

**Bexley Financial
Services Limited**

ABN 37 105 775 844

**ANNUAL
REPORT
2018**

Community Bank Bexley

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Chairman's Report

For the year ending 30 June 2018

On behalf of the Board of Directors of Bexley Financial Services Ltd, I am pleased to present the Annual Report for the year ending 30 June 2018.

After the difficulties experienced in 2016/17 the priority over the past 12 months has been to stabilise Branch operations and re-engage with the local community, businesses and customers. Under the direction of our newly appointed Branch Manager, Emma Kauter this approach has started to achieve some good results. The profit for the year of \$39,096.00 is a significant increase over last year and we are looking for further improvement in the current Financial Year.

To support this work we have used market development funds provided by Bendigo and Adelaide Bank to enter into sponsorship arrangements for the next 12 months with the Shop Front Arts Drop in Program at Carlton and the Banksia Tigers Football Club. Some welcome local publicity has already been received from this initiative. Indeed Bendigo and Adelaide Bank as a whole has stepped up its efforts in NSW to increase brand awareness through various media arrangements. One in particular is the collaboration with Nova Radio, a mainstream radio station in the Sydney Metro area, which appears to be working quite well.

Just recently we also had to say goodbye to Jill Everett who worked with us for over 12 years. Happily we have been able to find capable replacements to maintain the high standard of service all our customers appreciate. In addition we have gained several new board members whose appointment we seek to have confirmed at the Annual General Meeting.

So while the company is not yet where we want it to be, I believe we are moving in the right direction and focussing on three main strategies:

1. Re-connect with the community and develop new relationships;
2. Communicate with our target audience and continue to drive our unique business selling points;
3. Drive business through our community engagement efforts.

I conclude by advising that I will be standing down as Chairman after the AGM. I have enjoyed my two years in this role and thank my fellow directors and Branch staff for their advice and support in this demanding but rewarding position.

Ralph Kooi
Chairman

Branch Manager's Report

For the year ending 30 June 2018

Welcome to the annual report for the Bexley Community Bank® Branch

My first six months as a Community Bank Branch Manager have been challenging but greatly rewarding.

I have enjoyed the privilege of leading a great team to generate positive business outcomes and strive to exceed expectations in the years to come.

Business outcomes as at the end of June 2018:

- Net lending growth of \$4,404,654
- Branch footings of \$92,940,131
- We opened 294 new accounts
- Total customer numbers 1,887
- Products per customer 1.734

My objectives moving forward are to continue to grow the books, be engaged with the community and build on the team's current capabilities through ongoing training and coaching, resulting in effective succession planning.

In line with the Board's strategy, I will continue to execute active business development initiatives including engaging with the local Chamber of Commerce and local business, leveraging sponsorship partners to deliver business outcomes, maximising opportunities arising from the Referral Program, including seeking out new partnerships, and in collaboration with our specialists - a dedicated Business Banker, a connected fee for service Financial Planner and Community Sector Banking Business Manager (NFP specialist), will continue to seek out and deliver on all arising opportunities.

I would like to take this opportunity to thank the staff, Anthony and Tina whose faces you continue to see day in and out at the branch. I would like to say thank you and farewell to Jill who after 12 years of service with us, is now enjoying her retirement. I would also like to extend a warm welcome to Angel and Amanda, who are both new to our team. You all do a fantastic job in looking after the needs of our customers and maintaining your community focus.

Thank you to The Board of Directors, as well as Bendigo and Adelaide Bank representatives for their support while we endeavour to build and grow our business.

Lastly, a big thank you to all our valued customers who are both continuing and new. Without your support, we cease to exist. For those reading this who are not currently banking with us, we invite you to come in and be a part of something that is more than just a bank. Hope to see you soon.

Emma Kauter
Branch Manager

BEXLEY FINANCIAL SERVICES LIMITED

A.B.N. 37 105 775 844

DIRECTORS' REPORT

Your directors present the financial statements of the company for the year ended 30th June 2018.

DIRECTORS

The names of the Directors in office at any time during, or since the end of, the year are:

Michael Price	
Marianthe Kamateros	
John Theodoridis	
Michael Nagi	Retired 29 March 2018
Robert Price	
Kylee Trevitt	
Ralph Kooi	
Shane Moore	Appointed 04 June 2018

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITY

The principal activities of the Company during the course of the year were in providing Community Bank services under management rights to operate a franchise branch of Bendigo and Adelaide Bank Limited.

OPERATING RESULT

The net profit after providing for income tax amounted to \$39,095.

REVIEW OF OPERATIONS FOR THE YEAR

Despite an extended period of instability surrounding the Branch Manager position from November 2016 to September 2017, the branch continued to perform surprisingly well. Total banking business grew during the year by almost 10% to over \$92 million enabling the company to record a second year of profitable trading.

The issue of the loans made outside approved banking procedures was also resolved during the year with the company's liability in this matter being limited to the payment of the \$50,000 excess involved in our indemnity policy. This charge is fully taken up in the 2017/2018 financial accounts and will not impact on performance in future years.

A new long term lease has also been renegotiated for the Branch premises.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No significant changes in the company's state of affairs occurred during the financial year.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No matters of circumstance have arisen since the end of the financial year which 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 subsequent financial years.

BEXLEY FINANCIAL SERVICES LIMITED

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DIRECTORS' REPORT

LIKELY DEVELOPMENTS

Strategies to strengthen community engagement, including significant local sponsorship, have been implemented to support continued improvement in the company's results.

DIVIDENDS

No dividends were paid during the year and no recommendation is made as to dividends.

ENVIRONMENTAL REGULATIONS

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

OPTIONS

During the financial year, and to the date of this report, no option has been granted or is held by any person over any unissued shares of the company.

No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

INDEMNIFYING OFFICERS OR AUDITOR

The company has paid premiums to insure directors under a Management Liability Insurance.

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.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not party to any such proceedings during the year.

BEXLEY FINANCIAL SERVICES LIMITED
A.B.N. 37 105 775 844

DIRECTORS' REPORT

INFORMATION ON DIRECTORS'

- | | |
|-----------------------|--|
| ◆ Ralph Kooi | - Chairman |
| Qualification | - B.Comm(Marketing), MComm(Business,Marketing) |
| Experience | - Director since February 2017 |
| Interest in Shares | - 500 Shares |
| ◆ Michael Price | - Treasurer & Secretary |
| Qualification | - Diploma of Military Studies, PSC |
| Experience | - Director since 1 June 2004 |
| Interest in Shares | - 500 Ordinary shares |
| ◆ Marianthe Kamateros | - Director |
| Qualification | - Beauty Therapist |
| Experience | - Director since 4 August 2003 |
| Interest in Shares | - 1 Founder share and 2,000 Ordinary shares |
| ◆ John Theodoridis | - Director |
| Qualification | - Solicitor M.A. B.Ec. (Hons) LL.B |
| Experience | - Director since March 2013 |
| Interest in Shares | - 500 shares |
| ◆ Robert Price | - Director |
| Qualification | - BA, MSC |
| Experience | - Director since February 2015 |
| Interest in Shares | - 500 shares |
| ◆ Kylee Trevitt | - Director |
| Qualification | - LLB Law |
| Experience | - Director since June 2015 |
| Interest in Shares | - 500 shares |
| ◆ Shane Moore | - Director |
| Qualification | - |
| Experience | - Director since June 2018 |
| Interest in Shares | - 500 shares |

DIRECTORS' REPORT

DIRECTORS' MEETINGS

During the financial year nine Directors' meetings were held.

Attendances were:

	<u>Directors' Meetings</u>	
	<u>Number eligible to attend</u>	<u>Number attended</u>
Michael Price	10	10
Marianthe Kamateros	10	7
John Theodoridis	10	7
Michael Nagl - Resigned 29 Mar 2018	7	0
Robert Price	10	5
Kylee Trevitt	10	2
Ralph Kool	10	8
Shane Moore	2	2

DIRECTORS' BENEFITS

No Director has received or has become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the Company or a related body corporate with the Director, a firm of which the director is a member or a company in which the director has a substantial financial interest.


This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the Company's accounts, prepared in accordance with the Corporations Law, or the fixed salary of a full time employee of the company or related body corporate.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the page following the directors' report.

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


..... (Chairman)
Ralph Kool


..... (Director)
Michael Price

Dated this 27th day of September 2018

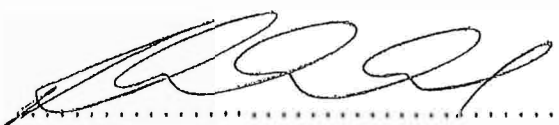
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A.B.N. 37 105 775 844

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C
OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF BEXLEY FINANCIAL SERVICES LIMITED

We declare that, to the best of our knowledge and belief, during the year ended 30th June 2018 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- (ii) any applicable code of professional conduct in relation to the audit.

Name of Firm: Partlett, Chave & Rowland
Chartered Accountants


Name of Auditor: Robert Bruce Rowland

Dated this 27th day of September 2018

Address: Suite 202, Level 2
68 York Street
Sydney NSW 2000

BEXLEY FINANCIAL SERVICES LIMITED
A.B.N. 37 105 775 844

DISCUSSION AND ANALYSIS OF
THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2018

Relationship of the concise financial report to the full financial report

The concise financial report is an extract from the full financial report for the year ended 30 June 2018. The Financial statements, specific disclosures and other information included in the concise financial report are derived from, and consistent with, the corresponding full financial report of Bexley Financial Services Limited.

The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Bexley Financial Services Limited as the full financial report.

Copies of the full financial report can be obtained free of charge by any member upon request.

Information on Bexley Financial Services Limited Concise Financial Report

This discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on Bexley Financial Services Limited financial statements and the information contained in the concise financial report has been derived from the full 2018 financial report of Bexley Financial Services Limited.

Statement of Profit or Loss and Other Comprehensive Income

The net profit before income tax attributable to shareholders for the year is \$39,095, which is an higher than the previous financial year.

Statement of Financial Position

The effect of the current year financial profit has been to increase in net assets to \$113,680 and a decrease in accumulated losses to \$631,229.

Statement of Changes in Equity

The equity of the company has increased by \$39,095. This is due to the current year operating profit.

Statement of Cash Flows

Cash at the end of the year increased by \$88,876 to \$155,680. With no capital expenditure and no dividend payment, the increase in cash at the end of the year is due to the current year financial profit.

BEXLEY FINANCIAL SERVICES LIMITED
A.B.N. 37 105 775 844

**STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2018**

	Note	2018 \$	2017 \$
Revenue	2	598,118	607,016
Charitable Donations & sponsorship	2	-	-
Employee benefits expense		(205,243)	(303,165)
Occupancy and associated cost		(54,825)	(44,105)
Depreciation and amortisation expenses		(15,638)	(20,659)
Other expenses		(283,317)	(229,010)
		<hr/>	<hr/>
Profit/(Loss) before income tax		39,095	10,077
Income tax (expense)/revenue		-	-
		<hr/>	<hr/>
Profit/(Loss) for the year		39,095	10,077
Other comprehensive income:			
Net gain/(loss) on revaluation of non current assets		-	-
Net gain/(loss) on revaluation of financial Assets		-	-
		<hr/>	<hr/>
Total other comprehensive income/(loss) for the year		-	-
		<hr/>	<hr/>
Total comprehensive income/(loss) for the year		39,095	10,077
		<hr/>	<hr/>
Profit/(loss) attributable to members of the entity		39,095	10,077
		<hr/>	<hr/>
Total comprehensive income/(loss) attributable to members of the entity		39,095	10,077
		<hr/>	<hr/>

BEXLEY FINANCIAL SERVICES LIMITED
A.B.N. 37 105 775 844

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash		155,680	66,804
Receivables		53,898	58,945
Other		3,898	3,980
		213,476	129,729
TOTAL CURRENT ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		4,963	6,858
Intangibles		13,139	26,882
		18,102	33,740
TOTAL NON-CURRENT ASSETS			
		231,578	163,469
TOTAL ASSETS			
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable		98,801	71,910
Provisions		19,097	16,974
		117,898	88,884
TOTAL CURRENT LIABILITIES			
		117,898	88,884
TOTAL LIABILITIES			
		113,680	74,585
NET ASSETS (LIABILITIES)			
EQUITY			
Issued capital		744,909	744,909
Accumulated losses		(631,229)	(670,324)
		113,680	74,585
TOTAL EQUITY			

BEXLEY FINANCIAL SERVICES LIMITED
A.B.N. 37 105 775 844

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2018

	Issued Capital Ordinary \$	Accumulated Losses \$	Total \$
Balance at 1 July 2016	744,909	(680,401)	64,508
Profit/(Loss) attributable to members of the entity	-	10,077	10,077
Total other comprehensive income for the year	-	-	-
Shares issued during the year	-	-	-
Subtotal	744,909	(670,324)	74,585
Dividends paid or provided for	-	-	-
Balance at 30 June 2017	744,909	(670,324)	74,585
Balance at 1 July 2017	744,909	(670,324)	74,585
Profit/(Loss) attributable to members of the entity	-	39,095	39,095
Total other comprehensive income for the year	-	-	-
Shares issued during the year	-	-	-
Subtotal	744,909	(631,229)	113,680
Dividends paid or provided for	-	-	-
Balance at 30 June 2018	744,909	(631,229)	113,680

BEXLEY FINANCIAL SERVICES LIMITED
A.B.N. 37 105 775 844

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2018

	2018	2017
	\$	\$
Cash Flows from Operating Activities		
Receipts from Franchise	602,707	599,603
Payment to Suppliers and Employees	(484,380)	(596,861)
Interest Received	-	-
Other Receipts (Payables)	(1,966)	523
	116,361	3,265
Cash Flows from Investing Activities		
Payment for Leasehold Improvements	-	-
Payment for Office Equipment	-	-
	-	-
Net cash provided by (used in) investing activities	-	-
Cash Flows from Financing Activities		
Payment of Franchisee Instalments	(27,485)	-
	(27,485)	-
Net cash provided by (used in) financing activities	(27,485)	-
Net increase (decrease) in cash held	88,876	3,265
Cash at Beginning of Year	66,804	63,539
Cash at end of year	155,680	66,804

BEXLEY FINANCIAL SERVICES LIMITED
A.B.N. 37 105 775 844

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017

	2018	2017
	\$	\$

1 BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report relates to Bexley Financial Services Limited as an individual entity and at the end of the year ended 30 June 2018.

The concise financial report has been prepared in accordance with Australian Accounting Standard AASB 1039: Concise Financial Reports and the Corporations Act 2001. The accounting policies adopted have been consistently applied to all financial periods presented unless otherwise stated.

The presentation currency used in this concise financial report is Australian dollars.

2 REVENUE AND OTHER INCOME

Revenue:		
Commission Income	598,118	607,016
Other Income:		
Interest Income	-	-
Sundry Income	-	-
Total Other Income	<u>-</u>	<u>-</u>

3 DIVIDENDS

No dividends were paid during the year and no recommendation is made as to dividends.

4 OPERATING SEGMENTS

This company only operates as a franchise branch of Bendigo and Adelaide Bank Limited and operates in New South Wales only.

5 EVENTS AFTER THE REPORTING PERIOD

No matters of circumstance have arisen since the end of the financial year which 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 subsequent financial years.

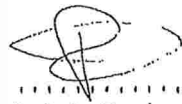
BEXLEY FINANCIAL SERVICES LIMITED
A.B.N. 37 105 775 844

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Bexley Financial Services Limited, the directors of the company declare that the concise financial report of Bexley Financial Services Limited for the financial year ended 30 June 2018:

- (a) comply with Accounting Standard AASB 1039, Concise Financial Reports; and
- (b) is an extract from the full financial report for the year ended 30 June 2018 and has been derived from and is consistent with the full financial report of Bexley Financial Services Limited,

Director



.....
Ralph Kool

Director



.....
Michael Price

Dated this 27th day of September 2018

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF

BEXLEY FINANCIAL SERVICES LIMITED

A.B.N. 37 105 775 844

Report on the Audit of the Financial Report

Opinion

The concise financial report, which comprises of the statement of financial position as at 30th June 2018, and the statement profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and related notes, are derived from the audited financial report of Bexley Financial Services Limited for the year ended 30 June 2018.

Basis for Qualified Opinion

The ability for the company to recoup its accumulated losses depends on the ability to continuously generate profits and the overdraft facility provided by the Bendigo and Adelaide Bank. Notwithstanding this uncertainty, in our opinion it is still appropriate for the financial report to be prepared on a going concern basis.

In our opinion, except for the effects on the concise financial report of the matter referred to in the qualification paragraph, the accompanying concise financial report, including the discussion and analysis, is consistent, in all material respects with the audited financial report, in accordance with AASB 1039: Concise financial reports and the Corporations Act 2001.

Concise Financial Report

The concise financial report does not contain all the disclosures required by the Australian Accounting Standards applied in the preparation of the audited financial report of Bexley Financial Services Limited. Reading the concise financial report and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report and the auditor's report thereon. The concise financial report and the audited financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial report.

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 Bexley Financial Services Limited, would be in the same terms if provided to the directors as at the date of this auditor's report.

The Audited Financial Report and Our Report Thereon

We included the above qualification paragraph in our audit opinion on the audited financial report in our report dated 27th September 2018.

Directors' Responsibility for the Concise Financial Report

The directors of the company are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039: Concise Financial Reports, and the Corporations Act 2001.

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF

BEXLEY FINANCIAL SERVICES LIMITED
A.B.N. 37 105 775 844

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report is consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810: Engagements to Report on Summary Financial Statements,



Name of Auditor: Robert Bruce Rowland

Name of Firm: Partlett, Chave & Rowland
Chartered Accountants

Address: Suite 202, Level 2
68 York Street
Sydney NSW 2000

Dated this 27th day of September 2018

Community Bank Bexley
416-418 Forest Road, Bexley NSW 2207
Phone: (02) 9567 4519 Fax: (02) 9567 9364

Franchisee: Bexley Financial Services Limited
416-418 Forest Road, Bexley NSW 2207
Phone: (02) 9567 4519 Fax: (02) 9567 9364
ABN: 37 05 775 844

www.bendigobank.com.au/bexley
(BMPAR13160) (11/13)

Community Bank Bexley