

## **ANNUAL GENERAL MEETING**

### **PINJARRA COMMUNITY FINANCIAL SERVICES LIMITED**

**TUESDAY 22<sup>nd</sup> NOVEMBER 2011**

**PINJARRA FOOTBALL CLUB CLUBROOMS 'SIR ROSS MCLARTY OVAL'**

**ROE AVENUE, PINJARRA WA**

**COMMENCED 6.00PM**

**PRESENT DIRECTORS –**

Rose Reynolds, Ernest Hiddlestone, Trevor Delaporte, Laurence Galloway, Barbara Hammond

**PRESENT SHAREHOLDERS –**

Connie Abbott, Kevin Abbott, Sharon Coates, Barry Coates, Irene Stokes & Robert Ingpen

**BBL REPRESENTATIVE –**

Bradley Peel

**RSM BIRD CAMERON –**

Mitchell Adjuk

**COMPANY SECRETARY/ADMINISTRATION OFFICER –**

Amanda Kaufman

**BRANCH MANAGER –**

Paul Foletta

**PINJARRA/WAROONA STAFF –**

Vicki Collins, Barbara Dimasi, Lynda Pazzano,

**APOLOGIES –**

Ian Ilsley - Accountant, Iggy Castle - Director, Deborah Eaton – Director

Mr Stokes – Shareholder, Debbie Bell – Staff and Shareholder

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**1. Welcome**

Chairperson, Rosemarree Reynolds welcomed everyone present to the 2011 Annual General Meeting of Pinjarra Community Financial Services Ltd.

**2. Introduction**

An introduction of the meetings Chairperson, Rosemarree Reynolds, Directors, Company Secretaries, Regional Bendigo Representative and Branch Manager.

**3. Quorum**

It was confirmed that a quorum was present and the meeting declared open (2 shareholders min)

**4. Notice of Meeting**

Notice of meeting was made available to all shareholders. Chairperson asked “can I take it that the Notice convening this Meeting be taken as read?

Yes

## **5. Minutes of Previous AGM 2010**

Advice that the minutes from previous Annual General Meeting of shareholders of Pinjarra Community Financial Services held on the 23<sup>rd</sup> November 2010, were approved by the Board and signed by the Chairperson in accordance with the provisions of section 251A of the Corporations Act. Shareholders present were advised that a copy of these minutes was available for inspection.

## **6. Proxies**

Company Secretary, Amanda Kaufman advised.

"I report that the number of valid Proxy Forms received at the Registered Office of the Company by 5.00pm, 18<sup>th</sup> November 2011 was **Ten (10)**.

## **7. Annual Report**

First item of business, consideration of the Company's Financial Report for the year ended 30<sup>th</sup> June 2011 and Director's Report and the Auditors Report.

Moved - Ernest Hiddlestone                      Seconded – Irene Stokes

## **8. Chairpersons Address - Rosemarree Reynolds** (address attached)

## **9. Branch Manager Address – Mr. Paul Foletta** (address attached)

## **10. Bendigo & Adelaide Bank Representative – Mr. Bradley Peel**

Brad thanked the Chair for the invitation to attend this evening's AGM. Brad shared with all figures on lending and deposits, as he explained with the current climate lending volumes are down however deposits are up. There have been signs of increased activity throughout the entire network. Bendigo this year reached \$60million in Community Contributions. Also, Bendigo is proud to advise that the bank received an upgrade in rating to A-.

## **11. Election/Rotation of Director's**

Election of Mr. Barbara Hammond, director appointed since the last AGM.

Moved – Irene Stokes                      Seconded – Laurence Galloway

Those in favor - 9

Election of Deborah Eaton, director appointed since the last AGM.

Moved – Laurence Galloway                      Seconded – Irene Stokes

Those in favor - 9

Ms. Rosemarree Reynolds, retires by rotation in accordance with rule 62 (1) of the Constitution of the Company. Rosemarree Reynolds makes herself available for re-election.

Moved – Laurence Galloway                      Seconded – Ernest Hiddlestone

Those in favor – 9

## **12. Appointment of Auditor**

Consent from Mr. David Hutchings of Andrew Frewin & Stewart has been received by the Board to act as Auditor along with written notice of this nomination from a shareholder.

Moved – Laurence Galloway                      Seconded – Ernest Hiddlestone

Those in favor – 9

**Are there any questions or comments on the annual financial report or the reports of the directors and auditor?**

No Questions

**Are there any questions to be put to the auditor relevant to any of the following?**

- the conduct of the audit
- the preparation and content of the Auditor's report
- the accounting policies adopted by the Company in relation to the preparation of the financial statements
- the independence of the Auditor in relation to the conduct of the audit

**No Questions**

Rosemarree Reynolds thanked Mitchell Adjuk on behalf of RSM Bird Cameron and Partners for their service they have provided to the Company over the years.

A visual presentation was presented previewing some of the events and sponsorship that the company and staff has been involved in over the past 12 months.

**13. General Business**

***Mr. Barry Coates asked "why is the Company not paying a dividend?"***

Ms. Rosemarree Reynolds, Chairperson responded, "Due to a change in Corporate Law 1/7/2010, a Company can only pay dividends if the company has retained earnings. Unfortunately the company does not have retained earnings. A company's total equity figure has to be greater than Owners Capital. Mr. Coates was accepting of this explanation.

***Mr. Kevin Abbott asked "if the Company cannot pay a dividend how can they contribute to the Community still?"***

Mr. Ernest Hiddlestone, Vice Chairperson responded, "Bendigo provide a Marketing Development Fund to all Community branches. This fund gives Community Bank branches the capability to demonstrate the power of the model in their local Community Bank localities. The Marketing Development Fund is an effective means to develop local market and branding positioning for those branches that are to return themselves into profit. It enables the branch to still have a positive impact on their local community and not at the expense of their shareholders. Mr. Abbott was accepting of this explanation.

***Mrs. Sharon Coates advised "that the information shared on the Marketing Development Fund was not known to her and she believes a lot of other shareholders. Her recommendation to the Board is to communicate with the Shareholders advising them of things such as this. As the belief is that this is where their dividends are going.***

Ms. Rosemarree Reynolds advised that the Board are aware that communication between Board and Shareholders has been rather poor since the beginning. It is the aim of the current Board to communicate with the Shareholders at least twice a year, this will start in 2012. Rose also advised that at present we have currently had only 63% of shareholders that are banking customers with our branches.

***Mrs.Irene Stokes advised “upon the Bank’s start-up that it was a pledge that was being made to get the Bank up and running. There was never any guarantee given that you would receive a dividend in return.***

Ms.Rosemarree Reynolds responded, thanking Mrs Stokes for these comments as over time the Board of Director’s have been given a lot of different information as to what was promised or advised to the initiating shareholders at the beginning of the Community Banks branches life.

Chairperson, Rosemarree Reynolds thanked all present for their attendance at the meeting. The branch’s 10<sup>th</sup> Birthday celebrations will take place at Edenvale Gardens on Saturday 10<sup>th</sup> December 2011 between 10am and 2pm; please all come along and enjoy a sausage sizzle and entertainment. Rose extended an invitation to all to staff and enjoy a light supper.

Meeting closed at 6.35pm

*I hereby certify that these Minutes are a true and accurate record of events of the meeting held on*  
**22<sup>nd</sup> November 2011.**

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Chairperson, Pinjarra Community Financial Services Ltd.

**14<sup>th</sup> December 2011**  
Date