

Stonnington Community
Financial Services Limited

ABN 31 099 416 092

annual report 2011



Windsor **Community Bank**[®] Branch

Prahran Market branch

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Chairman's report

For year ending 30 June 2011

It is with great pleasure that I report to you this year. In a year that has presented many challenges, we have emerged in a strong position financially. This year we budgeted a small loss due to the upgrade to Windsor **Community Bank**[®] Branch, however due to the great work from our team led by Julian Kennedy, we have produced a profit this year.

Our business has continued to provide benefits to the community with over \$100,000 returned last year our total returned to the community as at 30 June 2011 is \$652,493. This is an outstanding achievement and as Chairman, I am very proud of the difference we have made in our community. The graph below shows our contributions over the past eight years. At this rate I am optimistic that we will have returned \$1 million by our 10th Birthday in November 2012.



As we now consolidate our business with our branches at Windsor and Prahran Market, our five ATM's - two at the Alfred Hospital, two at Prahran Market and one at Windsor - the next couple of years should see both our community and shareholders see real benefits and results from the strong business base we have built. Our competition focuses more and more on what the **Community Bank**[®] model has achieved around the country and we are developing strategies to try and combat our strength in the market place. This is evidenced continually in their campaigns to lift their community profile.

The support of our customers and shareholders confirms that our place in the financial sector will continue to grow as everyone realises that banking with Bendigo and Adelaide Bank Ltd is more than just banking. It's the way of the future, and I look forward to growing that future with you and your families and the community for a long time.

In closing I would like to thank my fellow Directors for their great support and efforts in growing our business. Our Directors contribute many hours at meetings and within our community and it is greatly appreciated. But our real success is generated at the front line; our fabulous staff led by Julian - Kate, Jarrod, Simon, Victoria, Haroula, Julie, Stephanie, Renee and Sharon. As Chairman, I am extremely proud of our team and sincerely thank them for the great work they have done.

I look forward to meeting our shareholders again this year at the Annual General Meeting in October and presenting to the recipients of our grants program.

Jon Caneva
Chairman

Manager's report

For year ending 30 June 2011

As at the end of the 2010/11 financial year, Windsor **Community Bank**[®] Branch had been serving our community for eight and a half years, while Prahran Market branch has been doing the same for just over two years.

It has been a challenging year with strong competition from other financial institutions.

With total banking business of \$109.7 million current as at 30 June 2011, growth for the financial year was \$15.34 million.

Our branches continue to grow with the assistance of residents , local traders , shareholders, sponsored groups and our loyal customers. We continue to build on our relationships with several key groups in our local area and the number of groups that we sponsor is continually expanding.

The number of our ATM's has increased by two over the past year. Aside from our ATM's at Windsor **Community Bank**[®] Branch, Prahran Market branch as well as an ATM inside the Prahran Market, we have now installed two ATM's at The Alfred Hospital which provides an essential banking service to those who need it.

Our staffing continues to remain stable; Sharon Bullecer started as a Customer Service Officer at Prahran Market branch and along with Jarrod Pearse, Stephanie Noonan and Renee Leslie, have formed a professional, warm and friendly team and I would like to thank them for their contribution over the past 12 months.

I would also like to thank Kate Maloney, Simon Mangan, Julie Galloway, Haroula Vagenas and Victoria Hooi who have made Windsor **Community Bank**[®] Branch the successful business that it is today.

I would also like to express my thanks to our Board of Directors for their continued support and encouragement as well as the team at Bendigo and Adelaide Bank Ltd for their assistance throughout the year.

We have challenging times ahead with the global economic instability that has filtered through to our economy. The continued growth of our two branches will be reliant on the continued support of the local community. To all our shareholders I ask you to please continue to give your support, both in banking with us and as an advocate for our branches and the value proposition we offer - community. This will ensure we continue to prosper and be able to support more local groups and service the community like we do.



Julian Kennedy
Branch Manager

Bendigo and Adelaide Bank Ltd report

For year ending 30 June 2011

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 organising and strengthening community.

Together, we have reached new heights and achieved many great successes, all of which has been underpinned by our commitment and dedication to the communities we're a part of.

Together we're making extraordinary progress, with more than \$58.25 million returned to support community groups and endeavours since the network was established in 1998.

The returns grow exponentially each year, with \$469 thousand 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. Based on this, we can predict the community returns should top \$100 million within the next three years, which equates to new community facilities, better health care, increased transport services and generally speaking, more prosperous communities.

Together, we haven't just returned \$58.25 million; there is also the flow on economic impact to consider. Bendigo and Adelaide Bank is in the process of establishing an evidential basis that captures the complete picture and the economic outcomes these initiatives generate. However, the tangible outcomes are obvious. We see it in tenanted shops, increased consumer traffic, retained local capital and new jobs but we know that there are broader elements of community strength beyond the economic indicators, which demonstrate the power of our community models.

It is now evident that branches go through a clear maturity phase, building customer support, generating surpluses and establishing a sustainable income stream. This enables Boards to focus less on generating business and more on the community's aspirations. Bendigo is facilitating this through Director engagement and education, community consultations and other community solutions (Community Enterprise Foundation[™], Community Sector Banking, Community Telco, Generation Green[™] and Community Enterprises) that will provide Boards with further development options.

In Bendigo, your **Community Bank**[®] Board has a committed and successful partner. Our past efforts and continued commitment to be Australia's leading customer-connected bank, that is relevant, connected and valued, is starting to attract attention and reap rewards.

In January, a Roy Morgan survey into customer satisfaction saw Bendigo Bank achieve an industry leading score among Australian retail banks. This was the first time Bendigo Bank has led the overall results since August 2009.

In May, Fitch Ratings upgraded Bendigo and Adelaide Banks Long-Term Issuer Default Rating (IDR) to A- from BBB+. This announcement saw us become the first Australian bank – and one of the very few banks globally – to receive an upgrade since the Global Financial Crisis.

Standard & Poor's revised credit rating soon followed seeing Bendigo and Adelaide Bank shift from BBB+ stable, to BBB+ positive. These announcements reflect the hard and diligent work by all our staff, our sound risk management practices, low-risk funding and balance sheet structure, sound capital ratios and a sustained improvement in profitability.

The strength of our business model – based on our commitment to our customers and the communities that we operate in – is being recognised by all three ratings agencies.

Bendigo and Adelaide Bank Ltd report continued

Over the past year the bank has also added more than 700 additional ATMs through a network sharing agreement with Suncorp Bank, which further enhances our customers' convenience and expands our footprint across the country. In addition to this a further 16 **Community Bank**[®] branches were opened.

The bank has also had a renewed focus on business banking and re-launched our wealth management services through Bendigo Wealth, which oversees the Adelaide Bank, Leveraged Equities, Sandhurst Trustees and financial planning offering.

The **Community Bank**[®] model is unique and successful, it's one of our major points of difference and it enables us to connect with more than 550,000 customers, in excess of 270 communities and make a difference in the lives of countless people.

We are very proud of the model we have developed and we're very thankful for the opportunity to partner with communities to help build their balance sheets.

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



Russell Jenkins
Executive Customer and Community

Secretary's report

For year ending 30 June 2011

This is my first report as Company Secretary of Stonnington Community Financial Services Limited as I joined the Board in September 2010.

I am delighted to be a Director of a **Community Bank**[®] Company, since before I retired in 2008 I was an executive of Bendigo and Adelaide Bank Ltd and I have always admired the way in which the **Community Bank**[®] model operates within local communities. The involvement of **Community Bank**[®] branches in contributing funds to or sponsoring schools, sporting clubs and other not-for-profit organisations and projects is an excellent way of supporting and contributing to the success of their communities. Each year the Windsor **Community Bank**[®] Branch and Prahran Market branch increase the amount of funds donated to local organisations and I am proud to be part of a Company that operates in such an admirable way.

Our Management team of Julian, Kate and Jarrod not only perform excellent roles in managing our branches but they, along with the other branch staff, are also involved in supporting many of the organisations to which we donate funds.

We are also paying dividends to our shareholders as they have provided the capital to enable us to operate two branches.

Trading in Stonnington Community Financial Services Limited shares now operates under the Low Volume Market process. Buyers and sellers register their interest in buying or selling shares on our website and we provide contact details to them so they can negotiate the terms of a share trade. The system not only works effectively but buyers and sellers do not have to pay any costs or fees when trading shares. There have been a small number of share trades during the year.

The details of attendances of Directors at Board meetings during the year are shown in the Directors' report. Melina Sehr was not able to attend as many meetings this year as she did last year because she is now Mayor of Stonnington Council. In this role she is committed to attend a considerable number of functions and meetings and some of them clash with our Board meetings, however she is still committed to being a Director and she makes an excellent contribution to the operations of the Company.



Richard Hasseldine
Company Secretary

Treasurer's report

For year ending 30 June 2011

The past Financial Year of 2010/11 was another in succession themed by fiscal frugality. As commented in the previous year's Treasurer's report the 'passing of the buck' from corporate debt up to government debt has yet to usher in the return of financial stability in the global economy. In fact, government debt is now very much causing similar shocks to financial markets to those caused by corporate debt concerns in past years.

At home, the consequences are to a large extent reflected in the uncertainty regarding domestic interest rates, property values and exchange rates. These factors, in addition to others such as legislative uncertainty (eg. carbon tax), have created an environment in which achieving growth in banking activities has been difficult.

With this in mind it is with great pleasure and pride I report on the financial performance and position of Stonnington Community Financial Services Limited for the Financial Year ending June 2011.

Relative to budget, the actual financial performance has excelled. Budgeted revenue was surpassed by almost 8%, or more than \$85,000. Compared to the previous year this is approximately a 15% increase and an improvement of more than \$150,000.

Expenses have been very well controlled. In particular, the single largest expense attributed to employment expenses, is below both budget and previous year's amount.

The 2010 financial year was our first operating loss since achieving our first profits. It was forecasted that this 2010 loss of approximately \$25,000 would be followed by a loss of close to \$45,000. Due to the exceptional revenue and expense results mentioned above the 2011 Financial Year delivered an operating profit of more than \$30,000, a positive turnaround close to \$75,000 above budget and \$55,000 from the previous year.

The Prahran Market branch is still very much in its infancy. It is yet to make a positive contribution to the financial performance and is the reason we expected a loss, as is the nature of a new branch opening. Results have been very promising and I look forward to the day soon when it will be profitable on a stand-alone basis which we anticipate will be soon.

Our cash reserves have been utilised this year for the required renovation of our Windsor **Community Bank**[®] Branch and we have also repaid outstanding liabilities to produce a more efficient financial position.

Exciting times await us; large capital expenses and the nurturing of a very young business in Prahran Market branch have been cash intensive themes over the past few years. In the coming years I expect significant improvements to operating profits, cash flow and balance sheet performance. What is particularly exciting is the range of options afforded by such anticipated improvements, including greater investment in the community as well as greater returns for shareholders. I look forward to presiding over what I expect to be a very rewarding few years as Treasurer of Stonnington Community Financial Services Limited.



Anthony Caneva
Treasurer

Directors' report

For the financial year ending 30 June 2011

Your Directors submit the financial report of the Company for the financial year ending 30 June 2011.

Directors

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

Giovanni Jon Caneva

Chairman

Occupation: Company Director

Brian Francis Hatswell

Director

Occupation: Retailer

Guy William Vicars (retired 20 October 2010)

Director/Secretary

Occupation: Psychotherapist

John Keating

Director/Secretary

Occupation: Lawyer

Anthony Caneva

Director

Occupation: Financial Services

David Rosenberg

Director

Occupation: Retired Retailer

Melina Sehr

Director

Occupation: IT consultant

Sarah Davies

Director

Occupation: Solicitor

Richard Hasseldine (appointed 25 August 2010)

Director

Occupation: Retired Executive

Julia Sharwood (appointed 29 September 2010)

Director

Occupation: Community Worker

Directors were in office for this entire year unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the Company.

Principal activities

The principal activities of the Company during the course of the financial year were in providing **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.

Review of operations

The profit / (loss) of the Company for the financial year after provision for income tax was \$5,175 (2010: (\$25,363)).

Directors' report continued

| Dividends | Year ended 30 June 2011 | |
|-----------------------------|--------------------------------|---------------|
| | Cents per share | \$'000 |
| Dividends paid in the year: | 5 | 32,500 |

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.

Significant events after the balance date

Since the balance date, world financial markets have shown volatility that may have an impact on investment earnings in the 2011/12 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.

Likely developments

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

Remuneration report

Other than detailed below no Director or related entity has entered into a material contract with the Company. Bookkeeping & Marketing services were provided by Caneva Management Pty Ltd, a Company of which Giovanni Jon Caneva is a Director. The fees paid during the year ended 30 June 2011 to Caneva Management Pty Ltd amounted to \$12,000 (2010: \$13,000).

Directors' fees as ratified by the Company's Annual General Meeting were approved and paid to the following Directors or related entity as directed by them. Prior to 30 June 2008 Directors held their positions entirely on a voluntary basis.

| Directors' fees | 2011 | 2010 |
|---|-------------|-------------|
| Giovanni Jon Caneva | \$2,000 | \$2,000 |
| Brian Francis Hatswell | \$1,000 | \$1,000 |
| Guy William Vicars (retired 20 October 2010) | \$562 | \$1,500 |
| Melina Sehr | \$1,000 | \$1,000 |
| David Rosenberg | \$1,000 | \$1,000 |
| Anthony Caneva | \$1,500 | \$1,500 |
| John Keating | \$1,000 | \$1,000 |
| Sarah Davies | \$1,000 | \$1,000 |
| Richard Hasseldine (appointed 25 August 2010) | \$1,001 | \$0 |
| Julia Sharwood (appointed 29 September 2010) | \$334 | \$0 |

Directors' report continued

Indemnification and insurance of Directors and Officers

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 occurred 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 or a related body corporate.

Company Secretary

Richard Hasseldine was appointed Company Secretary 24 November 2010. Richard was a former executive with Bendigo Bank (7 years) and has also formerly held CFO and general manager roles with the Bank of Melbourne (14 years).

Directors' meetings

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

| Director | Board meetings # | Audit committee meetings # |
|---|------------------|----------------------------|
| Giovanni Jon Caneva | 10 (10) | 1 (1) |
| Brian Francis Hatswell | 8 (10) | N/A |
| Guy William Vicars (retired 20 October 2010) | 2 (3) | N/A |
| John Keating | 9 (10) | N/A |
| Anthony Caneva | 9 (10) | 1 (1) |
| David Rosenberg | 10 (10) | N/A |
| Melina Sehr | 4 (10) | N/A |
| Sarah Davies | 9 (10) | N/A |
| Richard Hasseldine (appointed 25 August 2010) | 8 (8) | 1 (1) |
| Julia Sharwood (appointed 29 September 2010) | 7 (8) | N/A |

The first number is the meetings attended while in brackets is the number of meetings eligible to attend.

N/A - not a member of that Committee.

Corporate governance

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

- Director approval of operating budgets and monitoring of progress against these budgets;
- Ongoing Director training; and
- Monthly Director meetings to discuss performance and strategic plans.

Directors' report continued

Auditor Independence Declaration

The Directors received the following declaration from the Auditor of the Company:



19 September 2011

The Directors
Stonnington Community Financial Services Ltd
111 Chapel Street
WINDSOR VIC 3181

Dear Sirs

Auditor's Independence Declaration

In relation to our audit of the financial report of Stonnington Community Financial Services Ltd for the year ended 30 June 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



Warren Sinnott
Partner
Richmond Sinnott & Delahunty

Signed in accordance with a resolution of the Board of Directors at Prahran, Victoria on 19 September 2011.



Giovanni Jon Caneva, Chairman

Financial statements

Statement of comprehensive income for the year ending 30 June 2011

| | Note | 2011 \$ | 2010 \$ |
|--|------|---------------|-----------------|
| Revenues from continuing operations | 2 | 1,201,688 | 1,045,359 |
| Employee benefits expense | 3 | (514,662) | (520,869) |
| Charitable donations and sponsorship | | (74,075) | (39,837) |
| Depreciation and amortisation expense | 3 | (79,365) | (66,370) |
| Finance costs | 3 | (9,399) | (8,543) |
| Other expenses | | (506,453) | (430,531) |
| Profit / (loss) before income tax expense | | 17,734 | (20,791) |
| Income tax expense | 4 | (12,559) | (4,572) |
| Profit / (loss) after income tax expense | | 5,175 | (25,363) |
| Other comprehensive income | | - | - |
| Total comprehensive income | | 5,175 | (25,363) |
| Earnings per share (cents per share) | | | |
| - basic for profit / (loss) for the year | 22 | 0.80 | (3.90) |
| - diluted for profit / (loss) for the year | 22 | 0.80 | (3.90) |

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of financial position for the year ending 30 June 2011

| | Note | 2011 \$ | 2010 \$ |
|--------------------------------------|------|----------------|----------------|
| Current assets | | | |
| Cash and cash equivalents | 6 | 122,399 | 193,616 |
| Receivables | 7 | 61,681 | 78,190 |
| Current tax refundable | 4 | - | 23,470 |
| Total current assets | | 184,080 | 295,276 |
| Non-current assets | | | |
| Property, plant and equipment | 8 | 315,095 | 243,966 |
| Intangible assets | 9 | 33,889 | 48,845 |
| Total non-current assets | | 348,984 | 292,811 |
| Total assets | | 533,064 | 588,087 |
| Current liabilities | | | |
| Payables | 10 | 24,414 | 31,873 |
| Current tax payable | 4 | 9,051 | - |
| Provisions | 12 | 40,720 | 40,010 |
| Total current liabilities | | 74,185 | 71,883 |
| Non current liabilities | | | |
| Loans and borrowings | 11 | 70,000 | 100,000 |
| Total non current liabilities | | 70,000 | 100,000 |
| Total liabilities | | 144,185 | 171,883 |
| Net assets | | 388,879 | 416,204 |
| Equity | | | |
| Share capital | 13 | 647,010 | 647,010 |
| Accumulated losses | 14 | (258,131) | (230,806) |
| Total equity | | 388,879 | 416,204 |

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of cash flows for the year ending 30 June 2011

| | Note | 2011 \$ | 2010 \$ |
|---|------------|------------------|-----------------|
| Cash flows from operating activities | | | |
| Cash receipts in the course of operations | | 1,297,803 | 1,140,611 |
| Cash payments in the course of operations | | (1,187,767) | (1,088,232) |
| Interest paid | | (9,399) | (8,543) |
| Interest received | | 6,222 | 4,309 |
| Income tax refunded / (paid) | | 19,962 | 12,662 |
| Net cash flows from / (used in) operating activities | 15b | 126,821 | 60,807 |
| Cash flows from investing activities | | | |
| Payments for property, plant and equipment | | (135,538) | (2,545) |
| Net cash flows used in investing activities | | (135,538) | (2,545) |
| Cash flows from financing activities | | | |
| Repayment of borrowings | | (30,000) | - |
| Dividends paid | | (32,500) | (32,500) |
| Net cash flows from / (used in) financing activities | | (62,500) | (32,500) |
| Net increase / (decrease) in cash held | | (71,217) | 25,762 |
| Cash and cash equivalents at start of year | | 193,616 | 167,854 |
| Cash and cash equivalents at end of year | 15a | 122,399 | 193,616 |

The accompanying notes form part of these financial statements.

Financial statements continued

Statement of changes in equity for the year ending 30 June 2011

| | Note | 2011 \$ | 2010 \$ |
|---|------|------------------|------------------|
| Share capital | | | |
| Balance at start of year | | 647,010 | 647,010 |
| Issue of share capital | | - | - |
| Share issue costs | | - | - |
| Balance at end of year | | 647,010 | 647,010 |
| Retained earnings / (accumulated losses) | | | |
| Balance at start of year | | (230,806) | (172,943) |
| Profit / (loss) after income tax expense | | 5,175 | (25,363) |
| Dividends paid | 21 | (32,500) | (32,500) |
| Balance at end of year | | (258,131) | (230,806) |

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the year ending 30 June 2011

Note 1. Basis of preparation of the financial report

(a) Basis of preparation

Stonnington Community Financial Services Ltd ('the Company') is domiciled in Australia. The financial statements for the year ended 30 June 2011 are presented in Australian dollars. The Company was incorporated in Australia and the principal operations involve providing **Community Bank**[®] services.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets.

The financial statements require judgements, 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 19 September 2011.

(b) Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with Australian Accounting Standards (including Australian Interpretations) adopted by the Australian Accounting Standards Board and the Corporations Act 2001. The financial report of the Company complies with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board. Australian Accounting Standards that have been recently issued or amended, but are not yet effective, have not been adopted in the preparation of this financial report. These changes are not expected to have a material impact on the Company's financial statements.

(c) Significant accounting policies

The following is a summary of the material accounting policies adopted. The accounting policies have been consistently applied and are consistent with those applied in the 30 June 2010 financial statements.

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 unused 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 unused tax assets and unused 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.

Notes to the financial statements continued

Note 1. Basis of preparation of the financial report (continued)

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:

| Class of asset | Depreciation rate |
|------------------------|--------------------------|
| Leasehold improvements | 10% to 20% |
| Computers | 25% |
| Computer software | 40% |
| Plant & equipment | 7.5% to 33.3% |

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 the 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.

Recoverable amount 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.

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.

Notes to the financial statements continued

Note 1. Basis of preparation of the financial report (continued)

Goods and services tax (continued)

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 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.

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.

Intangibles

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

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 bank overdrafts.

Revenue

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

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.

Loans and borrowings

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

Notes to the financial statements continued

Note 1. Basis of preparation of the financial report (continued)

Provisions

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions 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.

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.

Comparative figures

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

| | 2011 \$ | 2010 \$ |
|---|------------------|------------------|
| Note 2. Revenue from continuing operations | | |
| Operating activities | | |
| - services commissions | 1,195,426 | 1,041,050 |
| - other revenue | 40 | - |
| | 1,195,466 | 1,041,050 |
| Non-operating activities: | | |
| - interest received | 6,222 | 4,309 |
| - other revenue | - | - |
| | 6,222 | 4,309 |
| | 1,201,688 | 1,045,359 |

Notes to the financial statements continued

| | 2011 \$ | 2010 \$ |
|--|----------------|----------------|
| Note 3. Expenses | | |
| Employee benefits expense | | |
| - wages and salaries | 443,369 | 429,047 |
| - superannuation costs | 38,711 | 35,549 |
| - workers' compensation costs | 1,764 | 1,611 |
| - other costs | 30,818 | 54,662 |
| | 514,662 | 520,869 |
| Depreciation of non-current assets: | | |
| - computer software | 3,338 | 4,303 |
| - plant and equipment | 22,048 | 15,497 |
| - leasehold improvements | 39,023 | 36,570 |
| Amortisation of non-current assets: | | |
| - leasehold establishment fee | 4,956 | - |
| - intangibles | 10,000 | 10,000 |
| | 79,365 | 66,370 |
| Finance costs: | | |
| - Interest paid | 9,399 | 8,543 |
| Bad debts | 117 | 718 |

Note 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% | 5,320 | (6,237) |
| Add / (less) tax effect of: | | |
| - Non-deductible / (other deductible) expenses | 7,239 | 10,809 |
| Current income tax expense | 12,559 | 4,572 |
| Income tax expense | 12,559 | 4,572 |
| Tax liabilities | | |
| Current tax payable/(refundable) | 9,051 | (23,470) |

Notes to the financial statements continued

| | 2011 | 2010 |
|--|-------------|-------------|
| | \$ | \$ |

Note 5. Auditors' remuneration

Amounts received or due and receivable by Richmond, Sinnott & Delahunty for:

| | | |
|--|--------------|--------------|
| - Audit or review of the financial report of the Company | 3,900 | 3,900 |
| - Share registry services | 3,021 | 1,559 |
| | 6,921 | 5,459 |

Note 6. Cash and cash equivalents

| | | |
|---------------------------------|----------------|----------------|
| Cash at bank and on hand | 122,399 | 193,616 |
|---------------------------------|----------------|----------------|

Note 7. Receivables

| | | |
|----------------------|---------------|---------------|
| Trade debtors | 61,681 | 78,190 |
|----------------------|---------------|---------------|

Note 8. Property, plant and equipment

Leasehold improvements

| | | |
|-------------------------------|----------------|----------------|
| At cost | 426,343 | 368,581 |
| Less accumulated depreciation | (268,430) | (229,407) |
| | 157,913 | 139,174 |

Plant and equipment

| | | |
|-------------------------------|----------------|----------------|
| At cost | 209,546 | 131,771 |
| Less accumulated depreciation | (53,512) | (31,465) |
| | 156,034 | 100,306 |

Computer software

| | | |
|-------------------------------|--------------|--------------|
| At cost | 12,145 | 12,145 |
| Less accumulated depreciation | (10,997) | (7,659) |
| | 1,148 | 4,486 |

| | | |
|----------------------------------|----------------|----------------|
| Total written down amount | 315,095 | 243,966 |
|----------------------------------|----------------|----------------|

Notes to the financial statements continued

| | 2011 \$ | 2010 \$ |
|---|----------------|----------------|
| Note 8. Property, plant and equipment (continued) | | |
| Movements in carrying amounts | | |
| Leasehold improvements | | |
| Carrying amount at beginning of year | 139,174 | 175,744 |
| Additions | 57,762 | - |
| Disposals | - | - |
| Depreciation expense | (39,023) | (36,570) |
| Carrying amount at end of year | 157,913 | 139,174 |
| Plant and equipment | | |
| Carrying amount at beginning of year | 100,306 | 113,258 |
| Additions | 77,776 | 2,545 |
| Disposals | - | - |
| Depreciation expense | (22,048) | (15,497) |
| Carrying amount at end of year | 156,034 | 100,306 |
| Computer software | | |
| Carrying amount at beginning of year | 4,486 | 8,789 |
| Additions | - | - |
| Disposals | - | - |
| Depreciation expense | (3,338) | (4,303) |
| Carrying amount at end of year | 1,148 | 4,486 |

Note 9. Intangible assets

| | | |
|------------------------------------|---------------|---------------|
| Leasehold establishment fee | | |
| At cost | 25,000 | 25,000 |
| Less accumulated amortisation | (4,956) | - |
| Franchise fee | | |
| At cost | 100,000 | 100,000 |
| Less accumulated amortisation | (86,155) | (76,155) |
| | 33,889 | 48,845 |

Notes to the financial statements continued

| | 2011 | 2010 |
|------------------------------|---------------|---------------|
| | \$ | \$ |
| Note 10. Payables | | |
| Trade creditors | 4,905 | 10,401 |
| Other creditors and accruals | 19,509 | 21,472 |
| | 24,414 | 31,873 |

Note 11. Loans and borrowings

Non current

| | | |
|------------------|---------------|----------------|
| Bank Loan | 70,000 | 100,000 |
|------------------|---------------|----------------|

Note 12. Provisions

| | | |
|--------------------------------------|---------------|---------------|
| Employee benefits | 40,720 | 40,010 |
| Movement in employee benefits | | |
| Opening balance | 40,010 | 20,314 |
| Additional provisions recognised | 34,105 | 23,265 |
| Amounts utilised during the year | (33,395) | (3,569) |
| Closing balance | 40,720 | 40,010 |

Note 13. Share capital

| | | |
|----------------------------------|----------------|----------------|
| 650,000 Ordinary shares * | 647,010 | 647,010 |
|----------------------------------|----------------|----------------|

* Comprises 620,100 ordinary shares fully paid to \$1 and 29,900 shares, issued at a discount price of \$0.90, fully paid to \$1.

Note 14. Retained earnings/(accumulated losses)

| | | |
|---|------------------|------------------|
| Balance at the beginning of the financial year | (230,806) | (172,943) |
| Profit / (loss) after income tax | 5,175 | (25,363) |
| Dividends paid | (32,500) | (32,500) |
| Balance at the end of the financial year | (258,131) | (230,806) |

Notes to the financial statements continued

| | 2011 \$ | 2010 \$ |
|--|----------------|----------------|
| Note 15. Statement of cash flows | | |
| (a) Cash and cash equivalents | | |
| Cash assets | 122,399 | 193,616 |
| (b) Reconciliation of profit / (loss) after tax to net cash from / (used in) operating activities | | |
| Profit / (loss) after income tax | 5,175 | (25,363) |
| Non cash items | | |
| - Depreciation | 64,409 | 56,370 |
| - Amortisation | 14,956 | 10,000 |
| Changes in assets and liabilities | | |
| - (Increase) decrease in receivables | 16,509 | (8,349) |
| - Increase (decrease) in payables | (7,459) | (8,781) |
| - Increase (decrease) in provisions | 710 | 19,696 |
| - (Increase) decrease in current tax refundable / payable | 32,521 | 17,234 |
| Net cash flows from / (used in) operating activities | 126,821 | 60,807 |

Note 16. Director and related party disclosures

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

Giovanni Jon Caneva
Brian Francis Hatswell
Guy William Vicars (retired 20 October 2010)
John Keating
Anthony Caneva
David Rosenberg
Melina Sehr
Sarah Davies
Richard Hasseldine (appointed 25 August 2010)
Julia Sharwood (appointed 29 September 2010)

Other than detailed below no Director or related entity has entered into a material contract with the Company. Bookkeeping & Marketing services were provided by Caneva Management Pty Ltd, a Company of which Gionvanni Jon Caneva is a Director. The fees paid during the year ended 30 June 2011 to Caneva Management Pty Ltd amounted to \$12,000 (2010: \$13,000).

Director's fees as ratified by the Company's Annual General Meeting were approved and paid to the following Directors or related entity as directed by them. Prior to 30 June 2008 Directors held their positions entirely on a voluntary basis.

Notes to the financial statements continued

Note 16. Director and related party disclosures (continued)

| Directors' fees | 2011 | 2010 |
|---|-------------|-------------|
| Giovanni Jon Caneva | \$2,000 | \$2,000 |
| Brian Francis Hatswell | \$1,000 | \$1,000 |
| Guy William Vicars (retired 20 October 2010) | \$562 | \$1,500 |
| Melina Sehr | \$1,000 | \$1,000 |
| David Rosenberg | \$1,000 | \$1,000 |
| Anthony Caneva | \$1,500 | \$1,500 |
| John Keating | \$1,000 | \$1,000 |
| Sarah Davies | \$1,000 | \$1,000 |
| Richard Hasseldine (appointed 25 August 2010) | \$1,001 | \$0 |
| Julia Sharwood (appointed 29 September 2010) | \$0 | \$0 |

Directors' shareholdings

| | | |
|--|--------|--------|
| Giovanni Jon Caneva | 40,000 | 40,000 |
| Brian Francis Hatswell | 15,000 | 15,000 |
| Guy William Vicars (retired 20 October 2010) | 2,750 | 2,750 |
| John Keating | 500 | 500 |
| Anthony Caneva | 500 | 500 |
| David Rosenberg | 10,000 | 10,000 |
| Melina Sehr | 500 | 500 |
| Sarah Davies | - | - |
| Richard Hasseldine | 5,000 | 0 |
| Julia Sharwood | - | - |

There was no movement in Directors' shareholdings during the period. Each share held has a paid up value of \$1 and is fully paid. The above holdings are held personally or in associated entities.

Note 17. Subsequent events

Since the balance date, world financial markets have shown volatility that may have an impact on investment earnings in the 2011/12 financial year. The Company continues to maintain a conservative investment strategy to manage the exposure to market volatility.

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

Notes to the financial statements continued

Note 18. Contingent liabilities and assets

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

Note 19. Segment reporting

The economic entity operates in the financial services sector where it provides banking services to its clients. The economic entity operates in one geographic area being Stonnington, Victoria.

Note 20. Corporate information

Stonnington Community Financial Services Ltd is a Company limited by shares incorporated in Australia.

The registered office and principal place of business is:

111 Chapel Street, Windsor.

| | 2011 \$ | 2010 \$ |
|--|---------------|---------------|
| Note 21. Dividends paid or provided for on ordinary shares | | |
| (a) Dividends paid during the year | | |
| Franked dividends - 5 cents per share (2010: 5 cents per share) | 32,500 | 32,500 |
| (b) Dividends proposed and not recognised as a liability | | |
| Franked dividends - 3 cents per share (2010: 5 cents per share) | 19,500 | 32,500 |
| (c) 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. 51,983 | | 18,093 |
| - Franking credits that will arise from the payment / (refund) of income tax payable as at the end of the financial year | 9,051 | (23,470) |
| | 27,144 | 28,513 |

The tax rate at which dividends have been franked is 30% (2010: 30%).

Notes to the financial statements continued

| | 2011 \$ | 2010 \$ |
|--|------------|------------|
|--|------------|------------|

Note 22. Earnings per share

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.

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 | 5,175 | (25,363) |
| Weighted average number of ordinary shares for basic and diluted earnings per share | 650,000 | 650,000 |

Note 23. Financial risk management

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

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board is assisted in the area of risk management by an internal audit function.

(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 | |
|-------------|-----------------|----------------|
| | 2011 \$ | 2010 \$ |
| Cash assets | 122,399 | 193,616 |
| Receivables | 61,681 | 78,190 |
| | 184,080 | 271,806 |

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.

Notes to the financial statements continued

Note 23. Financial risk management (continued)

(a) Credit risk (continued)

None of the assets of the Company are past due (2010: 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.

The following are the estimated contractual maturities of financial liabilities, including estimated interest payments.

| | Carrying amount \$ | Contractual cash flows \$ | 1 year or less \$ | Over 1 to 5 years \$ | More than 5 years \$ |
|----------------------|--------------------------|---------------------------------|-------------------------|----------------------------|----------------------------|
| 30 June 2011 | | | | | |
| Payables | 24,414 | (24,414) | (24,414) | - | - |
| Loans and borrowings | 70,000 | (102,865) | (6,573) | (96,292) | - |
| | 94,414 | (127,279) | (30,987) | (96,292) | - |
| 30 June 2010 | | | | | |
| Payables | 31,873 | (31,873) | (31,873) | - | - |
| Loans and borrowings | 100,000 | (135,479) | (10,140) | (127,309) | - |
| | 131,873 | (167,352) | (42,013) | (127,309) | - |

(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.

Notes to the financial statements continued

Note 23. Financial risk management (continued)

(c) Market risk (continued)

Sensitivity analysis

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

| | Carrying amount | |
|----------------------------------|-----------------|---------------|
| | 2011 | 2010 |
| | \$ | \$ |
| Fixed rate instruments | | |
| Financial assets | 68,499 | 66,183 |
| Financial liabilities | - | - |
| | 68,499 | 66,183 |
| Variable rate instruments | | |
| Financial assets | 53,900 | 127,433 |
| Financial liabilities | (70,000) | (100,000) |
| | (16,100) | 27,433 |

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 2010 there was also no impact. As at both dates this assumes all other variables remain constant.

(d) Net fair values

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the Statement of Financial Position. The Company does not have any unrecognised financial instruments at year end.

(e) 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.

Notes to the financial statements continued

Note 23. Financial risk management (continued)

(e) 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 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.

Directors' declaration

In accordance with a resolution of the Directors of Stonnington Community Financial Services Ltd, I 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 2011 and of their performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia, International Financial Reporting Standards and Corporations Regulations 2001; 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.



Giovanni Jon Caneva, Chairman

Signed at Prahran, Victoria on 19 September 2011.

Independent audit report



**Richmond
Sinnott &
Delahunty**

Chartered Accountants

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF STONNINGTON COMMUNITY
FINANCIAL SERVICES LTD**

SCOPE

The financial report comprises the statement of financial position, statement of comprehensive income, statement of cash flows, statement of changes in equity, accompanying notes to the financial statements, and the directors' declaration for Stonnington Community Financial Services Ltd, for the year ended 30 June 2011.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company, and that complies with Accounting Standards in Australia, in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are established to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly in accordance with the Corporations Act 2001, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant account estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the company.

Partners: Kenneth J Richmond • Warren J Sinnott • Philip P Delahunty • Brett A Andrews
Level 2, 10–16 Forest Street, Bendigo 3550. PO Box 30 Bendigo 3552
Ph: 03 5443 1177 Fax: 03 5444 4344 Email: rsd@rsdadvisors.com.au
ABN 60 616 244 309

Liability limited by a scheme approved under Professional Standards Legislation

Independent audit report continued

INDEPENDENCE

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

AUDIT OPINION

In our opinion, the financial report of Stonnington Community Financial Services Ltd is in accordance with:

- (a) the Corporations Act 2001 including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.

Richmond Sinnott & Delahunty

RICHMOND SINNOTT & DELAHUNTY
Chartered Accountants

W. J. Sinnott

W. J. SINNOTT
Partner
Bendigo

Date: 19 September 2011



Windsor **Community Bank**[®] Branch
111 Chapel Street, Windsor VIC 3181
Phone: (03) 9510 9311

Prahran Market branch
Shop 812, Prahran Market,
163 Commercial Road, Prahran VIC 3181
Phone: (03) 9827 6545



Franchisee: Stonnington Community Financial Services Limited
111 Chapel Street, Windsor VIC 3181
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ABN: 31 099 416 092

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Bendigo and Adelaide Bank Limited,
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(BMPAR11061) (08/11)