

Newsletter

September 2004

Chairman's and Manager's report

It only seems like yesterday when forward thinking people decided to financially support our campaign to establish a Community Bank® branch in Warburton and hard to comprehend that we are fast approaching the need to negotiate renewal of our franchise agreement with our very good partner Bendigo Bank Ltd.

Four and a half years on and we are still increasing our total banking business with fairly good profits being produced as a result.

We are also in a position to return some of these profits to our community for worthwhile projects, and you will see from the list of recipients in this newsletter, our Board has embraced a fairly wide collection of groups and organisations. In many cases they may not have been able to resource funding without our Community Bank® branch.

To ensure we act in the best interests of all concerned there has been a need to develop policy and procedure to enable a consistency and transparency with all decision making issues that confront our local community company. Your Directors have diligently adopted a set of policies we believe reflect the shareholders expectations and at the same time allow for growth and sustainability of our business.

To enable our Directors to meet the demands of their duties we encourage self-development and with the assistance of Bendigo Bank Ltd have been able to avail of very important workshops covering the ever increasing governance associated with running a public company. Our Directors have supported these initiatives.

During May 2004, in partnership with the other five Community Bank® branches in our Shire, we hosted a conference for the Community Bank® branch network with over 200 attendees. This was highly successful and an indication of the close working relationship we enjoy with our neighboring communities.

Thank you for the support you have given us to date and remember as we attract more business the more funding we will have available for worthwhile community projects.

We are proud to be able to announce our book has grown by close to \$15 million over the past financial year to in excess of \$68 million. This is an excellent result and I thank you all for your continued support.

Ian De La Rue **Mick Spruhan**
Chairman **Manager**

Listing on Bendigo Stock Exchange

As you may be aware our Company chose to list on the Bendigo Stock Exchange late last year. Apart from the many governance and professional management advantages to our Company there is the transparent process available to shareholders and potential shareholders to trade our shares.

www.bsx.com.au Code WFS will access our listing where

Return of profits to the community

The following organisations have been recipients of sponsorship and or grants totalling in excess of \$70,000 since opening our branch in February 2000. We must point out not all of these funds have been from our profits and were from Bendigo Bank Ltd sponsorship and market development funding. This market development fund has been set up by Bendigo Bank Ltd as an additional allowance to our agreed profit share entitlement to ensure Community Bank® branches have the resources to develop without eroding profits.

Upper Yarra Secondary College
Warburton Mayfair
Winterfest in Warburton
Warburton Primary School
S E S Wesburn Incident Control Centre
Bridge 3799
Yarra Ranges Film Society
Warburton Millgrove Sports Club
Warburton Bowls Club
Warburton Police Totally Sick Program
Warburton Chamber of Commerce Business Breakfast
Sherbrooke Basketball Association
Upper Yarra Youth Theatre Group
Warburton Urban Fire Brigade
Upper Yarra Garden Club
St Vincent De Paul
Warburton On Line
Anglicare
Warburton Advancement League Xmas Carols
Warburton Up and Running
Warburton Millgrove Cricket Club
Leukaemia Foundation
Upper Yarra Secondary College Chaplaincy
Little Yarra Steiner School
Friends of the Water Wheel
Yarra Junction Girl Guides
Cerini Centre
Yarra Valley Soccer Club
Yarra Junction Township Committee
Warburton Mechanics Hall
Warburton Brochure

Our Board is planning a sponsorship and grants information night in the coming months and invite any group or organisation to register your interest to our Secretary, PO Box 434, Warburton, VIC 3799.

you can read our announcements results etc and also find details of listed brokers that can assist in buying or selling our shares.

Our Board decided to list to give greater investor confidence with our open disclosure and higher profile as well as having a transparent process of trading shares.

**Board of Directors, Warburton Community Financial Services Limited,
3399 Warburton Highway, Warburton, VIC 3799**

**Baden Berry, Peter Burney, Ian De La Rue, Catherine Fitzpatrick, Raylene Chisolm, Leonie Hibbert,
John Larsen, Maxwell Magee, Bob Murray, Robert Musgrove, Geoff Vickers**

At the Bendigo Bank we are here to serve you, not the other way around. Everything we do is designed to make things easier for you. This is what we like to call “the Bendigo way” and is reflected in all the products and services we offer. If you would like more information on any of our products and services we'll be more than happy to talk to you in person.

Bendigo Accounts.

Bendigo Ultimate Everyday Account¹.

When it comes to everyday banking, we understand that everyone likes to do it in a particular way. That's why we developed the Bendigo Ultimate Everyday Account; an account flexible enough to suit the everyday banking needs of every individual.

Bendigo Classic Passbook¹.

With a Bendigo Classic Passbook you won't believe how quickly your savings will grow. The really special thing about Bendigo Classic is that you can access your account at any time through Bendigo phone banking, e-banking or by visiting the branch.

Bendigo Achiever Passbook¹.

If you're saving for something smaller – say under \$500, then the Bendigo Achiever Passbook is probably the best way to start. For just one dollar you can open the account, get passbook access to your money, and make withdrawals at call. There are no account keeping fees and no restrictions on deposits.

Bendigo Term Deposits¹.

With a Bendigo Term Deposit you can see your money growing, and you have the option of a convenient passbook. It provides security, flexibility and highly competitive interest rates. Bendigo Term Deposits can be used as a great way to save or tuck some funds away.

Bendigo Gold 12 Month Fixed Term Deposit¹.

Bendigo Gold is the 12 month fixed term deposit that allows you to withdraw up to 25% of your original deposit at any time.

Bendigo Cash Management Accounts¹.

Bendigo offers a range of cash management accounts to suit your needs. With the choice of a passbook or a statement these accounts are the ideal way to earn great interest on your money.

Bendigo Piggy Bank Passbook^{1,2}.

The Bendigo Piggy Bank Passbook offers children under the age of 13 a fun way to save. It can be opened with just \$1 and you get a special Piggy money box when you do. There's no account keeping fees, no transaction or government fees, no penalties and no deposit restrictions.

Bendigo Mortgage Saver Accounts¹.

A Bendigo Mortgage Saver Account is an at-call statement account with the option of a cheque book and a Bendigo Blue Visa Debit Card or Cashcard facility. However, unlike an ordinary account, with the Bendigo Mortgage Saver Account instead of earning interest, the balance helps reduce the interest you pay on your home loan. Now you can make your home your home sooner.

Bendigo Retirement Accounts¹.

A Bendigo Retirement Account, with a passbook or a statement, is an ideal investment option for self funded retirees or pensioners over the age of 55. You can have your pension or allowance paid directly into your account.

Bendigo Club Account¹.

The Bendigo Club Account is the all-in-one investment account for incorporated clubs, churches, charities and schools. It features cheque book access, quarterly statements and it only takes \$300 to open. Direct debit and credit services are available, as well as phone and e-banking.

Bendigo Business Solutions¹.

Bendigo Business Solutions is designed to help small businesses simplify their banking and provides products and services customised to meet individual business requirements.

Bendigo Primary Producer Account¹.

The Bendigo Primary Producer Account offers the convenience of personal cheques and electronic transactions with your Bendigo Blue Visa Debit Card, allowing your funds to be accessed at any time.

Bendigo Credit Cards.

Credit comes in an exciting choice of colours.

At Bendigo Bank, we realise that some people expect a little more from their credit cards.

A little more credit in reserve for emergencies.

A little more in the way of rewards and recognition.

Or perhaps a little less interest as an option.

Bendigo credit cards give you choices, so you can colour your lifestyle just the way you want.

Bendigo Gold Visa Credit Card.

The Bendigo Gold Visa Credit Card gives you a very comfortable minimum credit limit of \$10,000, up to 55 long, leisurely days of interest-free credit and monthly statements detailing all your spending.

You also receive automatic enrolment in Bendigo Rewards and earn 1.5 points for every dollar spent.

Bendigo Red Credit Card.

Bendigo Red Credit Card offers you the option of a Visa or MasterCard and an interest-free period of up to 44 days. So you can use your credit card to purchase goods or pay your bills over the phone and not pay any interest if full payment of the outstanding amount is made by the due date. Or the option of a no interest free period with a lower rate, where interest is charged from the date each transaction is debited to your account.

Bendigo Rewards.

Bendigo Rewards is the Bendigo's card reward program. It rewards you with products including travel, shopping vouchers, accommodation, theatre, movie passes and more.

So next time you're shopping, or even paying a bill, you could earn one Reward Point for every dollar you spend. Just by paying for your goods or services with a Bendigo Blue, Bendigo Red or Bendigo Gold card by mail, telephone, internet, or at an EFTPOS terminal where a PIN is not used.

You can even earn Bonus Reward Points by shopping at our Bonus Partner outlets. And we keep you informed of Bonus offers and new Bonus Partners with regular updates.

Bendigo Loans.

Bendigo Standard Variable Home Loan³.

If you're buying your first home, an investment property, or even building or upgrading, the Bendigo Standard Variable Home Loan is a straight forward home loan with a variable interest rate.

Bendigo Fixed Rate Home Loan³.

With a Bendigo Fixed Rate Home Loan you always know where you stand. You can purchase a new home, home extension or even a holiday home, with your interest rate fixed for terms of one to five years.

Bendigo Investment Loan³.

Customised to manage investment real estate, the Bendigo Investment Loan can also be used to make extensions or improvements to any existing investment properties you may own.

Bendigo One³.

Bendigo One is the all-in-one home loan that offers extraordinary flexibility. In fact, Bendigo One is so flexible that you can use it for all your banking needs, from day-to-day banking to paying off your next holiday.

Bendigo Business Banking Services.

Bendigo offers a full range of business banking products and services including:

- Fixed or variable commercial loans³.
- Lines of credit on working accounts¹.
- Cost effective finance for business vehicles, office and business equipment.
- An all-in-one electronic banking service that combines e-personal banking and e-business banking on one screen¹.
- A choice of money market products¹.
- International products and services including foreign exchange¹.

Other Services.

Insurance¹.

BBL Insurance offers a wide range of domestic insurance covers, which are underwritten by several of Australia's leading underwriters.

Bendigo Phone Banking¹.

Bendigo Phone Banking gives you access to your accounts 24 hours a day, 7 days a week. Call 1300 366 666 for more information.

Bendigo e-banking¹.

Bendigo e-banking is our all-in-one online banking system that ensures you have the freedom to do your banking whenever you feel like it. Visit our website at www.bendigobank.com.au

More information.

For more information call into your nearest Bendigo Bank® Branch, phone 7 days a week on 1300 366 666 or visit www.bendigobank.com.au

¹ These products are issued by Bendigo Bank Limited. As the information in this document has been prepared without taking into your objectives, financial situation and needs, before acting on the information, you should consider how appropriate it is having regard to your objectives, financial situation and needs. Product Disclosure Statement("PDS") for Bendigo Bank products are available from your nearest Bendigo Bank branch or online at www.bendigobank.com.au. PDS's for insurance products are available from CGU Insurance. You should obtain a PDS and consider it before making a decision whether to acquire or continue to hold any of these products. BBL Insurance, a registered business name of Bendigo Bank Limited ABN 11 068 049 178 acts as an agent for CGU Insurance Limited, 485 Latrobe Street Melbourne, Vic 3000 ABN 27 004 478 371. An IAG Company.

² Subject to terms and conditions. Fees and charges apply. The parent or guardian will need to satisfy the criteria for the 100 point check.

³ All loans are subject to the Banks normal lending criteria.

A young persons perspective by Catherine Fitzpatrick

One of the first things people ask me about being a Director of the Warburton Community Bank® Branch, is how did I become involved with the Community Bank® project? To be completely honest - it was not high on my list of "things to do" at the young and exciting age of 21 – in fact I don't think it was on my list of things to do at all! Two years down the track, and at 23 years of age, I have not looked back.

When I was initially asked to become a Board member, I was a bit hesitant. Director?! – How could I possibly become a Director of a bank? I have always had a positive and mature attitude, and I have never been afraid to get involved and make a difference. I decided to give the Community Bank® project a go! I believed in the concept and I was interested to learn how a Board works. I was excited and confident that a young person's perspective would bring new ideas to the table. With the encouragement and guidance of my fellow Board members, I believe my confidence, determination, reliability and fresh attitude has brought a new dimension to the Board.

Since joining the Board I have had the opportunity to further develop my skills. Last September, I attended my very first Community Bank® Annual Conference. Honored to represent Warburton as the youngest Director in the entire Community Bank® branch network, I was asked to deliver a speech to over 200 people which was an amazing

experience. And at my Chairman's expense, I even managed to get a laugh! I hear that my speech has inspired other Community Bank® Boards to involve young people in their meetings and decision making and I hope that young people from my community are willing to become involved too.

I believe young people should have more to say when it comes to our community. After all, we are the future community. Who better to plan for our future, but the future leaders? I put a challenge out to all the young leaders in the community. BECOME INVOLVED!! Not just in the Community Bank® project, but in community projects. It is your chance to have your say and you never know where it will take you. One thing is for sure – you will never know what you are capable of unless you have a crack at it!

Bendigo Bank Ltd has an excellent Lead On program that was created in 1999 to find ways of engaging, informing and connecting young people to the business and broader community thereby exposing them to what is possible in their community. Our Board has expressed interest in funding a Lead On program in our district and we encourage you to give this some serious thought if you are interested in becoming a key resource in the development and future of our community.

Please feel free to correspond with me at PO Box 434, Warburton, VIC 3799

**For more information please call into
3399 Warburton Highway, Warburton
or phone (03) 5966 2122**

**We are open:
Monday - Friday 9am - 5pm
Saturday 9am - 12noon**

Warburton **Community Bank®** Branch  **Bendigo Bank**