,703	4,305
Amortisation of non-current assets:			
- franchise agreement		3,775	6,948
- franchise renewal fee		5,518	-
		16,807	18,039
Bad debts		460	-

Note 5. Income tax expense

The components of tax expense comprise:

- Current tax		72,137	32,159
- Deferred tax		(4,522)	(8,852)
- Recoupment of prior year tax loss		-	25,175
		67,615	48,482

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

Operating profit		220,526	171,690
Prima facie tax on profit from ordinary activities at 30%		66,158	51,507
Add tax effect of:			
- non-deductible expenses		2,788	2,084
- timing difference expenses		3,191	8,852
- blackhole expenses		-	(5,109)
Current tax		72,137	57,334
Movement in deferred tax	10	(4,522)	(8,852)
		67,615	48,482

Notes to the financial statements continued

	2009 \$	2008 \$
Note 6. Cash assets		
Cash at bank and on hand	46,425	34,271
Term deposits	421,404	370,000
	467,829	404,271

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

6 (a) Reconciliation of cash

Cash at bank and on hand	46,425	34,271
Term deposit	421,404	370,000
	467,829	404,271

Note 7. Trade and other receivables

Trade receivables	65,718	48,814
Prepayments	4,437	67,098
Accrued Income - Interest	2,069	6,798
	72,224	122,710

Note 8. Property, plant and equipment

Plant and equipment

At cost	82,433	80,295
Less accumulated depreciation	(39,070)	(34,259)
	43,363	46,036

Leasehold improvements

At cost	66,752	66,752
Less accumulated depreciation	(22,841)	(20,138)
	43,911	46,614
Total written down amount	87,274	92,650

Notes to the financial statements continued

	2009 \$	2008 \$
Note 8. Property, plant and equipment (continued)		
Movements in carrying amounts:		
Plant and equipment		
Carrying amount at beginning	46,036	52,822
Additions	2,138	-
Disposals	-	-
Less: depreciation expense	(4,811)	(6,786)
Carrying amount at end	43,363	46,036
Leasehold improvements		
Carrying amount at beginning	46,614	50,919
Additions	-	-
Disposals	-	-
Less: depreciation expense	(2,703)	(4,305)
Carrying amount at end	43,911	46,614
Total written down amount	87,274	92,650

Note 9. Intangible assets

Franchise fee		
At cost	60,000	61,477
Less: accumulated amortisation	(51,556)	(47,781)
Franchise renewal fee		
At cost	35,455	-
Less: accumulated amortisation	(5,518)	-
	38,381	13,696

Notes to the financial statements continued

	2009 \$	2008 \$
Note 10. Deferred tax		
Deferred tax		
Opening balance	8,852	25,175
Future income tax benefits attributable to losses	-	-
Recoupment of prior year tax losses	-	(25,175)
Deferred tax on provisions	4,522	8,852
Under/over provision in relation to prior years	-	-
Closing balance	13,374	8,852

Note 11. Trade and other payables

Trade creditors	36,675	116,050
Other creditors & accruals	7,324	197
	43,999	116,247

Note 12. Provisions

Current:

Provision for annual leave	31,391	25,575
	31,391	25,575

Non-current:

Provision for long service leave	15,258	7,448
Number of employees at year end	5	5

Note 13. Contributed equity

530,000 Ordinary shares fully paid of \$1 each (2008: 530,000)	530,000	530,000
Less: equity raising expenses	(17,031)	(17,031)
	512,969	512,969

Notes to the financial statements continued

Note 13. Contributed equity (continued)

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 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 they control or own 10% or more of the shares in the (the "10% limit").

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.

Notes to the financial statements continued

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.

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. Retained earnings/ (accumulated losses)		
Balance at the beginning of the financial year	(39,963)	(126,071)
Net profit/(loss) from ordinary activities after income tax	152,910	123,208
Dividends paid or provided for	(47,700)	(37,100)
Balance at the end of the financial year	65,247	(39,963)

Note 15. Statement of cash flows

Reconciliation of loss from ordinary activities after tax to net cash provided by/(used in) operating activities

Profit/(Loss) from ordinary activities after income tax	152,910	123,208
Non cash items:		
- depreciation	7,514	11,091
- amortisation	9,293	6,948

Notes to the financial statements continued

	2009 \$	2008 \$
Note 15. Statement of cash flows (continued)		
Changes in assets and liabilities:		
- (increase)/decrease in receivables	57,911	(16,249)
- (increase)/decrease in other assets	(4,522)	(35,910)
- increase/(decrease) in payables	(89,358)	92,933
- increase/(decrease) in provisions	13,626	10,110
Net cash flows provided by/(used in) operating activities	147,374	192,131

Note 16. Auditors' remuneration

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

- audit & review services	3,200	6,170
- non audit services	3,377	680
	6,577	6,850

Note 17. Director and related party disclosures

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

Richard Warden Shaw
Lisa Maree Kennedy
Lynette Collier
Robert George Thompson
William Edward Cadle
Angela Marie Spicer
Raymond Richard Gregson
Peter Cownley

The Company Treasurer provides bookkeeping services to the Company through her business, Liskin Secretarial Services. The business was paid \$1,780 for her services (2008 \$530).

No other 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.

Notes to the financial statements continued

Note 17. Director and related party disclosures (continued)

Directors' shareholdings	2009	2008
Richard Warden Shaw	7,001	7,001
Lisa Maree Kennedy	700	700
Lynette Collier	5,000	5,000
Robert George Thompson	10,000	10,000
William Edward Cadle	1,001	1,001
Angela Marie Spicer	2,501	2,501
Raymond Richard Gregson	1,001	1,001
Peter Cownley	1,000	1,000

There was no movement in Directors' shareholdings during the year. Each share held is valued at \$1.

	2009	2008
	\$	\$

Note 18. Dividends paid or provided

a. Dividends paid during the year

Prior year proposed final		
100% (2008: 100%) franked dividend - 9 cents (2008: 7 cents)		
per share	47,700	37,100

The tax rate at which dividends have been franked is 30% (2008: 30%).

Dividends proposed will be franked at a rate of 30% (2008: 30%).

Note 20. Earnings per share

(a) Profit attributable to the ordinary equity holders of the Company

used in calculating earnings per share	152,910	123,208
--	---------	---------

	2009	2008
	Number	Number

(b) Weighted average number of ordinary shares used as the

denominator in calculating basic earnings per share	530,000	530,000
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Notes to the financial statements continued

Note 21. 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 22. Contingent liabilities

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

Note 23. 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 Woori Yallock district, Victoria.

Note 24. Registered office/principal place of business

The registered office and principal place of business is:

Registered office	Principal place of business
Shop 13, 1585 Warburton Highway, Woori Yallock VIC 3139	Shop 13, 1585 Warburton Highway, Woori Yallock VIC 3139

Note 25. Financial instruments

Net fair values

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the Balance Sheet.

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 Balance Sheet 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 25. Financial instruments (continued)

Interest rate risk

Financial instrument	Floating interest rate		Fixed interest rate maturing in						Non interest bearing		Weighted average effective interest rate	
			1 year or less		Over 1 to 5 years		Over 5 years					
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Financial assets												
Cash assets	46,425	34,271	-	-	-	-	-	-	-	-	1.87	1.65
Investment accounts	421,404	370,000	-	-	-	-	-	-	-	-	7.08	6.37
Receivables	-	-	-	-	-	-	-	-	72224	122937	-	N/A
Financial liabilities												
Interest bearing liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Payables	-	-	-	-	-	-	-	-	43999	116247	N/A	N/A

Directors' declaration

In accordance with a resolution of the Directors of Wydcom 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.

This declaration is made in accordance with a resolution of the Board of Directors.



Richard Warden Shaw
Chairman



Lisa Maree Kennedy
Director

Signed on 22 September 2009.

Independent audit report



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INDEPENDENT AUDITOR'S REPORT

To the members of Wydcom Financial Services Limited

We have audited the accompanying financial statements of Wydcom 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.

Liability limited by a scheme approved under Professional Standards Legislation

Independent audit report continued

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 Wydcom 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 Wydcom 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 22nd of September 2009

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