



Hobson's Bay Community Financial Services Limited

T/A

Laverton & Altona Meadows Community Bank® and Altona Community Bank®
And Point Cook Community Bank®

ABN 39 091 661 166

MINUTES OF ANNUAL GENERAL MEETING

DATE: Tuesday 29th November 2011
TIME: 7.00pm
HELD AT: Altona RSL Club
Sargood Street, Altona

ATTENDEES: As per list provided
GUESTS: Ken James
Ross Clarke
Kathy Lazarou
David Tutor

Representatives of the following organisation to receive the 2011 Community Grants

- Laverton Community Children's Centre Inc.
- Latitude Directions for Young People
- The Laverton Community Choir
- Laverton Arts and Cultural Forum
- Hobsons Bay Police Community Consultative Committee
- Street Smart
- Tam Oshanter Dancing Club
- Hobsons Bay Arts Society Inc
- Hobsons Bay Men's Shed
- Finnish Friendly Visiting Service Inc
- Lions Club of Altona
- Somers Parade Kindergarten
- Altona Kindergarten
- Gellibrand Support Services Inc.
- Seabrook Kindergarten
- Rainbow Club of Point Cook
- 1st Point Cook Scout Group

1.0 **Welcome by Chairman**

The Chairman of Directors, Henry Da Silva, welcomed all shareholders and special guests: Ken James, Ross Clarke, Kathy Lazarou, Moira McDonald, David Tutor (Regional Manager BBL), Harley Kolac and Karen Pedler to the 11th Annual General Meeting of Hobson's Bay Community Financial Services Limited.

2.0 **Apologies**

Michael Pernar announced apologies and proxy vote received from 14 shareholders. Apologies as per attached list.

Apologies: Attachment 1.

2.1 Proxy's

14 absentee shareholder proxies received.
As per Apologies :Attachment 1

3.0 Confirmation of the last AGM minutes of the meeting held the 23rd November 2010

The minutes of the previous AGM, as written and circulated, were accepted.

Moved: Wes Downs

Seconded: Wendy Powell

CARRIED

4.0 Presentation by the Chairman

The Chairman, Henry Da Silva reported that the HBCFS Ltd, through the Altona, Laverton/Altona Meadows, Pt Cook Community Bank® branches, have a total of \$300 million of funds under management, and over accounts 17,000; showing the strength and growth of the company.

HBCFS Ltd. had supported many organisations, charities, and associations and has contributed over a \$1.5 million dollars into the communities of Altona, Laverton, Altona Meadows, and Point Cook.

The Chairman, on behalf of the Board of Directors, thanked the shareholders for their support and for entrusting the board to make the decisions to direct the company towards a very bright future that will benefit both the shareholders and the community.

Henry Da Silva thanked the directors for their efforts during the year and expressed thanks to Senior Manager - John Dawson and all staff in the three branches.

Chairman's Presentation: Attachment 2

5.0 To receive and consider the Financial Report of the Company for the year ended 30th June 2011 together with Director's and Auditor's Report.

It was proposed that the Financial Report of the HBCFS Ltd. as distributed be accepted.

Moved: Kerry Anne Cook

Seconded: Maxwell Mc Cauley

CARRIED

6.0 Election of Directors

6.1 It was proposed that W. Gray by rotation in accordance with the Constitution be re-elected as a Directors.

Moved: June Porter

Seconded: Nevil Knell

CARRIED

6.2 It was proposed that G. Inserra by rotation in accordance with the Constitution be re-elected as a Directors.

Moved: Carol Pinder

Seconded: David Hopwood

CARRIED

6.3 It was proposed that H. Da Silva by rotation in accordance with the Constitution be re-elected as a Directors.

Moved: Coral Allen

Seconded: Victoria Inserra

CARRIED

7.0 Confirmation of Auditor

It was proposed that Ross Clarke Pty Ltd be appointed as auditor of Hobson's Bay Community Financial Services Ltd for the next financial year.

Moved: Wendy Powell

Seconded: Michael Boyd

CARRIED

8.0 Director's Remuneration

It was proposed that director's remuneration is increased by 5% from the 2011 base for 2012.

Moved: June Porter

Seconded: Valerie Davis

CARRIED

- 9.0 Future Direction of Company**
D. Shanahan presented the financial position of the company as per attached presentation.
Financial Position: Attachment 3

- 10.0 Panel Discussion**
David Tutor BBL Area Manager commended HBCFSL on its performance and community contribution during 2010/2011 and over the past 11 years. David reported that:
\$540 million after tax 2010/2011 profit
Community Bank returned \$60 million to the communities

Question from the Floor

Will Bendigo Bank Limited consider a move to paperless transactions in the near future?

K. Lazarou, BBL responded that this was something that was being considered, but that there was no change to current policy.

A question from shareholder T. Walker asked what considerations were taken into account when determining the distributions of dividends.

D. Shanahan replied that the charts (used by the Chairman) showing distributions to the community and shareholders indicated that similar amounts were distributed to shareholders and the community. All distributions have been in accordance with the Franchise agreement.

D. Shanahan also mentioned the issues of share liquidity and that the CCSB was considering these issues.

T. Walker sought further information.

D. Tudor stated that share liquidity is an issue and that the Community Bank Strategic Advisory Board will respond in the third quarter of next year.

G. Mein questioned if there is a Board succession plan in place to address the gender inequity of the Board?

M. Boyd replied with yes there are some female members of sub-committees of the Board, and the Board sees this participation in the sub-committees as a necessary experience prior to becoming a board member.

K. Walsh asked on the follow on from the community consultative forum.

M. Boyd spoke of the company's intention to embark on major projects in the near future. He made special mention to De Fib for Life project that will be announced in the near future.

11.0 Laverton Youth Foundations

E. Young Youth Coordinator presented an update of the Youth Foundations program for 2011.

12.0 Laverton, Altona Meadows, Altona and Point Cook Community Grants Program - Presentation

G. Murdoch – Chairman Community Enterprise Advisory Committee presented the recipients of the 2011 Community Grants Program with their certificates and cheques.

Applicant	Project Title	Final
Laverton Community Children's Centre Inc.	Our languages, Our stories, Our community	\$ 7,000
Latitude Directions for Young People	I'll be home for Christmas	\$ 2,000
The Laverton Community Choir	Unity our communities through Song	\$ 2,000

Laverton Arts and Cultural Forum	Laverton Exhibition and Artists Program	\$ 2,000
Hobsons Bay Police Community Consultative Committee	Pixel 8 Photo Competition	\$ 5,000
Street Smart	Portawall	\$ 2,000
Tam Oshanter Dancing Club	To Keep Dancing Alive	\$ 1,200
Hobsons Bay Arts Society Inc	Arty Laptop, Please	\$ 1,500
Hobsons Bay Men's Shed	Lifting Men Together	\$ 2,000
Finnish Friendly Visiting Service Inc	A Shock for Life	\$ 3,000
Lions Club of Altona	Clean them up and Keep them Warm	\$ 3,000
Somers Parade Kindergarten	Sporty at Somers	\$ 1,320
Altona Kindergarten	Positive Parenting Library	\$ 5,000
Gellibrand Support Services Inc.	Sensory Room	\$ 4,860
Seabrook Kindergarten	Kids in the Kitchen	\$ 1,920
Rainbow Club of Point Cook	Development and consolidation of the Rainbow Club of Point Cook	\$ 5,000
1st Point Cook Scout Group	Recruitment Drive 2011	\$ 1,200
		\$ 50,000

G. Murdoch thanked the Community Enterprise Advisory Committee for their work and dedication in making the difficult decisions, and thanked the community members who freely give their time and talents to help make better communities.

13.0

Close

H. Da Silva as Chairman, and on behalf of Bendigo Bank Ltd, thanked staff and customers at Laverton, Altona and Point Cook. He also expressed thanks to the directors and shareholders for their great efforts towards the success of 2010/11

Meeting closed at 8.20 pm

Signed as a true record

Henry Da Silva
Chairperson



Mission Statement

To be the most relevant and valued business partner in our communities, by bringing communities together through engagement, strengthening and connecting.

Vision

To help build better communities.

Hobsons Bay Community Financial Services Limited

Annual General Meeting 2011

Proxy

Elvia McKee

William Musicka

Daniel Dunn

Graeme Glasson

Mary Pelns

Terence Hillman

Terence Blacket

Diane Bakowski

Karen Jane Turner

Don Fraser

Margaret Nixon

Alma Hare

Franca Maria Nehu

Melinda Stroud

All proxy votes were given to the Chairman.

Chairman's Address
Annual General Meeting
29th November 2011

Item 1. Welcome

Good evening ladies and gentlemen and welcome to our Annual General Meeting. My name is Henry Da Silva Chairman and Director of the Altona, Laverton and Point Cook Community Bank Branches Bendigo Bank.

Firstly tonight we will undertake the formal part of the evening as required under our constitution. Once we have gone through the Agenda we will have the pleasure welcoming Erin Young from the Youth Coordinator from the Laverton Youth Foundation to discuss the successful 2011 program.

We are also delighted to present the successful recipients of the 2011 Community Grants Program. This year 17 local groups will share in the \$50,000.00 made available through our 2011 Community Grants Program.

We invite you all to join us for a light supper and tea and coffee at the conclusion of the evening.

I would like to take this opportunity to introduce to you my fellow directors.

(Name the other Directors present. Identify any absent Directors)

I would also like to welcome our special guests this evening, our auditor for 2010/11 Ross Clarke, Accountant Ken James, David Tudor Bendigo Bank Ltd and Ian Craig from the Bendigo Stock Exchange.

I confirm that a quorum is present and now declare the Meeting open for business.

Item 2. Apologies

I will provide you with an up to date list on the day.

Item 3. Minutes of previous Annual General Meeting

The minutes of the previous Annual General Meeting of members of Hobson's Bay Community Financial Services Ltd held on the 23rd November 2010 were approved by the Board and signed by the Chairman in accordance with the provisions of section 251A of the Corporations Act.

A copy of the minutes has been circulated to this meeting. Can I have a shareholder who was present at the meeting to move and another to second the minutes of the 2010 Annual General Meeting.

Item 4. Presentation by the Chairman

2010/2011 saw our company have another busy and prosperous year.

Our Community Bank branches not only delivered modern banking with old-fashioned service, but with strong growth and record levels of profit we have also delivered good dividends to local shareholders.

In our 11th year of business since the opening of our first branch the Laverton Community Bank Branch Bendigo Bank, our group has reached a balance of \$300 million dollars in accounts held across our 3 branches.

The most exciting news of all is that since opening our doors 11 years ago, our community bank branches have contributed more than \$1.5 million to the local community through shareholder dividends, sponsorships, grants and donations.

<Graphs>

This achievement strengthens the importance of the Laverton, Altona and Point Cook Community Bank Branches as a primary source of funding for local community initiatives.

Our significant contribution to the community is a fabulous achievement and just goes to show that this innovative banking model, which our communities had the courage to take up, is sustainable. Not only have you our shareholders established 3 local bank branches, but are also part of a company that continues to put money back into the community.

We hope that this success is an indication of things to come and we will continue to be an important part of the Altona, Laverton, Altona Meadows and Point Cook Communities.

In recent times the issue of the potential market for trading community company shares and the liquidity of shares has become highlighted in the Community Bank network. Due to this, the Community Bank Strategic Advisory Board and Bendigo Bank are currently working through alternate methods of share trading including the ability to advertise the availability of shares.

It is generally acknowledged that the Community Bank® model is a low liquidity framework; however our focus remains on the local level including-

- focusing on building a sustainable and profitable business;
- making contributions back to the community;
- paying dividends to shareholders;
- promoting the Community Bank® message within the community.

It is our deeds and projects that are the best advertisement for our company and branches

At the end of 2010 our company has carried out Community Consultation Forums to seek ideas for a major community project that can be undertaken with the aid of funds generated from our 3 community bank branches.

Our aim for the forums was to work as a group to identify projects needed by our communities so that our company can invest profits into either a project or projects. The project may be small, large, one off or ongoing, it may also be carried out in collaboration with other groups or with government.

The identification of large scale projects is underway with further consultations and discussions being held with the Hobsons Bay and Wyndam councils. This process requires significant due diligence and patience by the Board, however it promises to be rewarding.

Over the next 12 months significant investment will be made in the expansion and renovation of both the Point Cook and Laverton & Altona Meadows Community Bank® branches. The new layouts known as Branch of the Future have been designed to promote a welcoming and engaging environment, and support customers to choose how they interact with the bank.

The new layout incorporates technology that will make transactions more efficient and allow our staff more time to spend talking to customers.

We will look forward to welcoming our shareholders at the opening.

The Board of Directors have worked hard over the course of the year, attending monthly Board meetings, various sub-committee meetings and conferences. It has a full and busy schedule, and members have shown great dedication to the job. The Board continues to be active in ensuring that the business continues to grow so that we can achieve the best

outcomes for our shareholders, customers, staff and the community. Directors have attended many functions throughout the year to help promote our bank in an endeavor to attract more business.

The Company owes a great deal to the Managers and staff of our branches. They have always worked with total commitment to support the business and increase the community benefit. I acknowledge and thank them for a tremendous performance over the past 12 months.

In September this year Our Community Bank® company was saddened by the death of our long term director and friend, Frank Porter. Frank joined the company in 2001, following a public meeting to establish the Altona Community Bank® branch. As a member of the Board, Frank took responsibility for all staff employed by the company. In his years of involvement, Frank contributed significantly to the business with commitment and passion. He will be sadly missed.

In closing, I would like to thank you, our shareholders who have demonstrated through positive actions what can be achieved if the community stood as one. Together we have engaged and strengthened our communities.

I now ask the Company Secretary - Michael Pernar to report to you on the matter of proxies.

Michael Pernar: I report that the number of valid Proxy Forms received at the Registered Office of the Company by the 24th November 2011 was (number to be supplied closer to date).

Item 5.0

The next item requests that we receive and consider the financial report of the company for the year ended 30th June 2011 together with the Directors and Auditors Report.

Can I have a shareholder move and second this.

Item 6.0 Election of Directors

To consider, and if thought fit, to pass each of the following resolutions as ordinary resolutions;

“that W. Gray who retires by rotation in accordance with the Constitution be re-elected as a Director”

Can I have a shareholder move and second this.

“that G Inserra who retires by rotation in accordance with the Constitution be re-elected as a Director”

Can I have a shareholder move and second this.

“that H. Da Silva who retires by rotation in accordance with the Constitution be re-elected as a Director”

Can I have a shareholder move and second this.

Item 7.0 Confirmation of Auditor

that Ross Clarke Pty Lid is be appointed Auditor for the next financial year”

Can I have a shareholder move and second this.

Item 8.0 Director's Remuneration

To consider, and if thought fit, pass the following resolution as an ordinary resolution.

That director's remuneration is increased by 5% from the 2011 base be approved.

Can I have a shareholder move and second this.

Item 9.0 Future Direction of Company

Hand over to Denis Shanahan

Item 10.0 Panel Discussion

Questions and answers

Item 11.0 Laverton Youth Foundation Presentation

Introduce Erin Young

Item 12.0 2011 Community Grants Presentation

Hand over to Dick Murdoch

Item 13.0 Close & Supper

This Saturday evening we are again the proud sponsor of Christmas at the Lakes. We invite you to come to this great community event.

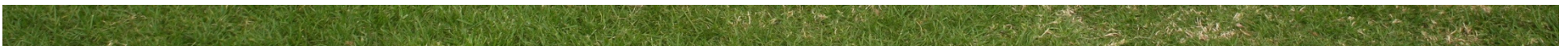
Thank you and welcome guests to stay for a light supper.



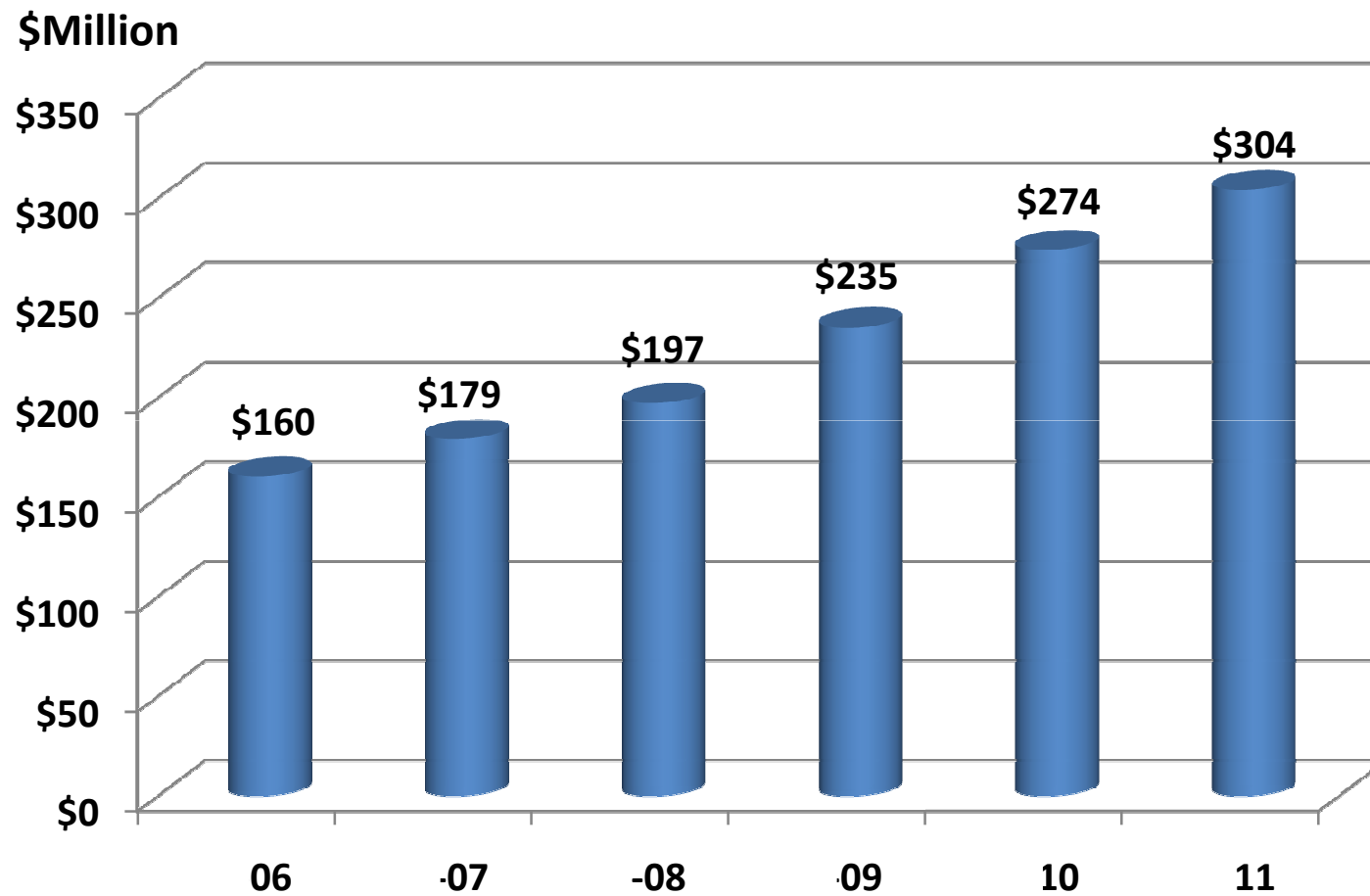
**Altona, Laverton/Altona Meadows and
Point Cook Community Bank® branches**



Financial Result FY 10/11



Total Business Volumes



Financial Results

Statistics

Total Business: \$304 million (11%) ↑

Revenue: \$2,905,775 (17%) ↑

Expenses: \$2,068,134 (6%) ↑

Total Assets: \$2,912,738 (22%) ↑

Total Liabilities: \$ 532,406 (26%) ↑

Net Assets: \$2,380,332 (21%) ↑



Financial Results

Branch Profit after Tax

Laverton Branch:	\$390,050
Altona Branch:	\$245,813
Point Cook Branch:	(\$ 59,739)

Net Profit after Tax

Overall Company: \$576,124 (58%) 

Dividend

The directors have recommended payment of a dividend of 16 cents for each share – fully franked.



2011/12 Forecast

	<i>08/09</i> <i>Actual</i>	<i>09/10</i> <i>Actual</i>	<i>10/11</i> <i>Actual</i>	<i>11/12</i> <i>Forecast</i>
Revenue	\$2,141,262	\$2,485,848	\$2,905,775	\$2,967,413
Expenses	\$1,833,684	\$1,950,553	\$2,068,134	\$2,415,012
Profit after Tax	\$ 206,524	\$ 364,692	\$ 576,124	\$ 386,681
Dividend	10 cents	12 cents	16 cents	
Dividend \$	\$ 140,313	\$ 168,376	\$ 224,501	

