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Chairman's Report

For year ending 30 June, 2003

In celebrating our fifth birthday on 28 October 2003 we have seen our community Company develop from a fledgling Company, embarking on a journey into the relatively unknown field of community banking to one of the leading community companies in the network of 105 Community Bank® branches across the nation. The Northern Territory is now the only State or Territory in Australia that does not have membership of the Community Bank® branch family.

The opening of the San Remo branch on 27 June saw Community Bank® branch site numbers reach the 100 mark with another 5 opening since that date. No community across the country knows better than ours, the amazing capacity of the Community Bank® concept to revitalise and invigorate a community. Approximately half of the sites are now returning a monthly trading surplus and many are now choosing to go down the path of site expansion to consolidate their banking business base.

It is both pleasing and reassuring to note that many of those community Companies are choosing to emulate the business formula and direction that our Board set and embarked upon five years ago.

The total trading portfolio of our Company with Bendigo Bank at the time of this report going to print has just exceeded \$100 million, making us the first Community Bank® branch in rural Australia to achieve this milestone, and just one week behind the first site (a metropolitan site) to reach that figure.

The performance of our Company for the year ending 30 June 2003 is in line with expectations for that period. The results have met the projected growth both in terms of the expansion program embarked upon and the financial performance of the Company.

The level of support given by shareholders to the strategic direction undertaken by the Company is now beginning to provide the expected outcome.

The result in trading terms before depreciation and amortisation reported a cash profit of \$107,951.

Departmental analysis of that result shows:

Lang Lang	\$ 153,983	cash profit
Pearcedale	\$ 47,278	cash profit
Koo Wee Rup	\$ 93,310	cash loss

Depreciation & amortisation	\$ 70,539
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Nett profit	\$ 37,412
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The departmental performance is pleasing to the Board particularly because of the disruption to staffing levels throughout the year caused by a Company management, restructure at an operational level.

Koo Wee Rup for example had a total staff turnover in that period. The performance of our entire staff during this period led by our Manager at Lang Lang, Shannon Egan is acknowledged by the Board for an exceptional effort during this difficult period of restructure.

Chairman's Report Continued

The need for a management restructure was due to the resignation from the company of our Senior Manager Keith MacQueen. Keith has been with us since opening in 1998 and has played a major role in placing our company at the forefront of community banking in Australia. Keith has accepted a management role with Bendigo Bank and on behalf of all stakeholders in our Company, we thank Keith for his efforts and wish him well in his new role.

Our new Senior Manager John Dwyer has settled into his role quickly and already has had a significant impact on our Company performance. John came to us from the Bendigo Bank retail network where he was manager of a large suburban branch.

Once again we acknowledge the continued level of support we receive from our partner, Bendigo Bank. We offer our sincere thanks to the entire Community Bank® team at Bendigo for the guidance and support given to our Company during these first 5 years. Our thanks in particular to Bill den Hartog our Relationship Manager who has on numerous occasions taken the extra step on our behalf. His efforts are much appreciated by the Board.

Once again we acknowledge Duffy & Simon solicitors, and Amott & Associates accountants in particular for the continued support provided to our business centre in Lang Lang.

Our Agency with the business of Amott & Associates in Bunyip continues to grow steadily and we thank Tracy Amott for her continued commitment to the concept and to her community.

Finally, I must acknowledge the performance and continued level of commitment given to the Company by our Board of Directors.

This year we have seen members of the Board undertake a Director education program to enhance their Director skills. We have also established a sub-committee structure that has meant an increased level of responsibility and an increased time requirement for each of our Directors.

The voluntary capacity in which they give freely of their time is indeed a true indication of their level of commitment to their community and to our Company.



Max Papley
Chairman

Directors Report 30 June, 2003

Your directors submit the financial report of Community Financial Services Victoria Limited for the financial year ended 30 June 2003.

Committee members

The names of the Directors throughout the year and at the date of this report are:

Michael John Duff
Douglas Hugh Hamilton
Tania Lyn Hansen
Russell Peter Jenkins
Maxwell Arthur John Kneebone
John Munro Lyle
Glenister Malcolm McGregor
Maxwell William Papley (Chairman)
Gordon Lovell Sampson
Ronald James Witney

Principal activities

The principal activities of the association during the financial year were:

- to manage and operate Community Bank® branches of Bendigo Bank in the Lang Lang, Pearcedale and Koo Wee Rup communities.

Significant changes

A sub-agency was established in Bunyip during the year pursuant to an agency agreement. No other significant changes have occurred during the year.

Operating result

The profit from ordinary activities after providing for income tax amounted to \$37,412.

Future developments

The Company is currently considering an opportunity to open a new agency in Narre Warren South.

Dividends

No dividends of the Company have been paid, declared or recommended.

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Environmental issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or State.

Directors Report continued

Significant events after year end

There are no events occurring since year end which would significantly impact the financial report.

Directors remuneration

No Directors received remuneration for their services as Board members.

Auditors remuneration

Audit fees charged in the accounts for the 2003 year are \$3,630.

Employees

The number of employees of the Company at 30 June 2003 is 11, with two employees on secondment from Bendigo Bank Limited.

Community support

We are pleased to announce the Company made a contribution/donation to the Koo Wee Rup/Lang Lang Rotary Club of \$7,500, to assist in financing the local walking track project.

Signed in accordance with a resolution of the Board of Directors.



Douglas H. Hamilton
Director



Maxwell W. Papley
Director

Dated this 12th day of September 2003

Financial Statements

Statement of Financial Performance

For year ending 30 June, 2003

	Note	2003 \$	2002 \$
Revenues and expenses			
Operating revenue	2	858,360	601,735
Interest received		7,718	3,634
Other income		7,352	3,281
Employee expenses		(443,659)	(377,683)
Depreciation expenses	2	(25,857)	(32,361)
Amortisation expense	2	(50,683)	(53,449)
Other expenses from ordinary activities		(315,819)	(240,114)
Profit/(loss) from ordinary activities before income tax expense		37,412	(94,957)
Income tax expense relating to ordinary activities	3	-	-
Net profit/(loss) from ordinary activities after income tax expense		37,412	(94,957)
Net Profit/(Loss)	14	37,412	(94,957)
Total changes in equity of the Company		37,412	(94,957)

The accompanying notes form part of this financial report.

Financial Statements continued

Statement of Financial Position

For year ending 30 June, 2003

	Note	2003 \$	2002 \$
Current assets			
Cash assets	17	255,779	180,275
Receivables	5	86,096	80,435
Other assets	6	29,144	44,054
Total current assets		371,019	304,764
Non-current assets			
Property, plant and equipment	7	138,331	161,347
Goodwill	8	176,080	193,120
Total non-current assets		314,411	354,467
Total assets		685,430	659,231
Current liabilities			
Payables	9	53,817	33,457
Interest bearing liabilities	10	9,756	10,680
Tax liabilities	11	19,681	17,513
Provisions	12	24,353	30,893
Total current liabilities		107,607	92,543
Non-current liabilities			
Interest bearing liabilities	10	8,689	34,966
Total non-current liabilities		8,689	34,966
Total liabilities		116,296	127,509
Net assets		569,134	531,722
Equity			
Contributed Equity	13	732,375	732,375
Retained profits/(accumulated losses)	14	(163,241)	(200,653)
Total equity		569,134	531,722

The accompanying notes form part of these financial statement.

Financial Statements continued

Statement of Cash Flows

For year ending 30 June, 2003

	Note	2003 \$	2002 \$
Cash flows from operating activities:			
Receipts from operations		838,990	568,460
Other receipts		7,352	3,281
Payments to suppliers and employees		(735,509)	(590,079)
Interest received		5,241	3,634
Net GST collected		611	4,745
Net cash provided by (used in) operating activities	17b	116,685	(9,959)
Cash flows from investing activities:			
Proceeds from sale of fixed assets		22,045	-
Payment for property, plant and equipment		(33,311)	(14,696)
Payment for business	17c	-	-
Start up costs associated with acquisition of business		-	(2,750)
Net cash provided (used) by investing activities		(11,266)	(17,446)
Cash flows from financing activities:			
Proceeds from issue of shares		-	67,650
Repayment of borrowings		(49,915)	(13,453)
Proceeds from borrowings		20,000	-
Net cash used in financing activities		(29,915)	54,197
Net increase in cash held		75,504	26,792
Cash at the beginning of the financial year		180,275	153,483
Cash at the end of the financial year	17a	255,779	180,275

The accompanying notes form part of these financial statement.

Notes to the Financial Statements

For year ending 30 June, 2003

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act, 1981.

The financial report is prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(c) Income tax

The Company adopts the liability method of tax-effect accounting whereby the income tax expense shown in the statement of financial performance is based on the profit from ordinary activities before income tax adjusted for any permanent differences.

(d) Property, plant and equipment

Each class of property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and equipment

The carrying amount of plant and equipment is reviewed annually by the Company to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected cash inflows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated on a straight line or diminishing value basis over the useful lives of the assets to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

Class of property, plant & equipment	Depreciation rate
Motor Vehicles	22.5%
Plant and equipment	10%-50%

(e) Leases

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

(f) Employee entitlements

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave, long service leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Company to an employee superannuation fund and are recognised as expenses when incurred.

(g) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(h) Revenue

Revenue from the sale of goods and services is recognised upon the delivery of goods and/or provision of service to members and customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST)

(i) Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business exceeds the fair value attributed to its net assets at the date of acquisition. Purchased goodwill is amortised on a straight line basis over the period of 13 years based on the options for continued support via franchise agreements from Bendigo Bank. The balance is reviewed annually and any balance representing future benefits for which the realisation is considered to be no longer probable is written off.

(j) Financial reporting period

The reporting period is the twelve month period from 1 July 2002 to 30 June 2003.

**NOTE 2: STATEMENT OF FINANCIAL
PERFORMANCE ITEMS**

	2003	2002
	\$	\$
Profit/(loss) from ordinary activities is after crediting the following revenues:		
- Franchise income share	858,360	601,735
Profit/(loss) from ordinary activities is after charging the following expenses:		
Depreciation of:		
- Motor vehicles	8,311	11,018
- Plant & equipment	17,546	21,343
Amortisation of:		
- Goodwill	17,040	17,040
- Prospectus costs	11,076	11,076
- Listing fees	567	-
- Other	22,000	25,333

**NOTE 2: STATEMENT OF FINANCIAL
PERFORMANCE ITEMS**

	2003	2002
	\$	\$
Other operating expenses:		
- Bad debts written off	1,737	4,474
- Provision for employee entitlements	(6,539)	15,098

NOTE 3: INCOME TAX EXPENSE

Prima facie tax payable on profit / (loss) from ordinary activities before income tax at 30%	11,224	(28,487)
Tax effect of:		
- amortisation of intangible assets	8,075	8,075
Income tax liability	19,299	(20,412)

Income tax liability has not been brought to account as it reduces the prior years income tax benefits not brought to account.

NOTE 4: EARNING PER SHARE

Basic earnings per share (cents per share)	5.11	(13.0)
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NOTE 5: RECEIVABLES

Trade debtors	83,619	73,835
Accrued interest	2,477	-
Other debtors	-	6,600
	86,096	80,435

NOTE 6: OTHER ASSETS

Insurance claims outstanding	14,449	-
Prepaid GST	1,557	-
Prepayments	13,138	44,054
	29,144	44,054

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

Motor vehicles, at cost	29,289	57,548
Less accumulated depreciation	(830)	(19,597)
Total motor vehicles	28,459	37,951
Plant and equipment, at cost	164,290	160,268
Less accumulated depreciation	(54,418)	(36,872)
Total plant and equipment	109,872	123,396
Total property, plant and equipment	138,331	161,347

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

2003
\$

2002
\$

Movement in the carrying amounts for each class of property,

plant and equipment between the beginning and the end of the current financial year

	Motor Vehicles Plant and Equipment	
	\$	\$
Balance at the beginning of year	37,950	123,396
Additions	29,289	4,022
Disposals	(22,045)	-
Profit/(Loss) on disposals	(8,424)	-
Depreciation expense current		
Year	(8311)	(17,546)
Carrying amount at the end of year	28,459	109,874

NOTE 8: INTANGIBLE ASSET

Goodwill	221,500	221,500
Less: Accumulated amortisation	(45,440)	(28,400)
	176,080	193,120

NOTE 9: PAYABLES

Trade creditors and accruals	45,023	25,880
Other creditors	8,794	7,577
	53,817	33,457

NOTE 10: INTEREST BEARING LIABILITIES

CURRENT

Hire purchase liabilities	9,756	10,680
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NON-CURRENT

Hire purchase liabilities	8,968	34,966
	18,445	45,646

NOTE 11: TAX LIABILITIES

Net GST payable	19,681	17,513
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NOTE 12: PROVISIONS

	2003	2002
	\$	\$
Provision for employee entitlements	24,353	30,893

NOTE 13: CONTRIBUTED EQUITY

Ordinary shares issued beginning of year	732,375	664,725
Ordinary shares issued during the year	-	67,650
Ordinary shares issues end of year	732,375	732,375

NOTE 14: RETAINED PROFITS

Retained profits/(losses) at the beginning of the financial year	(200,653)	(105,696)
Net profit/(loss)	37,412	(94,957)
Retained profits/(losses) at the end of the Financial year	(163,241)	(200,653)

NOTE 15: CAPITAL COMMITMENTS

(a) Hire purchase liabilities payable

- not later than one year	10,761	13,453
- later than one year but not later than 5 years	8,968	35,941
Less future finance charges	(1,284)	(3,748)
Total Hire Purchase liability	18,445	45,646

NOTE 16: SEGMENT REPORTING

Geographic segments	Total revenue	Profit/(loss) from ordinary activities after income tax	Total assets
	2003	2003	2003
	\$	\$	\$
Lang Lang branch			
- External	493,566	108,984	511,460
Pearcedale branch			
- External	298,946	23,348	119,509
Koo Wee Rup			
- External	65,848	(94,920)	54,461
	858,360	37,412	685,430

The Company operates solely within the financial services industry in the above geographic segments.

NOTE 17: CASH FLOW INFORMATION

	2003	2002
	\$	\$
(a) Reconciliation of cash		
Cash at bank	255,779	180,275
(b) Reconciliation of net cash provided by operating activities to profit from Ordinary activities after income tax		
Profit/(loss) from ordinary activities after income tax	37,412	(94,957)
Non-cash flows in profit from ordinary activities:		
- Depreciation	25,857	32,361
- Amortisation of goodwill	17,040	17,040
- Hire Purchase charges	2,714	4,568
Changes in assets and liabilities:		
- (Increase)/decrease in receivables	(20,110)	(29,308)
- (Increase)/decrease in prepayments	30,916	36,412
- Increase/(decrease) in payables	20,360	1,273
- Increase/(decrease) in holiday pay provisions	(6,539)	17,907
- Increase/(decrease) in GST provisions	611	4,745
- (Profit)/loss on sale of fixed assets	8,424	-
Net cash provided by operating activities	116,685	(9,959)

NOTE 18: FINANCIAL INSTRUMENTS

(a) Interest rate risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted average effective interest rate 2003 %	Floating interest rate 2003 \$,000	Fixed interest 2003 \$,000
FINANCIAL ASSETS			
Cash at Bank	3.54	3.54	
FINANCIAL LIABILITIES			
Hire purchase liabilities	8.47		8.47

(b) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

The Company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Company.

(c) Net fair values

For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded and the Company intends to hold these to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to and forming part of the financial statements.

NOTE 19: RELATED PARTY TRANSACTIONS

(i) Directors

1. The company made payments of \$16,639 to Maxwell Arthur John Kneebone for rental of the business premises at Lang Lang. The terms and conditions of this rental arrangement are on a commercial basis.
2. The company made payments of \$2,400 to Tania Hansen for services performed as Treasurer, including but not limited to, bookkeeping, accounts liaison and finance administration duties.
3. In the normal course of business operations, Community Financial Services Victoria Ltd utilised services offered by the respective local community businesses. Some of these transactions included businesses which some directors have a direct or indirect interest. These transactions are not material, are considered to be on arms length basis and on normal commercial terms.

(ii) Share transactions of Directors

Directors and director-related entities hold directly, indirectly or beneficially as at the reporting date the following equity interests in the Company:

Ordinary shares

Michael John Duff	30,000
Douglas Hugh Hamilton	8,050
Maxwell Arthur John Kneebone	52,500
John Munro Lyle	15,850
Glenister Malcolm McGregor	56,000
Maxwell William Papley	5,250
Gordon Lovell Sampson	5,700
Ronald James Witney	11,200
Tania Hansen	500

Director's Declaration

In the opinion of the Directors the financial report as set out on pages 6 to 15:

1. presents fairly the financial position of Community Financial Services Victoria Limited as at 30 June 2003 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. at the date of this statement, there are reasonable grounds to believe that Community Financial Services Victoria Limited will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of Directors and is signed for and on behalf of the Board of Directors by:



Douglas Hugh Hamilton



Maxwell William Papley

Dated this 12th day of September 2003.

Independent Audit Report

TO THE MEMBERS OF COMMUNITY FINANCIAL SERVICES VICTORIA LIMITED.

SCOPE

We have audited the financial report being the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, notes to and forming part of the Financial Statements and the Directors' Declaration of Community Financial Services Victoria Limited as set out on pages 6 to 16 for the year ended 30 June 2003. The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the association's financial position, the results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In our opinion, the financial report presents fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements the financial position of Community Financial Services Victoria Limited as at 30 June 2003, and the results of its operations and cash flows for the year then ended.



Duncan F. Smith
Partner

12th September 2003

BSX Additional Information

Additional information required by the Bendigo Stock Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 30 September, 2003.

(a) Distribution of equity securities

The number of shareholders, by size of holding, are:

			Ordinary shares	
			Number of holders	Number of shares
1	–	1,000	93	59,378
1,001	–	5,000	86	193,897
5,001	–	10,000	40	253,675
10,001	–	100,000	18	225,425
100,001 and over			–	–
Total			240	732,375

There are 9 shareholders holding 2,680 shares which we consider to be less than a marketable parcel of shares (value of \$500), when using a value of \$1.00 per share.

(b) Ten largest shareholders

The names of the ten largest holders of quoted shares are:

			Listed ordinary shares	
			Number of shares	Number of ordinary shares
1.	McGregor Sands Pty Ltd		45,000	6.1%
2.	Henry Mosley		35,000	4.8%
3.	M & L Duff Pty Ltd		30,000	4.1%
4.	Seventy Second Colro Pty Ltd		25,000	3.4%
5.	Maureen Dwyer		25,000	3.4%
6.	John & Jennifer Lyle		15,850	2.2%
7.	Heather Mosley		15,000	2.0%
8.	Max Kneebone		13,125	1.8%
9.	Ron Whitney		11,200	1.5%
10.	Colin Fell		10,250	1.4%
			225,425	30.8%

BSX Additional Information (continued)

(c) Voting rights

Each shareholder has one vote.

(d) Corporate Governance Statement

The Board guides and monitors the business and affairs on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Board recognises the importance of a strong corporate governance focus and methodology. The Board is currently working towards adopting policies and procedures that will govern our Company into the future. We believe that building a policy framework will assist to clarify the future direction of our local company, provide accountability and transparency and ensure there are guiding principles in place for future decision making.

To ensure the board is well equipped to discharge its responsibilities it has established guidelines for the nomination and selection of Directors and for the operation of the Board.

Composition of the Board

The composition of the Board is determined in accordance with the following principles and guidelines:

- The Board should comprise at least three directors and a maximum of 10;
- The Board meet at least monthly and follow meeting guidelines set down to ensure all Directors are made aware of, and have available all necessary information, to participate in an informed discussion of all agenda items.

The directors in office at the date of this statement are:

Name	Position
Michael John Duff	Director
Douglas Hugh Hamilton	Director
Tania Lyn Hansen	Director, Secretary
Russell Peter Jenkins	Director
Maxwell Arthur John Kneebone	Director
John Munro Lyle	Director
Glenister Malcolm McGregor	Director
Maxwell William Papley	Director
Gordon Lovell Sampson	Director
Ronald James Witney	Director

Board responsibilities

As a Board acts on behalf of and is accountable to the shareholders, the Board seeks to identify the expectations of the shareholders, as well as other regulatory and ethical expectations and obligations. In addition, the Board is

BSX Additional Information (continued)

responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks. The Board seeks to discharge these responsibilities in a number of ways.

The Board is responsible for ensuring that management's objective and activities are aligned with the expectations and risks identified by the Board. The Board has a number of mechanisms in place to ensure this is achieved. These mechanisms include the following:

- Board approval of a business plan, which encompasses the entity's vision, mission and strategy statements, designed to meet stakeholders' needs and manage business risk;
- The business plan is a dynamic document and the board is actively involved in developing and approving initiatives and strategies designed to ensure the continued growth and success of the entity;
- Implementation of operating plans and budgets by management and board monitoring of progress against budget – this includes the establishment and monitoring of key performance indicators (both financial and non-financial) for all significant business processes;
- Procedures to allow directors, in the furtherance of their duties, to seek independent professional advice at the Company's expense.

Monitoring of the Board's performance and communication to shareholders

In order to ensure that the Board continues to discharge its responsibilities in an appropriate manner, the performance of all Directors is reviewed annually by the chairperson. Directors whose performance is unsatisfactory are asked to retire.

The Board of Directors aims to ensure that the shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the directors. Information is communicated to the shareholders through:

- The annual report which is distributed to all shareholders;
- The annual general meeting and other meetings so called to obtain approval for Board action as appropriate.

(e) Name of Company Secretary

Tania Lyn Hansen

(f) Address and telephone number of registered office

29 Westernport Road, LANG LANG, VIC, 3984

Phone: 03 5997 5019

(g) Address and telephone number of office which securities register is kept.

29 Westernport Road, LANG LANG, VIC, 3984