

## **Chair's address at AGM 27 November 2014**

With the level of our business remaining constant over the year it was pleasing that we were able to achieve a net profit after tax of \$57,094 which was up slightly on the \$55,496 achieved in 2013.

With the low interest rates, greater competition for home loans and our customers taking advantage of the low interest rates to accelerate their loan repayments our total lending products recording a small decrease on the previous year. Our deposits recorded an increase on the previous year.

The bank remains in a strong position with total equity increasing to \$750,816 which is up from \$730,323 in 2013. Total assets were \$840,002 which was down slightly from the \$843,313 in 2013.

We continue to pay a dividend and a Fully Franked Dividend of 6 cents was recently been paid to Shareholders. This is consistent with Dividend payments made in previous years and total funds returned to shareholders now amounts to \$347,700.

In the year to 30 June 2014 we distributed \$39,198 in donations and sponsorships to our communities in Hampton and Sandringham. In addition to this we allocated \$36,863 from the funds held on our account with the Bendigo and Adelaide Bank Ltd Community Enterprise Foundation. With the payments made in 2013/14 we have now distributed \$733,402 to our communities since our establishment in 2002.

Beneficiaries of our Donations, Sponsorships and Grants are shown in the Annual Report.

Directors continue to maintain and develop strong links with the community and all Directors have a portfolio of community groups that they liaise with and provide an alternative contact with the bank. The primary contact remains the responsibility of the Manager, Matthew Gallop.

We continue to monitor our revenue and expenses to ensure we maintain a strong business and balance to enable us to make worthwhile contributions to our communities in Sandringham and Hampton. A new initiative is being developed to work with our community partners and the business community to seek out opportunities to increase our banking business.

During the year Helen Searle resigned from the Board. Helen was a valued member of the Board and an enthusiastic Chair of the Marketing and Community Engagement Committee. Helen's contribution to the Board and Bank will be missed and we are pleased that we will still be able to seek her counsel from time to time.

At the end of the year our long serving Director, Campbell Sinclair retired. Campbell brought a wealth of experience and local knowledge to the Board. He was a valued member of the Board and was the driving force behind a number of community projects, the most recent being the establishment of the Community Notice Board in Sandringham. We thank Campbell for his contribution to the success of the Bank and wish him well in his future endeavours.

We review our Board numbers and skill sets on an annual basis and we are pleased that Kate Robb and Felicity Thomlinson agreed to join our Board during the year. We will attend to the formalities of appointing Kate and Felicity later in the agenda.

Thanks also to Kate Robb, who acts as our Company Secretary and provides us with quality corporate advice and accounting to meet the requirements of our Auditors, ASIC and the National Stock Exchange. It will be good to have Kate now serving us as a Director as well as continuing to act as Company Secretary.

My thanks to the Board for their support and contribution to the success of the Bank. In addition to the normal monthly board meetings there are sub-committee duties and attendance at a number of community functions during the year.

The support of our Regional Manager, Michelle McDonald and her team is much appreciated. Michelle is able to assist us navigate the various department of the Bendigo and Adelaide Bank and add weight to our many requests seeking to increase our business.

To the staff at the Bank, a big thank you for the service they provide and the friendly interaction they have with the customers. Our stable, knowledgeable, friendly staff is a major point of difference between our bank and others in the banking industry. In addition to their banking duties they readily involve themselves in community activities and bank functions outside the normal banking hours.

The team is capably led by Matthew Gallop and thanks to Matthew for his efforts and leadership at the bank. Matthew spends a good deal of time promoting the bank in the community and I know that he is well respected for his knowledge and willingness to help. His contribution at Board and Committee meetings is very much appreciated by the Directors.

We also thank you our shareholders and customers for your continued support and as a Community Bank we not only provide a full range of banking services but take a leadership role as a community hub to embrace and promote the values of our community.