



**Heidelberg District Community Enterprise Ltd**  
**ABN 62 095 312 744**

**For Immediate Release**

**National Stock Exchange (NSX)**

**Announcements**

### **ANNUAL GENERAL MEETING**

**HELD ON Tuesday 23rd November 2021 6pm via Zoom Webinar from**

**Heidelberg Community Bank Branch, 164 Burgundy Street, Heidelberg, VIC, 3084**

The Annual General Meeting of shareholders of Heidelberg District Community Enterprise Ltd was held on the evening of 23 November 2021 via Zoom Webinar.

Prior to the meeting 6 valid proxy forms were received by the company prior to 4pm, 19<sup>th</sup> November 2021.

12 shareholders were in attendance

13 people (other than shareholders) were in attendance – these were company staff, a Bendigo & Adelaide Bank representative and the company Auditor.

There were 8 apologies.

#### **Welcome**

The Chairman, Nan Caple, declared the meeting open at 6.05pm and welcomed shareholders, fellow directors, Tania Hansen (Bendigo & Adelaide Bank Community Business Manager), Josh Griffin (the company's Auditor) and HDCE staff to the Annual General Meeting. She confirmed that a quorum was present. The voting procedure, by polling on Zoom, was explained to shareholders.

The Chairman noted that the Notice of Meeting was issued to all shareholders in accordance with Corporate Law. The Chairman reported that the Annual Report (including the financial report, directors' report and Auditor's report) and Annual General Meeting agenda had been sent to shareholders for the financial year ending 30 June 2021. Nan invited questions on the financial report, directors' report, auditor's report, the management of the company or questions for the Auditor.

Nan Caple introduced Carly Kluge, Community Liaison Officer for HDCE, to give a summary of the 2020-21 Community highlights.

#### **Community Highlights**

As we all know, the past two years have provided many challenges to our community with continuous disruption to every-day life including sport, work, school and volunteerism.

As a community bank company, we maintained strong support not only financially but with reassurance and optimism for clubs doing it tough.

Our sponsorship and grants program continued to support the local community.

Food and material aid in the community was identified as a priority need. Our partnership with Banyule Support & Information Centre strengthened and saw the installation of a new kitchen at the BANSIC FoodHub on Oriel Road which has been providing food packages to individuals each week. This was in addition to the fridges and freezers supplied to the group last year. Further to this we joined with a number of other Community Bank companies across metro Melbourne to contribute over \$80,000 in funds to Foodbank Victoria which supplies many local food relief services.



Our support of material aid to Big Group Hug also continued with a grant to cover the shortfall of cot mattresses, prams and nappies. We also extended our support to include Big Group Hug Big Blue Bins in our branches as a drop-off point for donations.

Youth Foundation 3081 and Parkville College remains our biggest project which we have now supported for some 15 years and continues to create some wonderful outcomes for the youth involved. The program operates locally at Macleod College, Charles Latrobe College, Open House, Himilo, The Pavilion School, Melbourne Polytechnic, Thornbury High, NCAT, Banyule Community Health and of course in Parkville College within the youth justice system. We've seen a huge range of youth-led projects this year, with jewellery making classes with a focus on female empowerment, a revitalised gym complete with a motivational mural at the Pavilion School and the Melbourne Polytechnic bikes for life program which saw kids learn to repair used bikes and donate them to local refugees. This particular project was recognised at the VCAA awards.

We have a student-led Youth Foundation Celebration livestream event to showcase the most recent projects on Friday 10 December and I'd like to extend an invitation to you all to attend. It's always a great opportunity to be inspired by the young people that are being supported and encouraged through this program. The link to register was on the email sent out yesterday but if you didn't receive it and would like to attend please let us know.

We continued to support the many sporting clubs, not just through financial support, but also through programs such as the SALT Re-Connect and Re-Emerge programs offered to clubs as it was widely recognised that mental health of the community was a key issue during the lockdown. Throughout the year we sponsored 36 different clubs and schools, providing much-needed support in a challenging year.

As we emerged from lockdown we were able to get our Managers and Directors back out into the community, and distributed co-branded 3x3m marquees to many of our groups who were unable to use their clubrooms due to COVID restrictions. These were warmly received and pictured here are clubs including the Alphington Bowls Club, Macleod Football Netball Club, North Heidelberg Sporting Club, the Ivanhoe Cricket Club, Preston Cricket Club, Parkside Netball Club and Marcellin College.

As luck would have it our timing was perfect to mark the 20<sup>th</sup> anniversary of the opening of the East Ivanhoe Community Bank branch. Whilst we had to limit numbers it was wonderful to have so many people in attendance that have been part of this incredible journey that has delivered so much to the local community. Past and current Directors and staff, community club representatives, Bendigo Bank staff, local Councillors and many grateful beneficiaries of support from over the past 20 years. We had the opportunity to hear from our inaugural Chairman and driving force behind the local Community Bank, Graham Norman, who I believe is here with us tonight. Thank you Graham for your vision and determination to establish our local presence – with almost \$4 million in community contributions here in Banyule there is much to be proud of.

### **Chairman's Report – Nan Caple**

As Chair of Heidelberg District Community Enterprises Limited (HDCEL) I am proud to submit the twenty first Annual Report to our shareholders.

For the second year in a row, I write the Chair report from my home office. Despite the complex circumstances we find ourselves in, I am again affirmed of the important role this enterprise plays in the capacity and resilience building within our community. As groups and associations adapt to the on again, off again nature of their event calendars, as supporting organisations ramp up their services to a community that is under increasing need for specific support to those in real need, we have responded and adapted, working with our community partners to support and enable them to continue to deliver important capabilities to our community. We have been an important stakeholder in the establishment of the BANSIC Food Hub to address the need in the community of those suffering from food insecurity. We have maintained our support for the disengaged youth in Heidelberg West through our Youth Foundation 3081



program and continued our relationship with the many sporting clubs and community groups who have been challenged in maintaining a positive and vital connection with their members. The 2020/21 investment into our community via sponsorships, grants and donations is \$216,796 and brings the total HDCEL investment of \$3,659,989 into the community that has backed this amazing enterprise called community banking.

## **OUR COMPANY**

The last 12 months has tested HDCEL on numerous levels. The highs and the lows of 2020/2021 are numerous.

Of course, our greatest HIGH is the celebration of our 20<sup>th</sup> year and the terrific impact empowered through our presence in our community. We managed to gather 70 people together in our Heidelberg branch in between lockdowns and celebrated this great milestone with representation from community groups and associations, past and current staff and board directors and shareholders alike.

The low is clear. This is the first year we have posted a loss for our company since the initial losses in the establishment of our company between 2001- 2004. This situation has resulted in the board vigilantly assessing our structure and operations with a 2 year growth strategy currently being implemented. I announce that in 2020/2021 the company made a loss of \$49,097. This loss is reached after accounting for the community contributions that we are committed to maintain given our company mission. HDCEL when adding back the community contributions would have posted a small profit of \$69k.

At June 2021, HDCEL had a healthy balance sheet with net assets of \$2,319,264. HDCEL is sound, is governed well, we have a strong and respected partner in Bendigo and Adelaide Bank and we as a business continue to deliver a valuable customer experience.

As noted in the supporting comments to the Financial Statements this year our results are a product of the generally depressed economic environment, the historically low cash rates set by the Reserve Bank and their impact on margins, the effects of the COVID-19 pandemic and lockdowns, the lack of supply in the residential home market and extremely low returns on deposits. Moreover, the fierce market competition for home and other loans has made it difficult to achieve budgeted targets.

Operating in this unprecedented environment has impacted on our share of the revenue stream under our franchise agreement, a situation that keeps the Board vigilant in oversight of revenue and expenses. The Company is actively pursuing a growth strategy incorporating a greater mobile banking presence, staff team restructure and an emphasis on reduction of property costs. We have worked closely with our partner Bendigo & Adelaide Bank to ensure we have the support and guidance at branch level to place us in the best position to return to the strong profitable position that we have enjoyed in more recent years.

## **OUR STAFF**

As a business providing an essential service, we have remained open to our valued customers throughout the 12 months regardless of lockdowns or restrictions placed on the general public. Our staff team have worked under difficult circumstances for the last 18 months. Although acknowledging the fact that work was able to continue there were nonetheless added requirements for Covid related hygiene and safety requirements that saw many changes including masks being worn constantly, the new role of concierge duties implemented to keep our staff and customers safe, altered opening hours and deep cleans after being declared a second tier exposure site. Working in this environment is fraught with many more concerns than the normal pre Covid work environment posed. During this past year we particularly commend our staff for swiftly implementing hygiene and social distancing requirements into the branch operations to ensure the protection of our valued customers, our community and indeed themselves. We congratulate our team for their resilience and for all the extra effort they have given.

Our leadership team of Syed Zaidi, Mark Munro & Haylee Doering worked diligently to keep our staff team safe and encouraged them to work effectively and efficiently in the circumstances.

The customer facing team this financial year comprised Jo-Ann Downey, Julie Bullen, Sylvia Watson, Adam Greenland, Kerry Young, Samantha Dawes, Haylee Doering, Syed Zaidi, Mark Munro, Jennifer Ferguson, Jack Mitchell and Elizabeth Costelow. Over the year we farewelled team member Samantha Dawes who had served with HDCEL for over 7 years. Carly Kluge, our Community Liaison Officer, alongside Pam Tremlett, our Administration and Bookkeeper Officer, provided crucial ongoing support to the HDCEL Board. These support



roles are critical to the smooth operation of our company and the successful engagement in our community.

## **OUR BOARD OF DIRECTORS**

I feel privileged to be the Chair of the HDCEL Board, supported by such diligent, conscientious and community minded fellow Directors. This past year the Board welcomed Peter Howe, who brings skills in accountancy and business acumen. All Board members hold positions on one or more of the following Committees; Human Resources, Audit & Governance (including Property) and Marketing & Business Development.

**The Human Resources Committee** of Jeremy McAuliffe, Russell Hutchins, Anne Rogan, Brian Simpson and Nan Caple continued to work with Bendigo Bank to support our Managers and our staff to ensure that they are able to concentrate their efforts into business development. The Growth strategy focused this committee on ensuring our staff roles supported strong customer service and advocacy.

**The Audit & Governance Committee** of Russell Hutchins (Company Secretary), Jason Dwyer (Treasurer), John Nelson, Brian Simpson and Tara O'Brien, again continued to provide a governance framework that has ensured robust oversight in all HDCEL activities. This committee has focused on accurate, timely and relevant financial reporting and analysis, supported in this task by our bookkeeper, Pam Tremlett. This committee addressed issues related to HDCEL property, leases & rentals, and ensured compliance to our franchise agreement.

**Marketing and Business Development Committee** of Carly Kluge, Tara O'Brien, Jeremy McAuliffe & Nan Caple plus our management team, has continued to ensure that we maximize every opportunity to grow our business in the face of great uncertainty. The committee has re-focused our Sponsorship and Grant funding towards the acute needs of our partner organisations and their long term growth and development post the pandemic.

As a shareholder, feel proud that your company is seen as mature and well functioning and is held in high regard within the Community Bank network.

In the role as Chair, I am grateful for the support of Deputy Chair Anne Rogan, Company Secretary Russell Hutchins and Treasurer Jason Dwyer along with all Board members. Our Board members contribute generously of their time and of their expertise and together embrace the philosophy of community banking and work cooperatively toward achieving our goals. You can be assured that shareholder interests and values are at the forefront of Board deliberations and decisions on matters affecting the company.

## **OUR SHAREHOLDERS**

Thank you for your support. You are champions of the Community Bank model and can proudly share the story of the actual benefits that our local Community Bank branches bring to our community.

Proudly in our 21st year of operation, the Board of Directors has announced a dividend of 2c per share fully franked. This is our 18<sup>th</sup> successive dividend allocation.

The Board of Directors join me in encouraging those shareholders who are not yet banking with Community Bank East Ivanhoe or Community Bank Heidelberg that you consider doing so. For those who are enjoying the Community Bank experience, we thank you and encourage you to share this with family and friends.



Nan Caple then invited Mark Munro to present the Managers' Report.

### **Managers' Report – Mark Munro**

Community Bank Heidelberg and Community Bank East Ivanhoe: Be the Change

Starting off the new financial year in lockdown wasn't anything new to us as a team. We quickly learned to adapt, and Bendigo Bank fast tracked some tools to assist us to continue to provide exceptional customer service. Some of these tools included introducing the Complete Home Loan, digital acceptance of mortgage documents, the ability to send out loan applications, request supporting documents digitally and organising virtual interviews via Microsoft Teams and WEBEX.

\$ 201,796 was given in community contributions to local community groups during this year through our grants and sponsorship programs. Over \$3.63 million in community contributions has now been given since opening our doors back in 2001.

Our combined book now totals \$ 370 million in banking business.

Even though we were in lockdown, people had started coming out of the mortgage freeze and the property market was exceeding all expectations. The government also introduced a number of schemes to assist first home buyers and the construction industry. Bendigo Bank, being one of the preferred partners in those schemes, helped us generate a lot more opportunities to write business. The Managers would like to acknowledge the efforts of the Community Bank Heidelberg and Community Bank East Ivanhoe branch team, who have remained focused during a particularly challenging year. The team attended as many community events as restrictions permitted. We continued to provide support for our customers and community groups in 2020-21 whilst navigating the landscape that COVID-19 presented. This year we have welcomed one new staff member to our team, Elizabeth Costelow as Customer Service Supervisor at Community Bank Heidelberg. Liz settled in well and has contributed to the growth of our business. We have farewelled Samantha Dawes who moved to another role with Bendigo Bank. She was a great supporter of the Community Bank model and we wish her all the best in this new role.

The year ahead presents another challenging environment not only for the banking industry but the economy as a whole. We, as a team, are well prepared to take on these challenges and as always have our customers and community at the heart of everything we do.

We thank the Board of Directors who contribute their time and effort to ensuring the success of Heidelberg District Community Enterprise Limited. In addition, we thank you, our shareholders, who enabled the Community Bank enterprise to exist for this community. Lastly, we thank our partner Bendigo and Adelaide Bank for their support as we seek to grow our business and therefore the contribution we inject into the community.

We would also like to extend our thanks to our customers and community groups who have supported us over all these years and encourage them to be our advocates and continue to refer family and friends to us.

The Chairman asked Russell Hutchins as Company Secretary to report the number of proxies received and the number for/against/abstain for each resolution. Russell responded that 6 were received and advised that where a proxy is directed to the Chair or a board member the vote will be cast as 'for' on all motions.

Proxy votes were as follows:

#### **Re-election of directors**

Anne Rogan	For:	6	Against: Nil	Abstain: Nil
Jason Dwyer	For	6	Against: Nil	Abstain: Nil
John Nelson	For:	6	Against: Nil	Abstain: Nil

#### **Election of directors**

Peter Howe	For	6	Against: Nil	Abstain: Nil
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#### **Adoption of Remuneration Report**

	For:	6	Against: Nil	Abstain: Nil
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#### **Re-election of Directors**

The Chairman announced that three directors were offering themselves for re-election by shareholders.



Anne Rogan, Jason Dwyer and John Nelson retire by rotation and all offer themselves for re-election as directors of the company.

- (a) Motion: That **Anne Rogan** be re-elected as a director of the Company.  
By polling For: 11 Against: Nil Abstain: Nil  
Motion carried.
- (b) Motion: That **Jason Dwyer** be re-elected as a director of the Company.  
By polling For: 11 Against: Nil Abstain: Nil  
Motion carried.
- (c) Motion: That **John Nelson** be re-elected as a director of the Company.  
By polling For: 11 Against: Nil Abstain: Nil  
Motion carried.

#### **Election of Directors**

The Chairman announced that Peter Howe was offering himself for election as a director of Heidelberg District Enterprise Ltd

Motion: That **Peter Howe** be elected as a director of the Company.  
By polling For: 11 Against: Nil Abstain: Nil  
Motion carried.

#### **Remuneration Report**

Motion: That the Remuneration Report contained in the Annual Report be adopted  
By polling For: 11 Against: Nil Abstain: Nil  
Motion carried

Nan Caple then invited Bendigo and Adelaide Bank Community Business Manager, Tania Hansen, to address the meeting.

#### **Bendigo and Adelaide Bank Report – Tania Hansen**

Tania talked about the expectations which were imposed on us due to our being an essential business during the Covid lockdowns. She complimented the staff on the way they have responded during these times and how valued their contribution has been. She thanked the current board of directors for their efforts and continued commitment to the community bank model, along with shareholders and past directors.

Meeting Closed at 6.50pm.

To be signed as a true and correct record of meeting by the Chairman at next AGM