

GROWING BETTER COMMUNITIES

CANTERBURY SURREY
HILLS COMMUNITY
FINANCE LIMITED
ANNUAL REPORT 2013

ABN 96 099 590 593



Canterbury Community Bank® Branch
Ashburton Community Bank® Branch
Surrey Hills Community Bank® Branch
Balwyn Community Bank® Branch

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2013 CALENDAR OF EVENTS

11 Sep	Final Dividend Record Date
9 Oct	Payment of Final Dividend
12 Nov	Annual General Meeting

A smiling woman with blonde hair tied back, wearing a teal shirt, and a young girl with blonde hair, wearing an orange and yellow striped tank top, are holding a large white sign. The girl is on the left, and the woman is on the right, with her arm around the girl's shoulder.

HELPING US HELP OUR COMMUNITY

Canterbury Surrey Hills Community Finance Ltd turned ten this year. After ten years of helping the community, we need your help so that we can continue this important work. We need more customers!

Our profits are used in many ways to help our local community. Dividends to shareholders, wages to employees, Community Investments in local community groups. All these contributions rely on the same thing – providing the best banking service to our customers.

We are sure our staff provide the best banking service, and they provide all the products the major banks provide. So why not join the **Community Bank®** model and have more of the money your banking generates stay in our local patch.

It doesn't matter if you need a home loan, deposit product, business account or loan, or a school savings account, we can help you and you will be helping us. Because that's what a community does – it helps each other out.

You can contact one of our bank managers on the numbers below, or drop into one of our four branches. You can also refer people you know to become a customer. This all helps us to help our community.

Canterbury Community Bank® Branch Craig Pitt (03) 9836 9466	Surrey Hills Community Bank® Branch Aaron Knott (03) 9890 7188
Ashburton Community Bank® Branch Fiona Kerr (03) 9885 2666	Balwyn Community Bank® Branch Lorelle Richter (03) 9836 8029
Senior Manager Nick Coker 0438 541 337	

OUR HISTORY

Canterbury Surrey Hills Community Finance Ltd was created by locals to help locals get their banking back. Now we help locals with so much more, also making important Community Investments.

Following the closure of bank branches in Surrey Hills and Canterbury, local steering committees were separately set up in 2000 & 2001 respectively to assist the establishment of **Community Bank**[®] branches in each location. At the request of Bendigo Bank, the two steering committees merged to form a single **Community Bank**[®] company in 2002.

Surrey Hills **Community Bank**[®] Branch opened in February 2003, while the Canterbury **Community Bank**[®] Branch was opened in August 2003.

A third branch was opened in Ashburton in October 2008, which for the first time was competing in a retail strip with branches from all the major banks, and yet the Ashburton

Community Bank[®] Branch has received extensive support from the local Ashburton community. A fourth Branch was opened in November 2011 in Balwyn in similar circumstances to Ashburton, while a fifth branch is currently being considered for Hawthorn.

In 2005, the Company was able to make its first Community Investments, with \$9,500 paid for that year. The Company also approved two \$110,000 projects: the Camberwell Sports ground electronic scoreboard and the Lynden Park pavilion development. These projects demonstrated to our communities what the Company would be capable of in years to come. These Community Investments have since grown to over \$2.2 million in total.

Recognising the increasing need for sound management of a growing company, the Board appointed a CEO in 2012 to accelerate it's business development agenda. The inaugural CEO, Dick Menting, had been the Chairman of the Company until that time. Juliann Byron succeeded Dick as Chairman in November 2012.

Today the Company is a committed member of the **Community Bank**[®] network established by Bendigo & Adelaide Bank Ltd in 1998.



FINANCIAL HIGHLIGHTS

\$2.2 million
COMMUNITY INVESTMENTS

\$494,208
invested in
communities
THIS YEAR

230
COMMUNITY
GROUPS

Footings increased
17.8%
\$67m 

SURREY HILLS
branch opened
2003

CANTEBURY
branch opened
2003



15
female staff
members



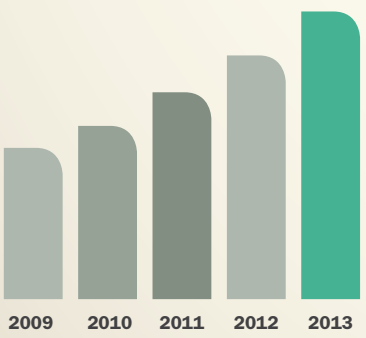
10
male staff
members

ASHBURTON
branch opened
2008

BALWYN
branch opened
2011

Business on books

234m 268m 320m 377.9m 445.3m

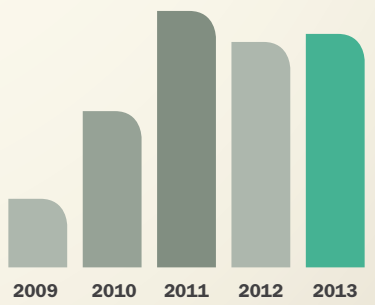


7,051
CUSTOMERS

809
SHAREHOLDERS

Profits before tax and community investments

230,452 524,097 860,948 756,071 783,355



A MESSAGE FROM OUR CHAIRMAN

On the 10th anniversary of our foundations in Surrey Hills and Canterbury, your Directors are pleased to report that our Company has produced a sound financial performance for the year despite a difficult economic environment.

WE HAVE COME A LONG WAY AND WE ARE STILL GROWING

Our branches at Surrey Hills and Canterbury are this year celebrating 10 years and are firmly established in the Union and Maling Road precincts. The Ashburton branch has continued to cement its place in High street and take on the other major banks in the process. At our Balwyn branch, which was operational for the full financial year, we made significant strides towards contributing to the long term success of the Company.

As our Senior Manager explains on page 8, we have seen our customers banking business grow, increasing our revenues from all four branches. We expect our banking business and revenues to grow further next year.

This success is reflected both by our Company becoming one of the largest of the Bendigo Bank **Community Bank**[®] network, and the strong performance for the financial year. Our profit before tax and Community Investments was \$783,355, which is an increase of 3.6% on 2012.

Our dividend has been steady with a 5 cent dividend paid for 2012 and again for 2013. This recognises the strong performance of the Company, the support provided by our shareholders and reflects our healthy overall position. Shares in our Company are traded on the National Stock Exchange and we appreciate the support of our shareholders in seeing the Company's value to them and the community.

THE COMMUNITY INVESTMENT PROGRAM HAS CONTINUED TO PASS NEW MILESTONES

We have now invested over \$2.2 million to the community through our Community Investment Program. Our Company was originally established with a community focus in mind and the success of the Community Investment Program is a critical element to our overall success. We describe some of the outcomes from this Program later in this Annual Report.

The Program provided \$494,209 to community organisations, which is a 38.6% increase on the previous year. Our community partners play a key role in our future as advocates for our business. In order to reinforce this advocacy and also as a reflection of our commitment to this program, we commenced an Incentive Program this year that rewards community groups who refer banking business to us.

The incentive program runs across a wide range of banking from 'piggy bank' accounts to loans and deposits and will continue to be expanded to all our community investment partners. All Directors and staff will play a role in this and we will be doing even more in the coming year to foster these community partnerships.

OUR IMMEDIATE STRATEGIC FOCUS IS ON A NEW BRANCH AND YOUTH PROGRAMS

Our next challenge is to open the Hawthorn **Community Bank**[®] Branch, which has met the requirements of the Pledge Stage in Bendigo Bank's four stage process to open a new branch. I am pleased with progress and the steering committee's tireless work to put a bank back into Hawthorn. Prior to opening, we want a solid base of local community commitment in the form of shareholder support and banking business.



The St Pauls Kindergarten masterpiece.

Our Community Investment Program provided \$1,100 to St Pauls this year. The ongoing development of our kids is to be a focus for us this coming year.

The next stage is for an independent feasibility study to be undertaken to assess the viability of the new branch. We expect to undertake this process shortly.

In the year ahead we will also be addressing the important area of youth involvement. We have supported the YACC Youth Foundation since it started in 2008. We are now relaunching a broader Boroondara Youth Foundation to encourage and develop youth in our community by managing funds to support youth philanthropy and delivering youth led projects. The aim is to assist youth to become more involved in the community, to reduce barriers for participation and to engage a diverse group of youth in opportunities to connect with the community.

Additionally, we are establishing a junior observer program which will encourage young people to play key roles in their community's future by providing them with the opportunity to observe how the Company operates. I hope the participants learn and develop skills for later life while simultaneously providing us with an invaluable youth perspective. We are discussing this initiative with local schools and aim to have this running in the 2014 calendar year.

OUR GOVERNANCE SYSTEMS HAVE BEEN RESTRUCTURED

To ready our Company for the next stage of our growth, we have further developed the structure and governance practices and appointing our new CEO, Dick Menting. Dick has now settled into his role and is deepening our relationships with our community investment partners. We believe this deeper relationship will be a key to developing our longer term growth.

New Board committees were also established, while the depth of information we are now able to report to you in our Annual Report has been significantly increased. A major Board priority for the year was a review and update of our business plan to better equip us for the years ahead and what we believe will be a more difficult economy.

We welcomed two additions to our committee structure with Sheridan Handley joining the Governance Committee and Di Gillies joining our Events Committee. I look forward to expanding this concept in the coming year to include more enthusiastic members in other committees.

THE COMING YEAR WILL HAVE CHALLENGES

This year the focus has been on consolidation to ensure we are in a strong position to face the challenges which we know are ahead of us over the coming year. Business and consumer confidence are still low, but we believe our growth will continue at a reasonable level across all branches over the coming year.

This economic uncertainty has impacted on our trailer product commission revenue from Bendigo Bank through the Bank's "Restoring the Balance" program which came into effect in April 2013. This program will have an effect on our revenue growth levels and may also impact on our Community Investment Program in the short term.

While there are challenges in the year ahead we are confident that the Company is in a good position to meet them because:

- Our staff, who have always been one of our strengths, continue to provide excellent service across the range of banking products.
- We have implemented a new structure to increase our capacity to capitalise on all possible business opportunities.
- Our community connection is our point of difference and we are developing deeper relationships with our community partners to meet the banking needs of their members.

I am very grateful for my fellow Directors for the excellent support provided to me in my first months as Chairman, and their dedication to the Board, its committees and their work generally.

I am confident that we will not only meet the challenges ahead, but also ensure our continued growth and success, through the commitment of our Board and staff, the support of our shareholders and our unique combination of community involvement in our business and our Company's involvement in the community.



Juliann Byron
Chairman





Maling Road Kris Kringle

The Maling Road Kris Kringle brings the entire community together prior to Christmas each year. Canterbury Surrey Hills Community Finance Ltd has been supporting this event for many years.



Head of the Yarra

*Crews of all ages took part in an 8.6KM rowing time trial from Birrarung Marr to the Hawthorn Rowing Club. Last year more than 1600 competitors endured the sweltering November conditions along the Yarra for the country's biggest regatta title. Canterbury, Ashburton, Surrey Hills and Balwyn **Community Bank®** branches have been proud sponsors of this event for the last two years and we are already looking forward to next year.*

A MESSAGE FROM OUR CEO

Our Company is now a genuine and recognised community asset. We are moving into a period of great opportunities and challenges. We are ready to tackle both.

Our Company has made great progress this year.

- We are now one of the biggest **Community Bank®** companies in the country, with growing business on the books and growing revenues.
- We have dedicated and proactive Managers and staff who are taking our **Community Bank®** message into our local community with commitment and they are achieving results from that work.
- We have been assisting our communities with their banking needs and more broadly through our Community Investment program for over ten years.

Perhaps our greatest achievement has been the Community Investment Program. I am extremely pleased to report we have contributed over \$2.2 million to all manner of local community groups. This is a significant investment in building a better community. All stakeholders in our company – shareholders, customers, staff and directors, Bendigo Bank and others – can all be very proud of these investments.

We have included a comprehensive report of our Community Investment Program at page 21 of this Annual Report. It is important for these stories to be told, as they demonstrate the impact, on an individual basis, of the value of the **Community Bank®** model.

The plans we announced in 2012 for Canterbury Surrey Hills Community Finance Limited to open a new branch in Hawthorn are well progressed. Adopting the Bendigo Bank process for establishing a new branch, we have achieved the required amount of community support through the Pledge stage. Our Board has set clear targets for the amount of new business the local community in Hawthorn must generate in order to move to the Feasibility stage, and we expect to reach these targets shortly.

There remains some real challenges ahead for the Company, with an economy that is not as strong as it was and growth becoming more difficult to achieve. Bendigo Bank's "Restoring the Balance" program (see page 11), increased competition and a low interest rate environment will place pressure on our growth targets for the coming year.

These challenges will have an impact on the Community Investment Program budget for the 2014 Financial Year. While it remains unclear how big this impact will be, our focus on the community groups that support us via our Incentive Program is set to continue. This gives all community groups an opportunity to work with us for mutual benefit.

I am personally grateful to the Board and our Chairman, Juliann Byron, in particular for the support provided to me as we introduced the CEO role to the Company. Your Company is run with a very high level of professionalism by a dedicated group of community focused directors.

Our performance remains closely tied to the quality of our staff. Through the leadership of Nick Coker and his Management team, they have provided customers with exceptional banking service. This remains the backbone of our success and I congratulate them on what we have achieve together.



Dick Menting
CEO



SENIOR MANAGER'S REPORT

Our branches in Surrey Hills and Canterbury have now been providing local banking services to their respective communities for over ten years.

Achieving these two milestones has been a highlight in a year that also included:

- Community Investments exceeding \$2,200,000.
- Overall business on books growing by 17.8%.
- Ongoing development of the campaign to establish a Hawthorn **Community Bank**[®] branch.

A key focus of each branch manager's business plan has been to increase our community contact and leverage off the investments the Company has made in community groups over an extended number of years. The managers and their staff are regularly attending meetings, fetes, sporting functions and providing community organisations with an understanding of how their banking can assist us to continue to improve community outcomes.

Total footings are now \$445 million (up \$67 million or 17.8%). Deposits increased \$32 million (15.8%) to \$236 million. This compares to 20% growth last year and is a strong result in a low interest rate environment. Lending increased by \$26 million (16.8%) to just over \$180 million, which well exceeded the performance last year of 12.8% or \$17 million growth.

Across the group, account numbers continued to grow with an additional 864 for the year. This brings our total accounts to 11,437 and total customers to 7,051 (increasing by 8.8%).

BRANCHES AND STAFF

The Balwyn **Community Bank**[®] branch has consolidated on a very strong twelve months to have \$82 million total business on the books. Lorelle Ritcher and her team have been very active in reaching out to Balwyn community groups.

Canterbury **Community Bank**[®] branch, under Craig Pitt's leadership, saw continued growth of the lending book, ending up with total business on the books of just over \$126 million.

Fiona Kerr has now managed the Ashburton **Community Bank**[®] branch for 18 months and has seen the business on the books increase to \$84 million at the end of the year. This result was well balanced between lending and deposits.

Surrey Hills **Community Bank**[®] branch has long been the branch with the largest business on the books. Aaron Knott and his team have now passed \$150 million milestone, ending the year on \$152 million business on the books.

My personal thanks go to each of the branch Managers for their commitment to the business and their teams throughout the year. I also want to acknowledge and thank all our staff, both past and present, who have continued to deliver exceptional service to our customers and demonstrate a real passion to assist our community partners. Our Company is a great place to work and these are great people to work with.

I also acknowledge the great support from Brad Peel, Regional Manager and his team from Bendigo and Adelaide Bank Ltd.

SUMMARY

I am grateful to the Board of Directors who work hard to support myself, the staff and the branches. This support has been constant and provided generously, and the community connections they develop for the Company are creating long term benefits for the Company as a whole.

All staff are aware of and thankful for the support of our shareholders and customers. Your capital and custom allows this Company to make a meaningful difference to our local community. I therefore urge all our staff, directors, shareholders, customers, community groups and clubs to encourage your friends and families to support Canterbury, Ashburton, Surrey Hills and Balwyn **Community Bank**[®] branches. In this way, you can make a difference to your local community.



Nick Coker
Senior Manager



TREASURER'S REPORT

For year ending 30 June 2013

OPERATING RESULTS

This year our Gross Revenue increased by 10.5% over last year to \$3.41 million. This is despite a reduction in the Profit Share under the Franchise Agreement with Bendigo & Adelaide Bank Ltd. The profit after income tax expense decreased by \$72K to \$200K, largely as a result of having the new Balwyn Branch operational for a full year and the introduction of executive staff costs.

Critically, our profit before Community Investments and tax this year was \$783K, an increase of 3.6% on last year (2012: \$755K), which indicates the community return from the business is growing.

DIVIDENDS

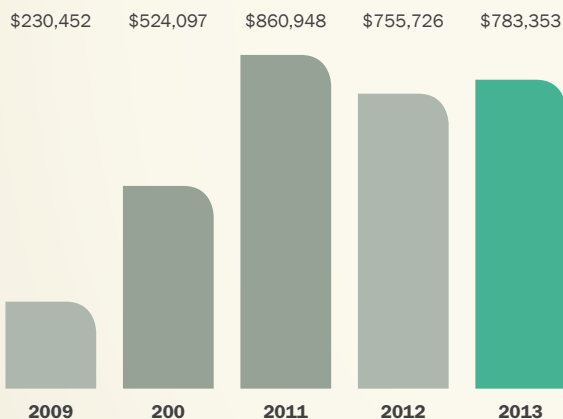
The Company paid a dividend of 5 cents per share based on the performance of the 2012 financial year. The Directors have determined that a dividend of 5 cents per share will be paid for the 2013 year, which is expected to be paid on 9 October 2013.

An investor that purchased 1000 shares in 2002 at \$1.00 each when the Company was formed will now have received \$662.00 in dividend and capital returns.



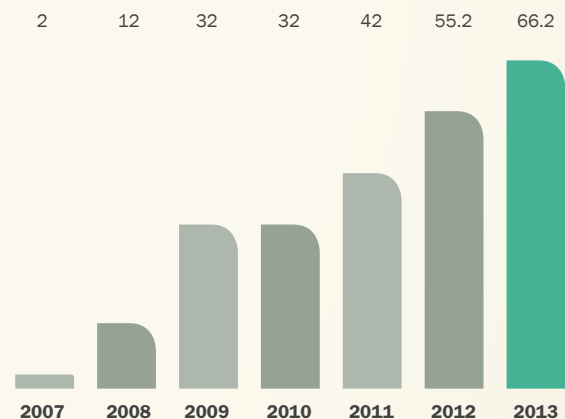
Gordon McFarlane
Treasurer

PROFIT BEFORE TAX & COMMUNITY INVESTMENTS



CUMULATIVE SHAREHOLDER RETURNS

Cents per share
Based on shares purchased in 2002



REVIEW OF OPERATIONS

This year we celebrate ten years since the Canterbury and Surrey Hills Communities decided they wanted change. Change is what we have been able to deliver, and we are now turning to broader issues that need our capital and leadership and how they can benefit the Company and the Community.

RECENT RESULTS

COMMUNITY INVESTMENTS REACH \$2.2 MILLION

One of the major objectives of the Company is to be able to contribute part of the profits back to the local community. Since the Company commenced in 2002, we have contributed over \$2.2 million back to the local community we operate in. And this doesn't include the dividends and return of capital we have made to shareholders, or the employment provided to our dedicated staff.

Originally, the community contributions were made in the form of grants and sponsorships, but this focus has changed to a "Community Investment" approach. We view a Community Investment as something that should provide a return – either to the Company (as business growth) or to the community (in the form of better outcomes that could not otherwise be achieved).

Our Community Investments over ten years have been made to a wide variety of community organisations.

Just over half have been to sporting clubs, covering a wide variety of sports and impacting on participants of all ages.

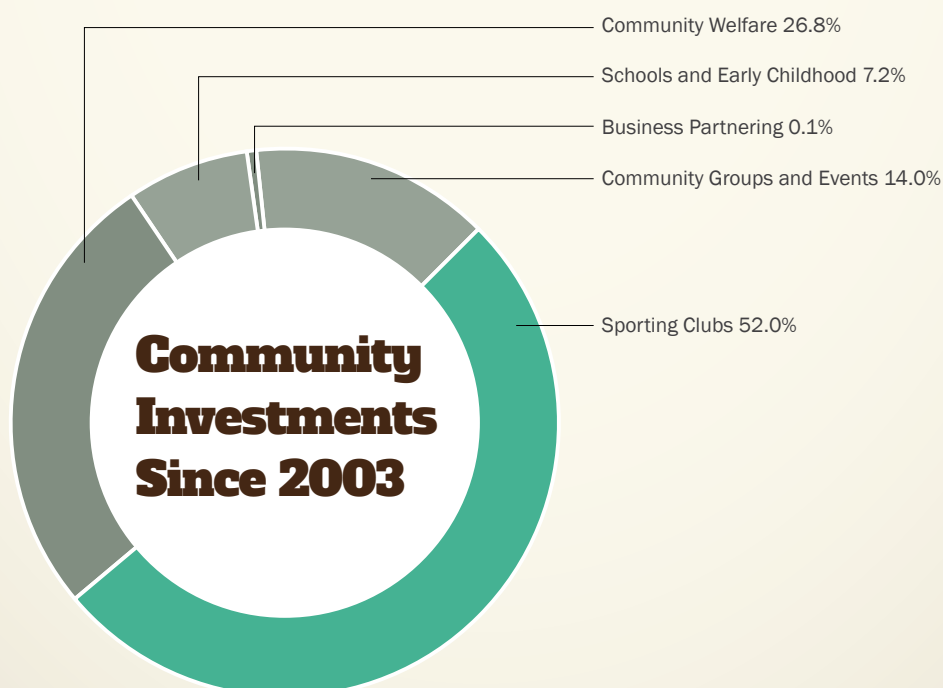
However, sporting clubs are not the only beneficiary of the Community Investments. Schools, disability support providers, Trader associations, community groups like Rotary and Lions clubs and many others have also received funds via the Community Investment Program. Many of these community groups are referring their members to our branches for banking, providing the return on the Community Investment we often seek.

Our Community Investment & Marketing Committee uses clear guidelines to assess how a Community Investment application will enhance business growth or community outcomes. We have provided extensive details and data on our Community Investment Program on page 21.

LEVERAGING OUR COMMUNITY CONNECTIONS

As part of our Community Investment Program, we have designed and introduced an Incentive Program that rewards the community groups that support us. If a member of a community group opens a new product at any of our branches, our bank staff will record and aggregate these transactions.

We will then provide "Incentive Payments" to the community groups nominated by the customers. Introduced in 2013, over \$39,000 was paid to community groups under this program in this financial year. This program purposefully aims to concentrate our investments into those areas that are providing the greatest financial benefit to the Company and its shareholders.



BOARD STRUCTURE REVIEW

The operational administration of the Company is maintained to a large degree by the Board members, due to the relatively small size of the Company. The Board members were all undertaking this role in a part time capacity with other (in most cases full time) employment obligations to be met.

With the continued growth of the Company, in 2011 we embarked on a process to re-organise how the Board administered the Company. This process included the introduction of a CEO, different and more focused Board committees and an increased focus on effective and efficient programs to maintain the growth the Company had experienced.

We have now completed many of these organisational changes. Dick Menting (our former Chairman) was appointed the inaugural CEO in 2012. Staff engagement has been a key focus, which has resulted in a staff recognition and retention program under development. This is expected to continue during 2014.

GROWTH OF BUSINESS

The business on our books has grown in a very tight and competitive retail banking environment. Details of this growth can be found in the Senior Managers Report on page 8.

The Canterbury Surrey Hills Community Finance Ltd contribution to growth of Bendigo Bank's regional area has been extremely strong and reflects both the capable managers and staff of our branches and the high quality support of regional banking staff.

CHALLENGES AHEAD – RESTORING THE BALANCE

Bendigo Bank announced in 2011 that the revenue sharing arrangement set out in the Franchise Agreement had moved away from the conceptual 50:50 share contemplated by the **Community Bank®** model to something far more in favour of the **Community Bank®** companies. At that time they made adjustments to the commission we received on certain products. Bendigo Bank called this program "Restoring the Balance".

Bendigo Bank announced in 2013 that a further change to the commission structure was required as part of its Restoring the Balance program, to apply from April 2013. This further change affects only fixed home loans and terms deposits greater than 90 days.

The Board is continuing to monitor the impact of these changes, but recognises the challenge these changes place in front of the Company. Advocacy of the **Community Bank®** network's position is made by the Chairman to Bendigo Bank on a regular basis.



FUTURE FOCUS

YOUTH PROGRAMS

The Company is exploring a number of ways to become more involved in community outcomes for youth. For some years, we have been a principal supporter of a Youth Foundation Program known as YAAC (Youth of Ashburton, Ashwood and Chadstone), which has now been renamed Boroondara Youth Foundation, and we are exploring a Junior Observer Program for 2014.

The Boroondara Youth Foundation program funds a youth worker via the Craig Centre in Ashburton to provide guidance and structure to a group of local youth in their efforts to assist youth to become more involved in the community and to reduce barriers for participation. This program is designed to foster leadership and focuses on providing disadvantaged youth with opportunity.

“The Foundation is designed to foster leadership and focuses on providing disadvantaged youth with opportunity.”

The Junior Observer Program will be designed to provide a small number of local high school students with the opportunity to learn how the governance structures of Canterbury Surrey Hills Community Finance Limited are designed to provide the best outcomes for the Company. Participants will attend Board and Committee meetings, meet key staff and attend Bendigo Bank offices. This program is designed to expose students to how we manage the Company to achieve the right mix of Company and community benefits.



BUSINESS PLANNING PROGRAM

The Company has taken significant steps towards longer-term business management and risk management. Some of the issues to be addressed in the coming year include:

- The Strategic Planning Committee has been established to develop long term business planning. The details of this committee's brief are set out in the Governance Report on page 26.
- The Audit & Governance Committee is developing an updated and comprehensive Risk Management Program. Based on the Australian Standard for Risk Management, this will include a regular reporting and monitoring system that provides directors with the relevant details of the Company's risk;
- The Staff Committee is creating a staff recognition and retention program in consultation with our staff to enhance the desirability of working for our **Community Bank®**.
- The Community Investment & Marketing Committee is developing systems to enhance the Incentive Payments program. This includes ongoing advocacy to Bendigo Bank to allow their IT systems to provide aggregated data to assist branches to identify how effective our Community Investments are.

COMMUNITY CONSULTATION

The Board expects the retail banking sector to become more competitive over the short term and this may have an impact on our Community Investment Program. The Board is reviewing the breadth of the Community Investment Program and will consider if it should be more narrowly focused on fewer groups in order to maximise the Company and community outcomes and benefits.

We will continue to consult with our community group partners on the most effective way of doing this. We have held a number of Community Forums throughout the areas we operate in, where we invited representatives from the community groups we sponsor as well as others to discuss our program and how we can improve it, improve their outcomes and make a difference to our local community generally.

Similar connections have been made to our business customers. We held a business briefing breakfast in May 2013 and received very positive feedback from this event. This gave our business customers a forum to meet and network with other businesses, all of which are great supporters of our **Community Bank®**.

Many new ideas have been generated by these functions, and we see great value in continuing to hold them.



MEASURING COMMUNITY EFFECT

We know intuitively that our Community Investment Program is providing community benefits such as increased access to programs (i.e. the Youth Foundation Program and disability support) and lasting community assets (i.e. community busses).

Bendigo Bank has engaged Access Economics to develop a model that can accurately measure the impact each Community Investment has beyond the simple dollars provided. We will continue to monitor the development of this model keenly, as we believe this type of information is critical to being able to provide the full story of the **Community Bank®** and its benefits.

HAWTHORN CAMPAIGN

The work required to establish a new branch at Hawthorn has continued. This Campaign is being run by a steering committee made up of Hawthorn locals and directors of the Company.

The campaign is running a well established process designed by Bendigo Bank with the following four key stages:

- 1. Pledge** – The steering committee has sought non-enforceable pledges of support for the purchase of new shares in the Company to fund the establishment of a new branch. We now have sufficient pledges to proceed to the next stage. Canterbury Surrey Hills Community Finance Limited has also set minimum levels of business that must be generated by the local community and be on our books before progressing to the next stage. We expect to meet these requirements over the coming short term.
- 2. Feasibility** – A feasibility study conducted by an independent expert is commissioned to assess the economic viability of the proposed branch.
- 3. Prospectus** – Provided a feasibility report is acceptable, a prospectus for the issue of new shares in the Company is prepared and released to the market.
- 4. Launch** – Once all preparations for the branch are complete, including preparation of the premises, the official launch can take place

Those people who would like further information on our Hawthorn project should contact our senior manager, Nick Coker, at any of our existing branches.

DIRECTOR PROFILES

JULIANN RUTH BYRON

Chairman – Non Executive

BCom, Grad Dip CM, FCPA, FAICD, ACIS,
ACSA, CTA



Juliann has extensive experience in the accounting and finance fields. She has provided corporate secretarial, management and governance consulting services over many years, and is a non-executive Director on public and not for profit company boards.

Juliann is a member of the Finance Committee, Staff Committee, Strategic Planning Committee and the Audit & Governance Committee. As Chairman, she also attends other committee meetings as required.

HANS DIEDERICK MENTING

Director and CEO – Executive

BCom, MBA(Melb), MAICD



Dick was the foundation Chairman of Canterbury Surrey Hills Community Finance Ltd and previously spent 25 years in retail banking, finance and administration with ANZ. Dick recently retired as a Councilor for Boroondara City Council and continues to run a local small business.

Dick is a member of the Finance Committee, Community Investment & Marketing Committee, Strategic Planning Committee and the Events Committee. As the CEO, Dick also attends other committee meetings as required.

ROBERT EINAR STENSHOLT

Deputy Chairman – Non Executive

BA, BD(Hons), M Int Law, Dip Phil



Bob has had an extensive career in public service, including roles as a teacher, diplomat, Assistant Director General for AusAID and over ten years as the state Member of Parliament for Burwood. Bob now consults to various boards and authorities on governance matters and is involved in many community organisations.

Bob is Chairman of the Community Investment & Marketing Committee, and a member of the Finance Committee, the Events Committee and the Strategic Planning Committee.

DAMIEN LEO HUDSON

Director – Non Executive

Damien has over 10 years experience in local real estate. More recently, Damien has established businesses providing management services to community organisations.

Damien is the Chairman of the Events Committee and is a member of the Audit & Governance Committee and the Community Investment & Marketing Committee.



JOHN JAMES GRACE

Director – Non Executive

FAIM, FCSA



John is the former General Manager of Catholic Schools Provident Fund and is an experienced manager of Credit Unions. John currently operates a small business in the wholesale trade.

John is the Chairman of the Strategic Planning Committee and is a member of the Community Investment & Marketing Committee and the Events Committee.

GEOFERY LESLIE ROWLES

Director and Company Secretary – Non Executive

BBus, PDM, MBA(Melb), GradDipACG, FCPA, FFin, FCIS, FCSA, MAICD



Geoff is a registered tax agent and chartered secretary with experience as a public accountant. Geoff has more recently been a Director and Secretary of public and private companies and is the responsible officer for a number of Mortgage Investment Funds.

Geoff is a member of the Finance Committee and the Audit & Governance Committee.

GORDON LENNOX MCFARLANE

Director and Treasurer – Non Executive

Cert Bus (Acc), BBus, CPA, MBA(Swinburne), JP in Victoria



Gordon has been an executive at Melbourne Water for many years where he has worked in financial, contract management and governance roles.

Gordon is the Chairman of the Finance Committee and is a member of the Strategic Planning Committee. Gordon also attends the Audit & Governance Committee meetings as a non-voting guest.

LEIGH WARREN SMITH

Director – Non Executive

Leigh is a Director and shareholder in a number of Melbourne and country Victoria motor vehicle Dealerships, where he has extensive experience in sale and marketing, management, human resources and contractual arrangements.

Leigh is the Chairman of both the Audit & Governance Committee and the Staff Committee, and is a member of the Community Investment & Marketing Committee.



SENIOR MANAGER PROFILE

NICHOLAS COKER

Senior Manager

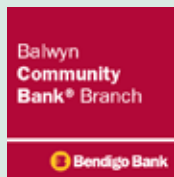
Adv.Dip.FS(FP)



Nick has been the Senior Manager for Canterbury Surrey Hills Community Finance Ltd since 2009, providing overall banking operations management to all of the four branches. Nick is a career banker, having come to the **Community Bank**® network from one of the major banks. Nick drives the business plans for each branch in conjunction with each manager and leads the community engagement programs.

Nick attends all Board meetings and also attends committee meetings as required.

BALWYN BRANCH REPORT



Branch Manager
Lorelle Richter
Staff
Josh Sharp
Jenny To
Dot Tamburrini
Anna Flessias



After opening in November 2011, our team has achieved a great result. As a new branch, our figures show significant growth which, while expected for a new branch, also reflects the work of our team, the directors and the extensive contacts made through the Community Investments

Program. We were recently awarded for achieving the highest regional deposit growth figures.

Just as importantly, we have now become a key member of the Balwyn community, providing banking services to a growing number of customers. Our staff have also participated in a number of activities to help local community groups, including:

- We provided activities and some fun for the children at the Balwyn Primary School Carnival.
- We pitched in at the Box Hill Miniature Railway Family Fun Day for families with children with disabilities.
- Our whole team created wonderful homemade food for our "Biggest Morning Tea" held in the branch for customers for a second year, raising \$580 for the Cancer Council.

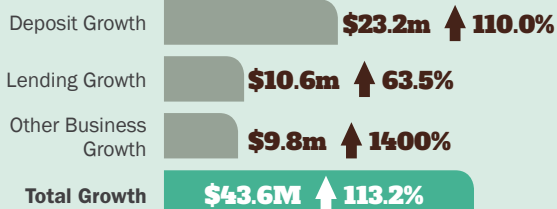
With competition from all the major banks in the local shopping strip, we are determined to provide the best service and give our customers every reason to be happy to choose their local **Community Bank®** for their banking needs.

You are welcome to drop in and say hello to our wonderful staff at any time and ask them about our products and services.

411 Whitehorse Road, Balwyn, Vic 3103

Telephone: (03) 9836 8029

Lorelle Richter
Manager



\$82.1m TOTAL FOOTINGS



CANTERBURY BRANCH REPORT

<div>Canterbury Community Bank® Branch</div> <div>Bendigo Bank</div>	Branch Manager
	Craig Pitt
	Staff
	Helen De Ross
	Matthew Thiessen
	Beverley Bjornesjo

Deposit Growth	\$4.9m ↓ 5.7%
Lending Growth	\$3.7m ↑ 9.6%
Other Business Growth	\$0.5m ↑ 17.8%
Total Growth	\$0.7m ↓ 0.7%

\$126.5m TOTAL FOOTINGS



As a mature branch operating in the Maling Road shopping strip for almost ten years, our results this year were affected by a small number of large commercial customer withdrawals. Despite this, our relationships with our customers remain strong, reflecting our fantastic team efforts.

The key to our ongoing growth remains our efforts to connect with our community. We have a number of local programs in place. One example is our partnership with Nazareth Care, which has enabled us to:

- Assist with their fundraising needs while raising our profile amongst their community.
- Enjoying the Nazareth Care Fair where we helped to raise funds with attractions such as sisters on motorcycles, singers and dancers, an animal farm and we had Bendigo Bank Piggy entertaining the kids.
- Provide a cheque for \$6,600 to purchase two computers for the residents to skype and send emails to family and friends from around the world. We recently visited for a morning tea and got to see the residents on the computers.

These benefits have been made possible because local residents are banking with us. Our team is able to assist you with your banking and this will help other community groups like Nazareth Care.

143 Maling Road Canterbury 3126
Telephone: (03) 9836 9466

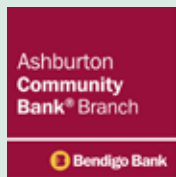
Craig Pitt
 Canterbury Manager



“The key to our ongoing growth remains our efforts to connect with our community”



ASHBURTON BRANCH REPORT



Branch Manager
Fiona Kerr
Staff
Sonia Brochard
Tim Ross
Sonia McLeish
Fiona Patton
Lauren Musumeci



The Ashburton branch has now been open for almost 5 years and despite competing with all the major banks, we have produced a great result this year. The growth in business has been well balanced and reflects the commitment of our team to the community engagement program the Company has adopted.

We held our first Ashburton Community Forum in May this year. Around 50 clubs and organisations were represented by over 70 people, who came together to discuss how we can work together to create better community outcomes. We also highlighted how banking through the **Community Bank®** network can contribute to the Community Investment Program.

The Ashburton Festival has been a staple of our community for many years, however this year saw the first **Community Bank®** Parade. On a very warm day, many of the local organisations, together with government and council representatives, marched through the street proudly showing their banner to open the festival.

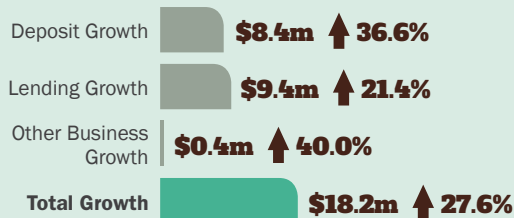
Our Company is different to the other banks, and the Ashburton team are all very good at providing the best service found in banking. These efforts have helped our Company to invest over \$2.2 million into local communities and we can do more with your help.

We would love to see you in our branch to say hello and find out how your **Community Bank®** can help you and your community at the same time.

241 High Street, Ashburton 3147

Telephone: (03) 9885 2666

Fiona Kerr
Ashburton Manager



\$84.2m TOTAL FOOTINGS



SURREY HILLS BRANCH REPORT

<div>Surrey Hills Community Bank® Branch</div> <div>Bendigo Bank</div>	Branch Manager
	Aaron Knott
	Staff
	Caitlin Harvey
	Ashley Wingfield
	Ruby Groenmeyer
	Adriana Horska
	Helen Sargeant

Deposit Growth	\$5.6m ↑ 9.7%
Lending Growth	\$2.2m ↑ 3.0%
Other Business Growth	\$1.5m ↓ 10.2%
Total Growth	\$6.3m ↑ 4.3%

\$152.5m TOTAL FOOTINGS



The branch has achieved a great milestone during the year – we now have over \$150 million of business from the local community, which is a credit to those passionate locals that wanted to get banking back into Surrey Hills. This support makes the Surrey Hills branch one of the

largest in Melbourne.

Our team has been busy in our community, not just providing the great service our customers expect, but also engaging in community activities and helping to make a difference, such as:

- Helping to establish the Surrey Hills Traders Association. This group is helping all local traders to improve our appeal to customers, making them aware of the great services and products available in Surrey Hills.
- Providing a helping hand at the Surrey Hills Music Festival, which was held in late October and featured 11 hours of music held in five locations around Surrey Hills.
- Establishing the **Community Bank®** Cup match played between the Surrey Park Football Club and the Canterbury Football Club. This is an ongoing competition between the two clubs that are located close to our first two branches, and we were pleased to see the first victory go to the Surrey Hills boys!

If you haven't come in to see our team at Surrey Hills, drop by and say hello. Our friendly staff can explain what we are doing in your community, and how you can help with your banking.

107 Union Road Surrey Hills 3127

Telephone: (03) 9890 7188

Aaron Knott
Surrey Hills Manager

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BRANCH REPORT

“Our team has been busy in our community, not just providing the great service our customers expect, but also engaging in community activities and helping to make a difference”

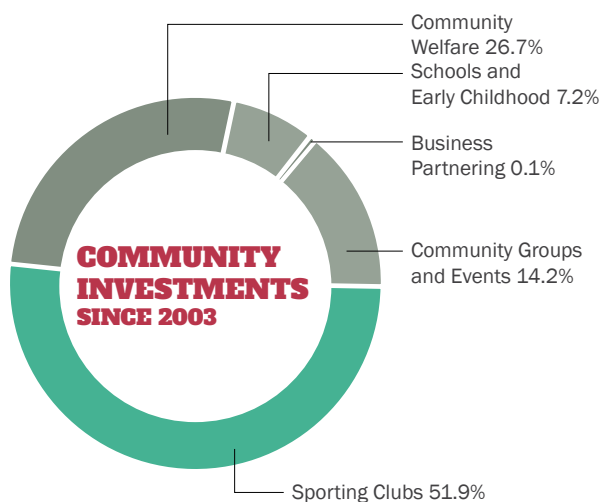




YOUR COMMUNITY AND US

The **Community Bank®** model developed by Bendigo & Adelaide Bank was always designed to provide any local community with more than just banking services. Canterbury Surrey Hills Community Finance Limited has embraced the opportunity this model affords us to develop our community. These are some of the stories we have had a hand in.

Our Community Investment Program has developed over time based a changing perspective of how the **Community Bank®** model can assist our local communities. Originally, we sought to undertake sponsorships as a means of telling the local community we were here. As the number of community groups that were aware of Canterbury Surrey Hills Community Finance Limited and what we were doing increased, we started to focus on how those community groups could support our services.



More recently, we have turned our thinking to genuine community “investment”. We believe we should be seeking a return on the investments we make in the community. Our Community Investment Program is now aimed at achieving either (or both):

- Returns to the Company in the form of growing banking business. Additional banking business will grow the profits of the Company and allow us to increase the Community Investment Program even further.
- Returns to the community in the form of better outcomes that could not be achieved without the financial or other support we can provide. Our ability to provide this support can open doors that our community might not otherwise be able to access.

DIVERSITY OF INVESTMENT

The financial contributions we make are only part of our investment.

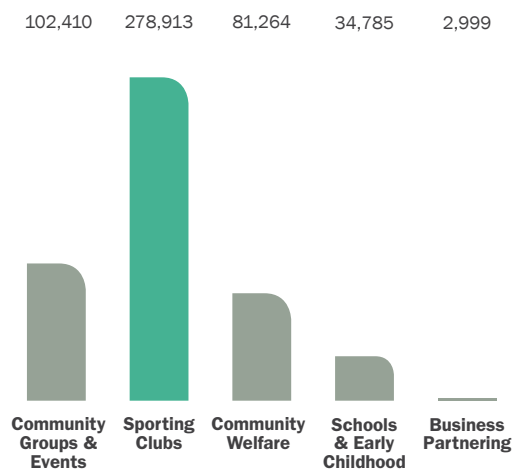
- Our staff and directors are community minded people – that is why they became involved in the Company in the first place. They contribute their time and efforts to many community group activities.
- The Company has engaged in ongoing consultation to determine how it can continue to assist the community to achieve the outcomes the community wants. This consultation is to continue on a regular basis across areas that we operate in.
- We have identified Youth issues as a focus for the coming year. Our investment in the Boroondara Youth Foundation program is supported by director guidance, while the Junior Observer Program being developed is expected to have a minimal cost while providing unique access for some young people to see how a listed public company is governed.



COMMUNITY GROUPS

The types of community groups we have made investments in over the 2013 financial year is broadly in proportion to the longer term investments we have made. In total, over 230 different groups have received funding under the Community Investment Program.

TOTAL COMMUNITY INVESTMENTS 2012/2013



SPORTING CLUBS

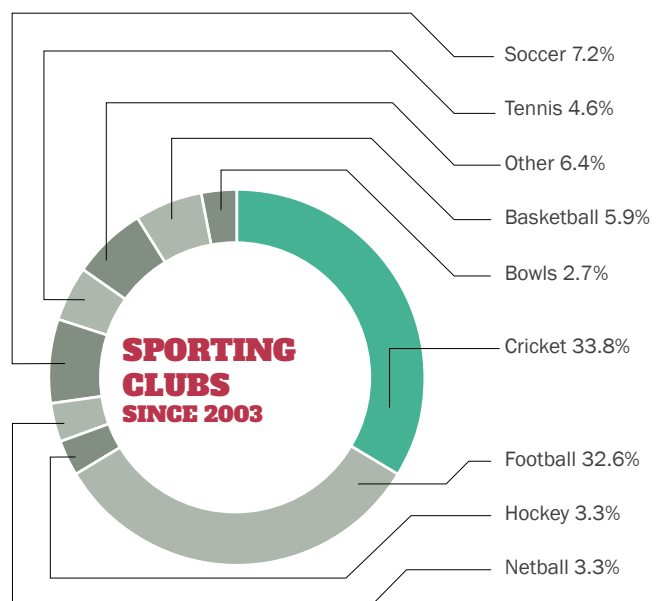
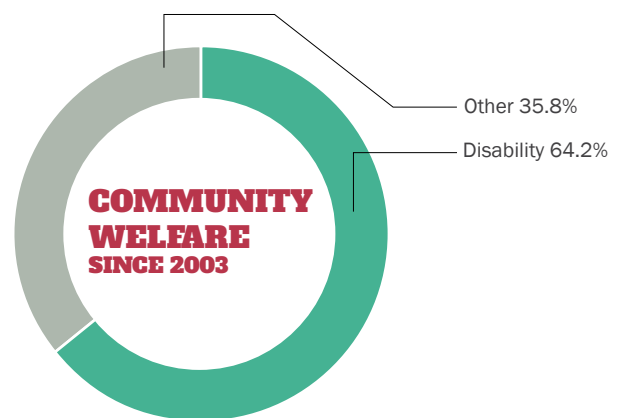
Sporting clubs receive approximately half of the funds we invest. There is good reason for this – the Australian Bureau of Statistics 2010 report “Sport and social capital” identified:

The associational nature of sport and sporting clubs is sometimes seen as a forum for the creation of social capital (Tonts 2005). The current debate about social capital suggests that the structures within, or the fabric of, a society or community are an important determinant of the health of a community, and that participation in community based and social activities helps to strengthen the fabric (Baum 1999).

Our Community Investment in sports is spread amongst a wide variety of sports, covering all ages. The key to our investments has been the promotion of access and involvement. Most of the clubs (numbering more than 80) are run by volunteers and provide a vital community function. Importantly, many provide fun fitness programs to juniors.

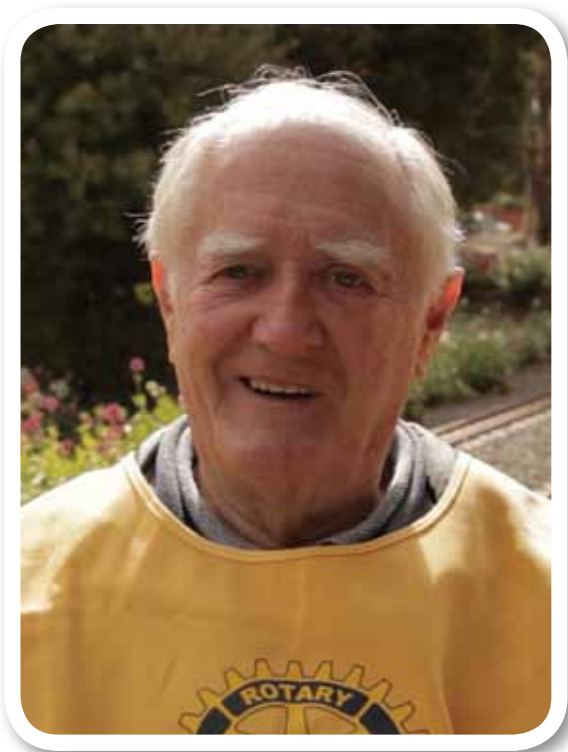
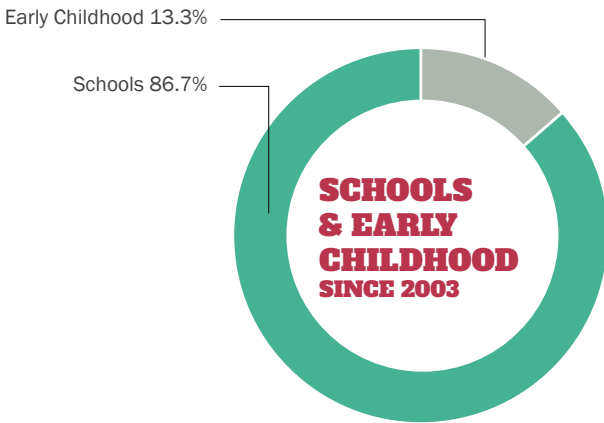
COMMUNITY WELFARE

Community welfare, particularly in the area of disability support groups such as EDAR Group, have also see regular support through the Community Investment Program. This part of the program has provided over thirty different organisations with funding that helped disability support groups, traffic education, aged care and parenting groups.



SCHOOLS AND EARLY CHILDHOOD

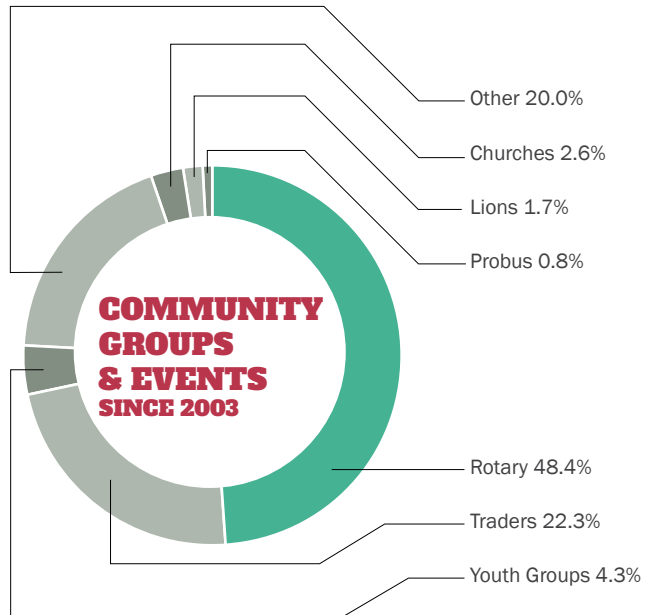
Schools and Early Childhood organisation have received over \$160,000 from our programs since 2003. Again, over thirty community groups, largely made up of schools and kindergartens, have been supported in their efforts to enhance our community.



COMMUNITY GROUPS AND EVENTS

Community Groups and Events are often best provided by those who have a particular interest. We recognise there are other community groups that are making an ongoing contribution to community outcomes and we have sought to provide our financial support to their investment of time and efforts. More than sixty groups have received a Community Investment that has gone into programs these groups provide to the local community.

Groups such as Rotary and Lions clubs have an extended history of volunteering their time to help the community, while local trader associations also help the business community to thrive in local areas providing local people with services we all need.





Uniform Support

We have provided the Boroondara Netball Association \$10,000 for their uniforms. This support was reciprocated when a club member took out a home loan and we then provided an additional \$1,000 through the Incentive Program.

Happy 10th Birthday!

Surrey Hills Community Bank® Branch celebrated it's 10th Birthday on Friday 1 March 2013. Students from Surrey Hills Primary School attended and sang Happy Birthday then received a gift each from Piggy!



Sisters of Nazareth

For more than 150 years these nuns have been supporting and caring for those in need from childcare to elder care, education and everything in between. The Nazareth Care in Camberwell specialise in aged living facilities.

Butcher and bank give kids an edge

Ashburton Meats and the Ashburton Community Bank® have provided over \$3,000 to children's charity, the EDGE Community Fund. The butcher contributed \$1,230 from the sale of its Soup Recipe Book while we donated \$500 for printing the Book as well as matched the proceeds from the EDGE's Annual Raffle to the tune of \$1,500.





On the Busses...

Over many years, Canterbury Surrey Hills Community Finance Ltd has provided the funds for a range of organisations to purchase busses. Transport for many people is a key part of avoiding isolation and feeling part of their community.

All Aboard

When Rotary Club of Balwyn told us about the upcoming Family Fun Day at Box Hill Miniature Railway, we jumped at the chance to get involved, donating \$5000 to the cause. The day would not have been such a success without the Community Service Volunteers. And the train driver...



We hear you

We have been conducting a number of meetings to hear from local community groups and find out how we can help. Here at Balwyn, people came to discuss how we could use our Community Investment Program, and how they could help the funds grow by having their banking with us.

Interchange Inner East

Canterbury Community Bank® Branch proudly supports Interchange Inner East for the amazing work they do with children with disabilities.

We have now provided over \$8,500 to Interchange since 2009.



GOVERNANCE REPORT

This section sets out the main features of the corporate governance framework for Canterbury Surrey Hills Community Finance Limited (“the Company”). The Company places great importance on its governance framework, adopting a proactive approach to ensure the structures, values and behaviours of the Company have the interests of its stakeholders as a focus.

CORPORATE STRUCTURE REVIEW

The Board undertook a review of the Company’s strategic goals in May 2011 and as part of that review, the Board considered how the Corporate Structure contributed to achieving those strategic goals.

The Board adopted the report prepared for it regarding the new structure in April 2012 and has now completed the implementation of this new structure, including:

- The appointment of a CEO;
- Reorganising the role of each Board Committee;
- Determining the appropriate delegations from the Board;
- Commencing the development of enhanced Human Resource management policies.

BOARD OF DIRECTORS

The Board policy provides the following functions and responsibilities remain the responsibility of the Board of Directors:

- Review and approval of corporate strategies, the annual budget and financial plans;
- Overseeing and monitoring the performance and achievement of the strategic objectives by the organisation;
- Monitoring financial performance;
- Appointment and assessment of the performance of the CEO and individual directors;
- Review and monitoring of the Risk Management Systems for the Company;

The Board has established a number of Committees (see below) to assist and advise it on specific matters.

There are currently eight directors on the Board. Details of the current Board Members and their backgrounds, together with the number of meetings each director has attended during the year are set out on page 14.

It is the Board’s policy that a majority of its directors are independent.



BOARD PERFORMANCE REVIEW

The Corporate Structure Review established a policy for reviews of the Board's performance. The broad policy requires:

- The Audit and Governance Committee to prepare a review of the Board as a whole when called on by the Chairman;
- The Chairman and the chair of the Audit and Governance Committee to review the performance of the Committees annually;
- The Chairman to meet with each director annually to review the directors personal performance;
- The Chairman and the chair of the Audit and Governance Committee to review the performance of the CEO and report to the Board on this assessment.

ROLE OF THE CHAIRMAN

The Chairman is responsible for a range of defined roles that deal with leadership of the Board and the Company generally. The principal role is to facilitate effective discussion at Board meetings of material relevant to the conduct of the Company.

The Chairman must be an independent, non-executive director. The Board considers the role of Chairman and CEO must not be held by the same person.

ROLE OF THE CEO

The CEO will provide leadership to programs that broadly deal with the following issues:

- Implementation of strategy
- Business growth
- Asset management
- Business services
- Communications and Community Relations
- Operations and Maintenance

COMPANY SECRETARY

The appointment of Company secretaries is a matter for the Board. Information regarding the current secretary is contained in the Directors Report.

COMMITTEES OF THE BOARD

The Board currently has six committees:

Finance Committee
Community Investment & Marketing Committee
Audit & Governance Committee
Staff Committee
Events Committee
Strategic Planning Committee

FINANCE COMMITTEE

The Finance Committee has been established by the Board with written terms of reference that requires it to review, monitor and report on:

- Finance strategy and direction.
- Financial performance and reporting.
- Financial risk.
- Investments.
- Shareholders rights.

The Members of the Finance Committee are set out in the Directors Report, including the number of meetings held and attended.

COMMUNITY INVESTMENT & MARKETING COMMITTEE

The Community Investment and Marketing Committee has been established by the Board with written terms of reference that requires the Committee to:

- Facilitate the distribution of funds generated from business activities to the community by evaluating sponsorship and grant applications and by the commercial use of community investments to foster business growth.
- Position our branches as the primary choice of the community for local banking, reassuring the community that these branches provide equivalent or better services to those of the other major banks.
- Create awareness of, and goodwill towards, the Company from the community by promoting the benefits the bank gives back to the community.

The members of the Community Investment and Marketing Committee are set out in the Directors Report, including the number of meetings held and attended.

The Community Investment and Marketing Committee is empowered to approve sponsorships and grants up to \$15,000. Applications for more than this amount must be considered by the Board of Directors on the recommendation of the Community Investment and Marketing Committee.

AUDIT & GOVERNANCE COMMITTEE

The Audit & Governance Committee has been established by the Board with written terms of reference that requires the Committee to:

- Monitor the activities of the Company.
- Review the Company's processes, personnel and systems as it decides is appropriate from time to time.
- Recommend to the Board any changes to its process, personnel or systems considered appropriate.
- Assist, review and monitor the external Auditors performance.

The Audit & Governance Committee sets an agenda of the issues it will review each year and submits these for comment and discussion to the Board.

The director members of the Audit & Governance Committee are set out in the Directors Report, including the number of meetings held and attended. The Committee also has an appointed Sheridan Handley as a non-director member of the Committee.

STAFF COMMITTEE

The Staff Committee has been re-established by the Board with written terms of reference that requires the Committee to create and share business success with employees via clear, fair and empowering policies, procedures and culture management.

The Committee also facilitates communication between branch staff, management, the CEO and the Board.

The members of the Staff Committee are set out in the Directors Report, including the number of meetings held and attended.

EVENTS COMMITTEE

The Events Committee has been established by the Board with written terms of reference that requires the Committee to:

- Assist the Board to plan and coordinate events that are undertaken by the Company.
- Prepare, maintain and report to the Board a calendar of events the Company plans to be involved in.

The director members of the Events Committee are set out in the Directors Report, including the number of meetings held and attended. The Committee also has an appointed Dianne Gillies as a non-director member of the Committee.

STRATEGIC PLANNING COMMITTEE

The Board has established a Strategic Planning Committee with written terms of reference that require the Committee to:

- Assist the Board to consider issues that will affect the Company over the longer term.
- Provide assistance to the CEO in the development of longer term, broad strategies.
- Make recommendations to the Board on matters referred to the Committee by the Board or the Chairman.
- Consider and draft responses to matter that affect the relationship of the Company with Bendigo & Adelaide Bank for the consideration of the Board.
- Coordinate the preparation and maintenance of the Company Business Plan in a formal document for the approval of the Board.

The members of the Strategic Planning Committee are set out in the Directors Report, including the number of meetings held and attended.

CODE OF CONDUCT

The Board has identified the roles and obligations of the Directors. It promotes ethical, considered and independent judgment of the matters before the Board. It highlights the statutory obligations on Directors generally and also sets out the expectations that are placed on directors in terms of the time dedicated to the Company's affairs.

SHAREHOLDER COMMUNICATIONS

The Company aims to provide timely and relevant information to shareholders throughout the year. The Company releases a number of Newsletters which are sent directly to shareholders. It also writes directly to shareholders when the Board considers information is sufficiently important.

The Company takes advice from its Secretary at each meeting on the need to make disclosures to the market in order to comply with the Continuous Disclosure requirements of the Corporations Act. These disclosures are published on the NSX website at:

<http://www.nsx.com.au/summary/CSH>

The Company provides a range of additional material on its website at:

<http://www.supportingourcommunity.com.au/>



RISK MANAGEMENT

The Company is creating a formal Risk Management System (“RMS”) to identify and record the various risks to the Company and its business. This system is being developed by the Audit & Governance Committee.

The RMS is based on the international standard ISO 31000-2009 Risk Management.

Bendigo & Adelaide Bank Limited (“Bendigo”), as the franchisor to the Company, provides support and tools for the development of the RMS. Bendigo also provides an internal audit system for the operational risks to each branch and reports the results of these audit visits to the Senior Manager and the Board. The Audit & Governance Committee monitor these reports and review the implementation of any recommended changes.

REMUNERATION POLICIES

The remuneration policies of the Company are the responsibility of the entire Board and are considered by the entire Board, unless the discussion relates to the remuneration of an individual, who is absent from those discussions.

POLITICAL DONATIONS

The terms of reference for the Sponsorship and Marketing Committee prohibit that committee to consider donations, grants or sponsorship for political or religious purposes, except in limited circumstances (such as fetes or events for the purposes of tolerance and understanding).

The Company has made no political donations during the 2013 financial year.

DIRECTORS' REPORT

Your directors submit their report of the Company for the financial year ended 30 June 2013.

DIRECTORS

The names of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Juliann Ruth Byron (Chairman)
Hans Diederick Menting (CEO)
Robert Einar Stensholt (Deputy Chairman)
Gordon Lennox McFarlane (Treasurer)
Damien Leo Hudson
Leigh Warren Smith
John James Grace
Geofery Leslie Rowles (Secretary)

Particulars of the skills, experience and responsibilities of the directors at the date of this report are set out on page 14.

REVIEW AND RESULTS OF OPERATIONS

The review of operations is set out on page 10.

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.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the course of the financial period were in providing **Community Bank®** services under management rights to operate four franchised branches of Bendigo and Adelaide Bank Limited in Canterbury, Surrey Hills, Ashburton and Balwyn, Victoria.

There have been no significant changes in the nature of these activities during the year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future years.

LIKELY DEVELOPMENTS

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

DIVIDENDS

A dividend of 5 cents per share was paid in the year ended 30 June 2013 (2012: 6 cents). The Directors have determined that a dividend of 5 cents per share will be paid for the 2013 year on 9 October 2013.

SHARE OPTIONS

The Company has granted no options on unissued shares at any time.

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

Geofery Leslie Rowles, BBus, PDM, MBA, GradDipACG, FCPA, FCIS, FCSA, FFin, MAICD.

Mr Rowles is an experienced public company director and Chartered Secretary. Mr Rowles is the managing director of Principled Mortgage Investments Ltd and an experienced funds manager.

DIRECTORS MEETINGS

During the financial year, the Directors conducted the following number of meetings for the Board as a whole and each committee (listed together with the attendance record of each director). Attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible	Attended
Juliann Ruth Byron	11	11
Hans Diederick Menting	11	11
Robert Einar Stensholt	11	11
Gordon Lennox McFarlane	11	11
Damien Leo Hudson	11	10
Leigh Warren Smith	11	7
John James Grace	11	10
Geofery Leslie Rowles	11	10

DIRECTORS INTERESTS

The directors hold the following interests in the Company:

	Number of shares held	
	Directly	Indirectly
Juliann Ruth Byron	9,800	0
Hans Diederick Menting	8,702	0
Robert Einar Stensholt	20,350	0
Gordon Lennox McFarlane	2,750	0
Damien Leo Hudson	14,082	0
Leigh Warren Smith	44,000	0
John James Grace	5,000	0
Geofery Leslie Rowles	3,800	1,100

	Audit & Governance Committee		Finance Committee		Community Investment & Marketing Committee		Staff Committee		Strategic Planning Committee		Events Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Juliann Ruth Byron	11	7	11	11	5	5	8	6	9	8	7	6
Hans Diederick Menting			11	9	11	9	7	6	9	7	7	5
Robert Einar Stensholt			11	10	11	11	2	2	9	8	7	7
Gordon Lennox McFarlane	11	9	6	6	7	4			9	5	1	1
Damien Leo Hudson	7	4			11	11					7	7
Leigh Warren Smith	7	7	5	1	11	5	7	7				
John James Grace					11	10	2	2	9	8	7	5
Geofery Leslie Rowles	11	11	6	5								

NON-AUDIT SERVICES

The amount paid or payable to the Auditor (Richmond Sinnott & Delahunty) for non-audit services provided during the year ended 30 June 2013 was \$10,478 (2012: \$17,834).

The Directors are satisfied that the provisions of non-audit services by the Auditor did not compromise the Auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Audit & Governance Committee to ensure they do not impact on the impartiality and objectivity of the Auditor; and
- none of the services undermine the general principles relating to Auditor independence as set out in Professional Statement F1, including reviewing or auditing the Auditor's own work, acting in a management or a decision making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

REMUNERATION REPORT

a) Policies

Prior to the 2012 Annual General Meeting (AGM), the Company did not employ any executive staff other than the banking staff. Directors were required to undertake the roles that would be allocated to an executive at larger organisations.

At the 2011 AGM, the shareholders resolved to alter the Director Remuneration arrangements so that all directors were paid a fixed fee depending on the role they occupied. The Board determined it would not implement this until all appropriate procedures had been put in place.

An allowance was formally paid to some Directors to cover expenses incurred on behalf of the Company. The total paid in allowances for the year was nil (2012: \$2,500).

Immediately following the 2012 AGM, the Company appointed Hans Diederick (Dick) Menting as CEO in a part time executive role to accommodate the increased requirements of the Company as it grew. This is a three year appointment. As part of that appointment, the Board implemented a comprehensive review of the directors' roles and responsibilities.

The remuneration of Mr Menting in his capacity as CEO has been determined by the Board. For the initial three year appointment, the remuneration is exclusively a base salary without any bonus component. The Board intends to review this arrangement during this initial appointment and will consider changes to this arrangement in 2015.

The remuneration of the Senior Manager has been split into two parts. The first is a base salary that is not contingent upon Company performance. The second is a bonus, the quantum of which is determined by the Staff Committee after a review of the performance of the Company and various Key Performance Indicators (KPI) set by the Staff Committee for the Senior Manager. All remuneration is made on a cash basis.

The KPIs for the Senior Manager are aligned to business growth indicators such as increase, on a per branch basis, of loans, deposits and other business, taking into account the relative returns to the Company of each product line. Other KPIs include community engagement and conversion of business from that engagement. The Senior Manager is employed under an ongoing contract, and the period of notice required under the contract to terminate the employment is four weeks.

The Company did not engage any remuneration consultants in reviewing its remuneration structure for the 2012 financial year. From 1 July 2011, public companies have additional reporting obligations if they receive a 'no' vote of 25% or higher at their previous Annual General Meeting (AGM). At the 2012 AGM, the Company recorded a 'no' vote of 0.92% (2011: 0.00%) on its remuneration report.

b) Directors' Remuneration

Director remuneration for the year ended 30 June 2013 is set out in the table below. For the purpose of Section 300A(1)(c), the amount of each prescribed detail is nil unless set out in the table:

	Short Term Employee Benefits		Post Employment Benefits
	Cash Salary	Bonuses	Super-annuation
Juliann Ruth Byron	\$17,583	\$0	\$1,583
Hans Diederick Menting	\$42,917	\$0	\$3,833
Robert Einar Stensholt	\$10,000	\$0	\$900
Gordon Lennox McFarlane	\$9,583	\$0	\$863
Damien Leo Hudson	\$7,000	\$0	\$630
Leigh Warren Smith	\$7,000	\$0	\$630
John James Grace	\$7,000	\$0	\$0
Geofery Leslie Rowles	\$10,000	\$0	\$900

c) Officers' Remuneration

	Short Term Employee Benefits		Post Employment Benefits
	Cash Salary	Bonuses	Super-annuation
Nicholas Coker	\$124,829	\$0	\$18,200

End of Remuneration Report

ADDITIONAL INFORMATION

In accordance with National Stock Exchange Listing Rule 6.9, the Company provides the following information as at 30 June 2013:

- (a) The principal activities of the Company are described above.
- (b) The Company does not have any subsidiary companies.
- (c) The interests of each director in the Company are set out above.
- (d) The Accounts presented with this report do not differ materially from any forecast previously issued by the Company.
- (e) There are no service contracts for directors that are proposed for election at the forthcoming AGM.
- (f) Dick Menting is employed on a service contract for the position of CEO. Details of this contract are described above in the Remuneration Report.
- (g) There are no arrangements under which a director has waived or agreed to waive any emoluments.
- (h) There are no arrangements under which a shareholder has waived or agreed to waive any dividends.
- (i) Comparative Table of Financial Results

	2013	2012	2011	2010	2009
	\$	\$	\$	\$	\$
Profit & Loss					
Revenue from operating activities	3,414,032	3,087,658	2,698,576	2,141,558	1,691,616
Total Expenses	-3,124,886	-2,688,579	-2,247,222	-1,840,924	-1,681,148
Profit from ordinary activities before income tax expense	289,146	399,079	451,354	300,634	10,468
Income tax expense	88,311	126,073	142,236	83,043	11,359
Not profit/loss after tax	200,835	273,006	309,118	217,591	-891
Net profit/loss attributable to shareholders	200,835	273,006	309,118	217,591	-891
Balance Sheet					
Current assets	1,412,667	1,324,968	1,293,365	998,199	680,287
Non-current assets	672,185	727,503	417,321	468,720	542,555
Total assets	2,084,852	2,052,471	1,710,686	1,466,919	1,222,842
Current liabilities	228,182	251,935	262,454	198,261	171,775
Non-current liabilities	9,535	-	-	-	-
Total liabilities	237,717	251,935	262,454	198,261	171,775
Shareholders' funds	1,847,135	1,800,536	1,448,232	1,268,658	1,051,067
Earnings per share (in dollars)	0.07	0.09	0.12	0.08	0.00
Dividends per share (in dollars)	0.05	0.06	0.05	0.00	0.00
Net assets value per share (in dollars)	0.60	0.58	0.56	0.49	0.41
Price earnings ratio	8.76	5.65	4.19	5.35	0.00

- (j) The Treasurer's Report is contained at page 9.
- (k) The Corporate Governance Report is contained at page 26.
- (l) The following table shows the ten largest shareholders:

Shareholder	No. of shares
Adrienne Leslie Murray	110,000
Thomas Leigh Pty Ltd <The Waring Family Superannuation Fund A/C>	100,500
Richard Everritt Thorne	57,200
Kevin Francis McCormack	55,000
Richard Middleton <Marpjz Super Fund A/C>	44,000

Shareholder	No. of shares
Leigh Smith & Felicity Smith <EB Investment Fund A/C>	44,000
Wayne Austen & Erica Austen	41,800
John Henry Anderson & Patricia Noreen Anderson	33,000
KDB Pty Ltd	23,100
Chesterfield Super Pty Ltd <R & C Daly Superannuation Fund>	22,000

- (m) The Auditors Independence Report can be found on page 37.

Signed in accordance with a resolution of the Directors in Melbourne on 21 August 2013.



Juliann Ruth Byronn
Chairman

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF CANTERBURY SURREY HILLS COMMUNITY
FINANCE LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of Canterbury Surrey Hills Community Finance Limited, which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company at the year's end.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Canterbury Surrey Hills Community Finance Limited, would be in the same terms if provided to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion:

- (a) the financial report of Canterbury Surrey Hills Community Finance Limited is 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 2013 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) the financial report also complies with the International Financial Reporting Standards as disclosed in Note 1.

RICHMOND SINNOTT & DELAHUNTY

Chartered Accountants


P. P. Delahunty
Partner

Dated at Bendigo, 21st August 2012

21 August 2013

The Directors
Canterbury Surrey Hills Community Finance Limited
143 Mailing Road
CANTERBURY VIC 3126

Dear Directors

To the Directors of Canterbury Surrey Hills Community Finance Limited

Auditor's Independence Declaration under section 307C of the Corporations Act 2001

I declare that to the best of my knowledge and belief, during the year ended 30 June 2013 there has been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.



Philip Delahunty
Partner
Richmond Sinnott & Delahunty

FINANCIAL STATEMENTS

STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Revenue	2	3,414,032	3,087,658
Employee benefits expense	3	(1,528,136)	(1,440,578)
Depreciation and amortisation expense	3	(129,222)	(108,649)
Bad and doubtful debts expense	3	(861)	(1,237)
Rental expense		(362,236)	(292,790)
Other expenses		(610,222)	(488,678)
Operating profit before charitable donations & sponsorships		783,355	755,726
Charitable donations and sponsorships		(494,209)	(356,647)
Profit before income tax expense		289,146	399,079
Tax expense	4	88,311	126,073
Profit for the year		200,835	273,006
Other comprehensive income - -		-	-
Total comprehensive income for the year		200,835	273,006

Earnings per share (cents per share)

Basic for profit for the year	22	6.51	8.85
Diluted for profit for the year	22	6.51	8.85

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
Assets			
Current Assets			
Cash and cash equivalents	6	682,050	612,405
Trade and other receivables	7	681,772	712,563
Current Tax receivable	8	48,845	-
Total Current Assets		1,412,667	1,324,968
Non-Current Assets			
Property, plant and equipment	9	516,957	557,492
Intangible assets	10	155,228	170,011
Total Non-Current Assets		672,185	727,503
Total Assets		2,084,852	2,052,471
Liabilities			
Current Liabilities			
Trade and other payables	11	187,253	160,560
Current tax liability	12	-	40,257
Provisions	13	40,929	51,118
Total Current Liabilities		228,182	251,935
Non-Current Liabilities			
Provisions	13	9,535	-
Total Non Current Liabilities		9,535	-
Total Liabilities		237,717	251,935
Net Assets		1,847,135	1,800,536
Equity			
Issued capital	14	1,536,989	1,536,989
Retained earnings	15	310,146	263,547
Total Equity		1,847,135	1,800,536

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

	Note	Issued Capital \$	Retained Earnings \$	Total Equity \$
Balance at 1 July 2011		1,302,239	145,993	1,448,232
Total comprehensive income for the year		-	273,006	273,006
Transactions with owners, in their capacity as owners				
Shares issued during the year		234,750	-	234,750
Dividends paid or provided	23	-	(155,452)	(155,452)
Balance at 30 June 2012		1,536,989	263,547	1,800,536
Balance at 1 July 2012		1,536,989	263,547	1,800,536
Total comprehensive income for the year		-	200,835	200,835
Transactions with owners, in their capacity as owners				
Shares issued during the year		-	-	-
Dividends paid or provided	23	-	(154,236)	(154,236)
Balance at 30 June 2013		1,536,989	310,146	1,847,135

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Cash Flows From Operating Activities			
Receipts from clients		3,757,557	3,389,791
Payments to suppliers and employees		(3,313,218)	(2,857,943)
Interest received		30,859	29,972
Income tax paid		(177,413)	(164,526)
Net cash flows from/(used in) operating activities	16b	297,785	397,294
Cash Flows From Investing Activities			
Purchase of property, plant & equipment		(16,218)	(310,642)
Payments for intangible assets		(57,686)	(108,189)
Net cash flows from/(used in) investing activities		(73,904)	(418,831)
Cash Flows From Financing Activities			
Proceeds from issue of share capital		-	234,750
Dividends paid		(154,236)	(155,452)
Net cash flows from/(used in) financing activities		(154,236)	79,298
Net increase/(decrease) in cash held		69,645	57,761
Cash and cash equivalents at start of year		612,405	554,644
Cash and cash equivalents at end of year	16a	682,050	612,405

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

The financial statements and notes represent those of Canterbury Surrey Hills Community Finance Limited.

Canterbury Surrey Hills Community Finance Limited ('the company') is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the Directors on 21 August 2013.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements are general purpose financial statements, that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Corporations Act 2001. The company is a for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS).

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

(b) 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.

(c) 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:

<i>Class of Asset</i>	<i>Depreciation Rate</i>
Plant & Equipment	7.5 - 100%

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.

(d) Impairment 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.

The accompanying notes form part of these financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) 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 Australian Taxation Office (ATO).

In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position. Cash flows are presented on a gross basis.

The GST components of investing and financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(f) Employee benefits

Provision is made for the company's liability for employee benefits arising from the services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy any vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to the employee benefits.

(g) Intangibles

Establishment costs have been initially recorded at cost and amortised on a straight line basis at a rate of 20% per annum. The current amortisation charges for intangible assets are included under depreciation and amortisation expense per the Statement of Comprehensive Income.

(h) Cash

Cash on hand and in banks are stated at nominal value. Bank overdrafts are shown as short term borrowings in current liabilities in the statement of financial position.

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.

(i) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Revenue comprises service commissions and other income received by the company.

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

(j) Receivables and payables

Receivables and payables are non interest bearing and generally have payment terms of between 30 and 90 days. Receivables expected to be collected within 12 months at the end of the reporting period are classified as current assets. 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 and are recognised as a current liability.

(k) New accounting standards and interpretations not yet adopted

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company.

The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in the future reporting periods is set below:

(i) AASB 9 Financial Instruments (2010), AASB 9 Financial Instruments (2009)

AASB 9 (2009) introduces new requirements for the classification and measurement of financial assets. Under AASB 9 (2009), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. AASB 9 (2010) introduces additions relating to financial liabilities. The IASB currently has an active project that may result in limited amendments to the classification and measurement requirements of AASB 9 and add new requirements to address the impairment of financial assets and hedge accounting.

AASB 9 (2010 and 2009) are effective for annual periods beginning on or after 1 January 2015 with early adoption permitted. The adoption of AASB 9 (2010) is not expected to have an impact on the company's financial assets or financial liabilities.

(ii) AASB 13 Fair Value Measurement (2011)

AASB 13 provides a single source of guidance on how fair value is measured, and replaces the fair value measurement guidance that is currently dispersed throughout Australian Accounting Standards.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subject to limited exceptions, AASB 13 is applied when fair value measurements or disclosures are required or permitted by other AASBs. The company is currently reviewing its methodologies in determining fair values. AASB 13 is effective for annual periods beginning on or after 1 January 2013 with early adoption permitted.

(iii) AASB 119 Employee Benefits (2011)

AASB 119 (2011) changes the definition of short-term and other long-term employee benefits to clarify the distinction between the two. For defined benefit plans, removal of the accounting policy choice for recognition of actuarial gains and losses is not expected to have any impact on the company. However, the company may need to assess the impact of the change in measurement principles of expected return on plan assets. AASB 119 (2011) is effective for annual periods beginning on or after 1 January 2013 with early adoption permitted.

(l) Loans and borrowings

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

(m) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which is probable that the outflow of economic benefits will result and the outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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.

(n) 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.

(o) Comparative figures

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

(p) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. Estimates and judgements are reviewed on an ongoing basis.

Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The estimates and judgements that have a significant risk of causing material adjustments to the carrying values of assets and liabilities are as follows:

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and intangible assets. The depreciation and amortisation charge will increase where useful lives are less than previously estimated lives.

Income tax

The company is subject to income tax. Significant judgement is required in determining the deferred tax asset or the provision for income tax liability. Deferred tax assets are recognised only when it is considered sufficient future profits will be generated. The assumptions made regarding future profits is based on the company's assessment of future cash flows.

Impairment

The company assesses impairment at the end of each reporting period by calculating conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate various key assumptions.

(q) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to the profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method or cost.

Fair value represents the amount for which an asset would be exchanged or a liability settled, between knowledgeable willing parties. Where available quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are applied to determine the fair value.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less repayments and any reduction for impairment and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

(i) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

not quoted in an active market and are subsequently measured at amortised cost.

Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Financial liabilities

Non derivative financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset is deemed to be impaired if and only if, there is objective evidence of impairment as a result of one or more events (a loss event)

having occurred, which has an impact on the estimated future cash flows of the financial asset. In the case of financial assets carried at amortised cost, loss events may include indications that the debtor is experiencing significant financial difficulty, default or delinquency in payments, indications that they will enter bankruptcy or other financial reorganisation and changes in arrears or economic conditions that correlate with defaults.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

2. REVENUE AND OTHER INCOME

	Note	2013 \$	2012 \$
Revenue		3,383,173	3,057,939
- services commissions		3,383,173	3,057,939
Other revenue			
- interest received		30,859	29,719
- other revenue		-	-
		30,859	29,719
Total Revenue		3,414,032	3,087,658

3. EXPENSES

	Note	2013 \$	2012 \$
Employee benefits expense			
- wages and salaries		1,235,884	1,154,171
- superannuation costs		114,631	101,836
- workers' compensation costs		3,837	6,333
- other costs		173,784	178,238
		1,528,136	1,440,578

3. EXPENSES (CONTINUED)

	Note	2013 \$	2012 \$
Depreciation of non-current assets:			
- plant and equipment		56,753	46,423
Amortisation of non-current assets:			
- intangible assets		72,469	62,226
		129,222	108,649
Finance Costs:			
- Interest paid		-	-
Bad debts		861	1,237

4. TAX EXPENSE

	Note	2013 \$	2012 \$
a. The components of tax expense comprise			
- current tax expense		88,409	126,073
- deferred tax expense relating to the origination and reversal of temporary differences		-	-
- adjustments for under/(over)-provision of current income tax of previous years		(98)	-
		88,311	126,073
b. The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Prima facie tax on profit before income tax at 30% (2012: 30%)		86,668	119,800
Add tax effect of:			
- Adjustments in respect of current income tax of previous year		(98)	-
- Utilisation of previously unrecognised carried forward tax losses		-	-
- Non-deductible expenses		1,741	6,273
<i>Current income tax expense</i>		88,311	126,073
Income tax attributable to the entity		88,311	126,073
The applicable weighted average effective tax rate is		30.54%	31.59%

The applicable income tax rate is the Australian Federal tax rate of 30% (2012: 30%) applicable to Australian resident companies.

5. AUDITORS' REMUNERATION

	Note	2013 \$	2012 \$
Remuneration of the auditor for:			
- Audit or review of the financial report		4,150	3,900
- Prospectus and valuation costs		297	4,500
- Share registry services		10,181	13,334
		14,628	21,734

6. CASH AND CASH EQUIVALENTS

Cash at bank and on hand		682,050	612,405
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7. TRADE AND OTHER RECEIVABLES

Current			
Trade debtors		-	-
Other assets		681,772	712,563
		681,772	712,563

Credit risk

The company has a significant concentration of credit risk with its franchise partner, Bendigo & Adelaide Bank Limited.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon.

Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed

between the company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table below) are considered to be high credit quality.

	Gross Amount \$	Past Due and Impaired \$	Past Due but Not Impaired			Not Past Due \$
			< 30 Days \$	31-60 \$	> 60 Days \$	
2013						
Trade receivables	-	-	-	-	-	-
Other receivables	681,772	-	-	-	-	681,772
Total	681,772	-	-	-	-	681,772
2012						
Trade receivables	-	-	-	-	-	-
Other receivables	712,563	-	-	-	-	712,563
Total	712,563	-	-	-	-	712,563

8. CURRENT TAX RECEIVABLE

	Note	2013 \$	2012 \$
Current tax receivable		48,845	-
		48,845	-

9. PROPERTY, PLANT AND EQUIPMENT

	Note	2013 \$	2012 \$
<i>Plant and equipment</i>		1,091,092	1,074,874
At cost		(574,135)	(517,382)
Less accumulated depreciation		516,957	557,492
Movements in carrying amounts			
<i>Plant and equipment</i>			
Balance at the beginning of the reporting period		557,492	293,273
Additions		16,218	310,642
Disposals		-	-
Depreciation expense		(56,753)	(46,423)
Balance at the end of the reporting period		516,957	557,492

10. INTANGIBLE ASSETS

	Note	2013 \$	2012 \$
<i>Franchise Fee</i>			
At cost		292,496	234,810
Less accumulated amortisation		(229,845)	(203,213)
		62,651	31,597
<i>Preliminary expenses</i>			
At cost		339,922	339,922
Less accumulated amortisation		(247,345)	(201,508)
		92,577	138,414
Total Intangible assets		155,228	170,011

10. INTANGIBLE ASSETS (CONTINUED)

	Note	2013 \$	2012 \$
Movements in carrying amounts			
<i>Franchise Fee</i>			
Balance at the beginning of the reporting period		31,597	47,756
Additions		57,686	10,000
Disposals		-	-
Amortisation expense		(26,632)	(26,159)
Balance at the end of the reporting period		62,651	31,597
<i>Preliminary expenses</i>			
Balance at the beginning of the reporting period		138,414	76,292
Additions		-	98,189
Disposals		-	-
Amortisation expense		(45,837)	(36,067)
Balance at the end of the reporting period		92,577	138,414

11. TRADE AND OTHER PAYABLES

	Note	2013 \$	2012 \$
Current			
Unsecured liabilities:			
PAYG withholding		24,340	11,740
Trade creditors		162,913	148,820
		187,253	160,560

12. CURRENT TAX LIABILITIES

	Note	2013 \$	2012 \$
Current tax payable		-	40,257
		-	40,257

13. PROVISIONS

	Note	2013 \$	2012 \$
Employee benefits		50,464	51,118

13. PROVISIONS (CONTINUED)

	Note	2013 \$	2012 \$
Movement in employee benefits			
Opening balance		51,118	34,941
Additional provisions recognised		95,068	88,782
Amounts utilised during the year		(95,722)	(72,605)
Closing balance		50,464	51,118
Current			
Annual Leave		40,929	51,118
		40,929	51,118
Non-current			
Long-service leave		9,535	-
		9,535	-
Total provisions		50,464	51,118

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience the company does not expect the full amount of annual leave or long

service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

14. SHARE CAPITAL

	Note	2013 \$	2012 \$
1,092,062 Ordinary Shares fully paid to \$1 each		1,092,062	1,092,062
Return of capital of 10 cents per share		(196,571)	(196,571)
1,092,062 Bonus Shares issued for no consideration		-	-
406,748 Ordinary Shares fully paid to \$1 each		406,748	406,748
259,085 Bonus Shares issued for no consideration		-	-
234,750 Ordinary Shares fully paid to \$1 each		234,750	234,750
		1,536,989	1,536,989
Movements in ordinary shares			
Balance at beginning of year		3,084,707	2,590,872
Bonus issue 1:10 shares		-	259,085
Issued capital- Balwyn Branch Capital		-	234,750
At the end of the reporting period		3,084,707	3,084,707

14. SHARE CAPITAL (CONTINUED)

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At the shareholders' meetings each shareholder is entitled to one vote when a poll is called, or on a show of hands.

The company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. All shares rank equally with regard to the company's residual assets.

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.

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 2013 can be seen in the Statement of Profit or Loss and Other Comprehensive Income.

There were no changes in the company's approach to capital management during the year.

15. RETAINED EARNINGS

	Note	2013 \$	2012 \$
Balance at the beginning of the reporting period		263,547	145,993
Profit after income tax		200,835	273,006
Dividends		(154,236)	(155,452)
Balance at the end of the reporting period		310,146	263,547

16. STATEMENT OF CASH FLOWS

	Note	2013 \$	2012 \$
<i>(a) Cash and cash equivalents balances as shown in the statement of financial position can be reconciled to that shown in the statement of cash flows as follows</i>			
As per the statement of financial position		682,050	612,405
less Bank overdraft		-	-
As per the statement of cash flow		682,050	612,405
<i>(b) Reconciliation of profit after tax to net cash provided from operating activities</i>			
Profit after income tax		200,835	273,006
Non cash items			
- Depreciation		56,753	46,423
- Amortisation		72,469	62,226

16. STATEMENT OF CASH FLOWS (CONTINUED)

	Note	2013 \$	2012 \$
Changes in assets and liabilities			
- (Increase) decrease in receivables		30,791	26,158
- Increase (decrease) in income tax payable		(89,102)	(38,453)
- Increase (decrease) in payables		26,693	11,505
- Increase (decrease) in provisions		(654)	16,177
Net cash flows from/(used in) operating activities		297,785	397,042

17. RELATED PARTY TRANSACTIONS

The company's main related parties are as follows:

(a) Key management personnel

Any person(s) having authority or responsibility for planning, directing or controlling the activities of the entity, directly or indirectly including any director (whether executive or otherwise) of that company is considered key management personnel.

(b) Other related parties

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

(c) Transactions with key management personnel and related parties

Other than detailed below, no key management personnel or related party has entered into any contracts with the company.

	Note	Primary Benefits Salary & Fees 2013 \$	Primary Benefits Salary & Fees 2012 \$
Director Remuneration for the year ended 30 June 2013:			
Hans Diederick Menting		42,917	21,000
Robert Einar Stensholt		10,000	7,500
Damien Leo Hudson		7,000	4,500
Juliann Ruth Byron		17,583	10,000
Leigh Warren Smith		7,000	4,000
Gordon Lennox McFarlane		9,583	4,500
John James Grace		7,000	4,000
Geoff Rowles		10,000	2,500
		111,083	58,000

17. RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Key management personnel shareholdings

The number of ordinary shares in Canterbury Surrey Hills Community Finance Limited held by each key management personnel of the company during the financial year is as follows:

	Note	2013 \$	2012 \$
Hans Diederick Menting		8,702	8,702
Robert Einar Stensholt		20,350	20,350
Damien Leo Hudson		14,082	14,082
Juliann Ruth Byron		9,800	9,800
Leigh Warren Smith		44,000	44,000
Gordon Lennox McFarlane		2,750	2,750
John James Grace		5,000	5,000
Geoff Rowles		4,900	4,900

There was no movement in key management personnel shareholdings during the year. Each share held has a paid up value of \$1 and is fully paid.

(e) Other key management transactions

There has been no other transactions involving equity instruments other than those described above.

18. EVENTS AFTER THE REPORTING PERIOD

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

19. CONTINGENT LIABILITIES AND ASSETS

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

20. OPERATING SEGMENTS

The company operates in the financial services sector where it provides banking services to its clients. The company operates in one geographic area being City of Booroondara, Victoria. The company has a franchise agreement in place with Bendigo & Adelaide Bank Limited who account for 100% of the revenue (2012: 100%).

21. COMPANY DETAILS

The registered office is:

143 Mailing Road
Canterbury Victoria 3126

Principal places of business:

Surrey Hills Community Bank
107 Union Road
Surrey Hills Victoria 3127

Canterbury Community Bank
143 Maling Road
Canterbury Victoria 3126

Ashburton Community Bank
241 High Street
Ashburton Victoria 3147

Balwyn Community Bank
411 Whitehorse Road
Balwyn Victoria 3103

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:

	Note	2013 \$	2012 \$
Profit/(loss) after income tax expense		200,835	273,006
Weighted average number of ordinary shares for basic and diluted earnings per share		3,084,707	3,084,707

23. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

	Note	2013 \$	2012 \$
(a) Dividends paid during the year			
Final franked dividend for the year ended 30 June 2013 of 5 cents (2012: 6 cents)		154,236	155,452
(b) 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		197,770	166,767
- Franking credits that will arise from the payment of income tax payable as at the end of the financial year		(48,815)	17,253
		148,955	184,020

24. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, account receivables and payables, bank overdraft and loans. The totals for each category

of financial instruments measured in accordance with AASB 139 as detailed in the accounting policies are as follows:

	Note	2013 \$	2012 \$
Financial Assets			
Cash & cash equivalents	6	682,050	612,405
Trade and other receivables		681,772	712,563
Total Financial Assets	7	1,363,822	1,324,968
Financial Liabilities			
Trade and other payables	11	187,253	160,560
Total Financial Liabilities		187,253	160,560

Financial Risk Management Policies

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has established an Audit Committee which reports regularly to the Board. The Audit Committee is assisted in the area of risk management by an internal audit function.

Specific Financial Risk Exposure and Management

The company has exposure to credit risk, liquidity risk and market risk from their use of financial instruments. There have been no substantive changes in the types of risks the company is exposed to, how the risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(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.

Credit risk is managed through maintaining procedures that ensure, to the extent possible, that clients and counterparties to transactions are of sound credit worthiness and their financial stability is monitored and assessed on a regular basis. Such monitoring is used in assessing receivables for impairment. Credit terms for normal fee income are generally 30 days from the date of invoice. For fees with longer settlements, terms are specified in the individual client contracts. In the case of loans advanced, the terms are specific to each loan.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets as presented in the statement of financial position.

The company's exposure to credit risk is limited to Australia by geographic area. The majority of receivables are due from Bendigo and Adelaide Bank Limited.

None of the assets of the company are past due (2012: 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 Limited and therefore credit risk is considered minimal.

	2013 \$	2012 \$
Cash and cash equivalents:		
A rated	682,050	612,405

(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.

Financial liability and financial asset maturity analysis

	Note	Total \$	Within 1 Year \$	1 to 5 Years \$	Over 5 years \$
30 June 2013					
Financial Liabilities due					
Trade and other payables	11	187,253	187,253	-	-
Total expected outflows		187,253	187,253	-	-
Financial Assets - realisable					
Cash & cash equivalents	6	682,050	682,050		
Trade and other receivables	7	681,772	681,772	-	-
Total anticipated inflows		1,363,822	1,363,822	-	-
Net (Outflow)/Inflow on financial instruments		1,176,569	1,176,569	-	-
30 June 2012					
Financial Liabilities due					
Trade and other payables	11	160,560	160,560	-	-
Total expected outflows		160,560	160,560	-	-
Financial Assets - realisable					
Cash & cash equivalents	6	612,405	612,405	-	-
Trade and other receivables	7	712,563	712,563	-	-
Total anticipated inflows		1,324,968	1,324,968	-	-
Net (Outflow)/Inflow on financial instruments		1,164,408	1,164,408	-	-

(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 is the risk 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.

The weighted average interest rates of the company's interest-bearing financial assets are as follows:

	2013	2012
Financial assets		
Cash and cash equivalents (net of bank overdrafts)	4.56%	4.43%

Sensitivity analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit \$	Equity \$
Year ended 30 June 2013		
+/- 1% in interest rates (interest income)	6,821	6,821
	6,821	6,821
Year ended 30 June 2012		
+/- 1% in interest rates (interest income)	6,124	6,124
	6,124	6,124

The company has no exposure to fluctuations in foreign currency.

(d) Price risk

The company is not exposed to any material price risk.

Fair values

The fair values of financial assets and liabilities approximate the carrying values as disclosed in the Statement of Financial Position. Fair value is the amount at which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction. The company does not have any unrecognised financial instruments at year end.

DIRECTOR'S DECLARATION

In accordance with a resolution of the Directors of Canterbury Surrey Hills Community Finance Limited, the Directors of the company declare that:

- | | |
|--|--|
| <p>1. the financial statements and notes of the company as set out on pages 6 to 28 are in accordance with the Corporations Act 2001 and:</p> <ul style="list-style-type: none">(i) comply with Australian Accounting Standards, which as stated in accounting policy Note 1(a) to the financial statements constitutes compliance with International Financial Reporting Standards (IFRS); and(ii) give a true and fair view of the company's financial position as at 30 June 2013 and of the performance for the year ended on that date; | <p>2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.</p> |
|--|--|

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




Juliann Byrnn
Chairman

Signed at Melbourne on 21 August 2013




Canterbury Community Bank® Branch

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143 Maling Road,
Canterbury VIC 3126

 Tel: (03) 9836 9466


Ashburton Community Bank® Branch

241 High Street Ashburton
VIC 3147

 Tel: (03) 9885 2666


Surrey Hills Community Bank® Branch

107 Union Road
Surrey Hills VIC 3127

 Tel: (03) 9890 7188

Balwyn Community Bank® Branch

411 Whitehorse Road
Balwyn VIC 3103

 Tel: (03) 9836 8029

Franchisee:

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