

Chairperson's Report

For year ending 30 June 2006

In our inaugural year, I am pleased to announce that the future looks promising for Fleurieu Community Enterprises and the Aldinga Beach area. The past 12 months have been very demanding on all of the Board and staff involved in getting the branch up and running, but as they say "the proof is in the pudding" and we now have a fully operational bank branch in Aldinga Beach.

There have been many challenges, from the initial feasibility study, to capital raising, followed by the fit-out of the branch and staff recruitment and finally to the training of our branch team and the opening of the branch. The Board and I have approached these challenges with enthusiasm and dedication from the initial idea right through to fruition.

We thank you for your support and hope it continues into the future.

Performance

From the date of our opening on 20 April 2006 until 30 June 2006, we have opened a total of 454 accounts and have a total business on the books (deposits and loans) of \$3.167 million. An excellent start - and a credit to David Weeks, our Branch Manager, and his team.

Dividends

Being our first year, no dividends will be paid at this time. Once we are running at a profit, dividends will be considered by the Board. We anticipate that this is unlikely until at least our third financial year of operation.

Staffing

David Weeks has been our Branch Manager since opening along with our team of customer service officers including Sheena, Annie and Cathy. We are pleased to announce that our full-time position has been upgraded to Customer Service Supervisor to cope with demand. The position has been filled by Julie Bryant. This will allow David to get out on the road more and concentrate on business development and leave Julie to deal with the day-to-day operation of the branch.

Board

It was most unfortunate that subsequent to the end of the financial year Jason Evans resigned from the board.

The Board sincerely thanks Jason for the contribution he made during his time with us. We welcome Karen Suter, a Teacher and active member of the community, who has been attending meetings and has nominated for the position left vacant by Jason.

A handwritten signature in black ink, appearing to read 'G Apap', with a stylized, cursive script.

George Apap
Chairman

Manager's Report

It is with much pleasure that I present the following results for Aldinga Beach Community Bank® Branch Bendigo Bank.

In just over two months from our official opening on 20 April 2006, we have opened 454 accounts. Our total deposits and loans have grown to \$3.167 million, an excellent result in just a short time. This growth in dollar terms is most encouraging and there are signs that this is looking to continue over the next few months.

Our staff have exceeded expectations in not just their work ethic, but also their commitment to providing excellent customer service to all members of the local community. I would like to take this opportunity to personally thank them for their efforts over the past few months.

The support from you, our local community in firstly pledging your support, and then backing this up by converting your banking to Bendigo Bank has been excellent.

However, if you haven't had the opportunity to do this yet, please call into our branch and look at how we can help you with all of your banking and insurance needs.

Remember, if you are supporting your local branch of Bendigo Bank, you are also helping to support your local community.



David Weeks

Aldinga Beach Community Bank® Branch Manager

**Fleurieu Community Enterprises Pty Ltd t/a
ALDINGA BEACH COMMUNITY BANK.**

**Chairman's Agenda
Annual General Meeting**

7.30pm Thursday November 23rd 2006 at Lifecare Community Centre, Aldinga Beach

1. **Welcome: Chairman George Apap.**
2. **Introductions**

The Chairman introduced the special guests and the other Directors:

Apologies:

- **Hon John Hill MP**
- **Jeff Tate** – CEO of Onkaparinga Council indicated he would arrive later after a pre-commitment.
- **Garry Hartland** – New Nominee for Director

Special Guests:

- **Mike Clutterham** – Regional Manager SA/NT Bendigo Bank
- **Frank Tassone** – SA Community Banking Mentor

Directors:

- **Adam Lucey** – Vice Chairman
- **Tony Dutton** – Treasurer
- **John Martin** – Company Secretary
- **George Lucey**
- **Narelle Looker**
- **Stan Beck**
- **Graham Marshall**
- **Peter Smith**

Other Special Guests:

- **Karen Suter** – Associate
- **Gary Herdegen** – City of Onkaparinga Council
- **Matthew Gorge** – Auditor with RSM Bird Cameron

3. **Quorum**

The Chairman confirmed that a quorum was present and declared the first Annual General Meeting officially open for business.

4. **Notice of meeting**

The Chairman confirmed that the notice of meeting was sent to all members in the mail and it was agreed that the notice convening the meeting was taken as read.

11. Close of meeting

In closing the Chairperson reminded all those present that the Prospectus was still on offer for anyone interested in securing remaining shares in maximum lots of 2,000 and will be closed when it is fully subscribed.

The Chairperson concluded the official business of the meeting.

He indicated that light refreshments were available for members immediately after the meeting thanks to generous support from the **local BWS and Pernod Ricard Australia**.

The Chairperson then officially closed the Annual General Meeting, thanked everyone for their attendance and asked Bendigo Bank's Regional SA/NT Manager Mike Clutterham to conclude with some special comments. He closed by thanking the Board, Staff and State Mentor for all of their past and ongoing tireless efforts.

The Chairperson closed by giving a special note of thanks to Tom Sanders for all of his efforts and hard work in getting the branch established.

MINUTES ACCEPTED AS TRUE & ACCURATE RECORD:

MOVED: _____

SECONDED: _____

CHAIRPERSON SIGNATURE: _____

DATE: ____ / ____ / ____

5. Proxies

The Company Secretary confirmed that the number of valid proxy forms received at the registered office of the Company more than the required 48 hours before this meeting was 25.

6. Annual Report

The Chairman confirmed that the first item of business was the consideration of the Company's Financial Report for the year ended 30 June 2006 and the Directors' Report and the Auditor's Report, which were before the meeting.

6.1 Chairman's address

The Chairman delivered his prepared address from the Annual Report and thanked all staff for their efforts to date.

6.2 Branch Manager's address

The Branch Manager, **David Weeks** addressed the meeting and read his annual report.

6.3 Discussion

The Chairman confirmed that the subject of the Company's Annual Financial Report was then open for discussion. The Chairperson then asked:

- **Are there any questions or comments on the annual financial report or the reports of the directors and auditor?**
 - Meredith Slater queried the director's attendance figures – Mike Clutterham responded that the board is voluntary and members give up a lot of time in addition to board meeting attendance to get the branches up and running. Frank Tassone thanked the board for all of the work and efforts in getting the branch off the ground.
- **Are there any questions or comments on the management of the Company?**
 - No response.
- **Are there any questions relevant to the conduct of the audit or the preparation or the content of the auditor's report to be put to the auditor?**
 - John Dunstall asked for a more up to date indication of the branches financial performance. Branch Manager David Weeks later responded that the number of accounts had grown from 453 at the end of June to approximately 850 by the end of October resulting in current business of approximately \$8.25M with a projection to the end of December of \$10.5M

6. 4 Annual Report Acceptance:

The Chairperson moved that the Annual Reports and Financial Reports be accepted as presented.

Seconded: Frank Tassone

The motion was carried unanimously.

7. Election of directors

The Chairperson confirmed that there were 6 nominations for 5 available director positions.

The nominees were given a brief opportunity to speak to the shareholders to recap their qualifications, skills, experience and suitability.

Re-nomination of directors retiring by rotation in accordance with the Company's Constitution, and being eligible, offered themselves for re-election:

- **John Martin**
- **Tony Dutton**
- **Stan Beck**
- **Graham Marshall**

New Nominees, who being eligible in principal, offered themselves for election:

- **Karen Suter**
- **Garry Hartland** – who was an apology

7.1 Voting procedure – election of directors

The Chairman called that a ballot be held on the shareholder voting forms provided upon registration.

The Chairman confirmed that the Company's auditor, **Matthew Gorge**, would conduct the ballot as Returning Officer.

The Chairman confirmed that he still retained the right to make all final decisions on who may vote, the votes cast, and the declaration of the results of the poll.

It was confirmed that Nominees for Director would be elected on the basis of the number of votes they received on the ballot voting forms. As there were 6 nominees for the 5 vacancies, the 5 nominees with the most votes would be elected.

The Chairman then asked the Company Secretary, John Martin, to announce the directions in relation to the conduct of the ballot. It was noted that only registered shareholders and registered proxy's or corporate representatives were allowed to vote.

9 Appointment of auditor

The Chairman indicated that being the first Annual General Meeting after the incorporation of the Company, the appointment of an auditor was required.

He confirmed that the Board had received RSM Bird Cameron's consent to act as auditor and confirmed notice of their nomination as auditor from a shareholder.

He then put the motion that the appointment of RSM Bird Cameron as auditor of the Company be approved.

Seconded: Adam Lucey

There was no discussion.

The resolution was unanimously carried.

10 Ballot result – Declaration by Chairman

The Chairman confirmed that the Returning officer had completed counting the votes in respect of the election of director's ballot, with the 5 newly elected directors being the following based on the majority of votes cast (in no particular order of preference):

Nominee	No. of Votes	Elected / Not Elected
• John Martin	52	Elected
• Tony Dutton	51	Elected
• Stan Beck	50	Elected
• Graham Marshall	54	Elected
• Karen Suter	54	Elected
• Garry Hartland	9	Not elected

Narelle Looker moved to accept the directors as elected.

Seconded: Karen Suter.

The resolution was unanimously carried.

Shareholders were reminded that if a member appointed a proxy, and then the member attended the meeting in person, the attendance of the member suspended the right of that member's proxy to vote on behalf of the member.

The Company Secretary then announced some directions as to how the ballot voting papers should be completed.

With the exception of the Chairman, the Company Secretary confirmed that there was no requirement for a shareholder present, a corporate representative or proxy to vote on the poll.

The Company Secretary confirmed that the ballot voting paper had to be completed in full. Shareholders were instructed that they must indicate their votes by placing an "X" in the box along side their preferred 5 nominee names of the 6 boxes provided. On this basis, one box would be left blank, representing the nominee that they are not voting for.

Shareholders were also reminded that they should sign the ballot voting paper and fold them.

After completion of the papers those in attendance were asked to please remain seated and the Returning Officer Matthew Gorge collected the completed ballot voting papers.

7.2 Closure of Ballot

The Chairman confirmed that he believed that those persons who wished to vote in the ballot had done so. He asked that if there was anyone present who had not yet had their completed ballot paper collected from them by the Returning Officer, would they please raise their hand. No one did so.

The Chairperson then declared the ballot closed.

8 Other business pending ballot result

The Chairman then indicated that while the Returning Officer counted the votes on the ballot, the meeting would move on to the next item of notified business.