

Bexley Financial  
Services Limited

ABN 37 105 775 844

**ANNUAL  
REPORT  
2019**

Bexley Community Bank Branch

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# Chairman's Report

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## *For the year ending 30 June 2019*

On behalf of the Board of Directors, I have pleasure in presenting the company's Annual Report and in being able to advise a profit of \$53,278 for the year ending 30 June 2019. I believe there are a couple of important reasons for this improved result.

- First despite difficult economic conditions, we have been able to maintain an acceptable level of total banking business, and
- Secondly through careful restructuring of branch staff and opening hours, we have been able to effectively control operating costs without adverse impact on the service offered.

With the promotion of Anthony Georgiou to now lead the branch, I believe we have the ability, enthusiasm and local knowledge to continue the upward trajectory that has been established over the past three years.

I am also pleased to report the strengthening of the Board with the appointment of two new directors during the year, Mr Rob Ryan and Ms Chantelle Fransisco, whose confirmation we seek at the Annual General Meeting.

As result of these developments we have had the confidence to successfully negotiate a new five-year Franchise Agreement through to 2024 with options for further extension.

It has been identified that throughout the year there has been a missed opportunity to engage productively with local Community programs. With that in mind and under the leadership of

Chantelle Francisco, who comes with the relevant knowledge and expertise from Community Sector Banking, re-vitalisation of this program will be our principal objective in the year ahead.

In conclusion, I believe the steps we have taken provide the company with best framework for success. It should be understood, however that, in this era of ultra-low interest rates, the margins on our banking business and have been significantly reduced. The task we face, therefore, will not be easy and your continued support is both essential and appreciated.

Michael Price

Chairman

# Branch Manager's Report

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## *For the year ending 30 June 2019*

At the start of the 2018/2019 Financial Year our total banking business stood at \$89.6 million. As at 30 June 2019, we managed to grow our total banking business to \$96 million, achieving 93.9% of our total banking 'book' target of \$102.2 million.

Several significant changes have occurred in the branch, primarily due to staff turnover and a newly implemented branch staffing structure. In the forthcoming 2019/2020 financial year the team will consist of the following; Anthony Georgiou, Tina Axougas, Angel Ko, and Sarah Chessman. This new staffing structure will lead to a reduction in our operating costs, while still providing the branch with adequate staffing stability moving forward.

I am pleased to report that there has been a gradual improvement in our customer numbers and in the number of accounts which are held with the branch - we now have 1,889 customers and over 3,200 accounts. By continuing to offer excellent customer service, we are confident that we can build upon this base and grow our customer and product numbers per customer.

At a marketing level, there has also been an increased investment by Bendigo and Adelaide Bank to promote the bank's products and brand - particularly in the Sydney Metropolitan area. The 'Better Big Bank' promotion has been advertised via TV, radio and print media - and encourages consumers to switch their banking to Australia's 5<sup>th</sup> largest retail bank. The branch has directly benefited from this campaign, by way of increased product enquiries, and new customer acquisition primarily from disgruntled customers of the 'Big Four Banks'.

In recent months, I have also had the opportunity to meet with many of our customers, shareholders, and key stakeholders – and I am confident that with their continued support we will be able to continue to meet and exceed their expectations in the new financial year.

My main objectives for the 2019/2020 financial year are:

- Grow the customer base to 2000 customers.
- Expand total banking business to \$102 million, and our 'loan book' by 20%.
- Increase new customer acquisition by way of business development visits - local banking deals will also be tailored to staff of these new and existing businesses to transition their personal banking over to Bendigo Bank.
- Continue to drive the growth in the average number of banking products held per customer.
- Continued investment in the training and development of all our branch staff.

Potential challenges in the near term, include; fierce competition from other financial institutions (most notably from online lenders), uncertainty in global financial markets, and a slower local property market. In addition historically low interest rates will continue to impact overall business income by way of reduced margins on our home loan products and challenges to the retention of existing loans and deposits, as consumers shop around in this highly competitive market.

Despite these challenges, we must continue to meet the changing needs of new and existing customers particularly by providing a level of customer service that always exceeds our customers' expectations. I am fortunate in this work to have the continued support of our customers, our capable branch team, our dedicated Board of Directors, and a Bendigo and Adelaide Bank regional management team who are committed to driving and improving Bexley's business position. I look forward to the challenge of delivering better business outcomes for the financial year 2019/2020.

Anthony Georgiou  
Customer Relationship Manager (A/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 2019.

**DIRECTORS**

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

Michael Price	
Marianthe Kamateros	
Ioannis Theodoridis	
Robert Price	
Kylee Trevitt	Retired 07 February 2019
Ralph Kooi	Retired 05 January 2019
Shane Moore	Retired 22 November 2019
Stephen Kamper	Appointed 23 August 2018
Robert Ryan	Appointed 31 January 2019
Chantelle Francisco	Appointed 23 May 2019

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 \$53,278.

**REVIEW OF OPERATIONS FOR THE YEAR**

Considering the difficult economic conditions that prevailed during the 2018-19 financial year, the branch has performed quite well, with the company recording its third consecutive annual profit. This has been caused by two principal factors: firstly, our total banking business has been maintained at a healthy level and secondly operation costs have been significantly reduced through adjustments to trading hours and staffing levels. The Board of Directors believes a stable platform has finally been established that is capable of delivering consistent profitable performance.

**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.

A new 5 year Franchise Agreement was signed in September 2019.

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

**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'**

- ◆ Michael Price - Chairman  
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
  
- ◆ Ioannis 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
  
- ◆ Robert Ryan - Director  
Qualification - Company Director  
Experience - Director since January 2019  
Interest in Shares - 500 shares
  
- ◆ Stephen Kamper - Director  
Qualification - MP for Rockdale  
Experience - Director since August 2018  
Interest in Shares - 500 shares
  
- ◆ Chantelle Francisco - Director  
Qualification - Manager for Community Sector Banking  
Experience - Director since May 2019  
Interest in Shares - 500 shares

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

DIRECTORS' REPORT

DIRECTORS' MEETINGS

During the financial year ten 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	9
Ioannis Theodoridis	10	8
Robert Price	10	7
Kylee Trevitt	7	1
Ralph Kooi	6	2
Shane Moore	5	2
Stephen Kamper	8	4
Chantelle Francisco	2	2
Robert Ryan	6	6

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:

  
..... (Director)  
Ioannis Theodoridis

  
..... (Chairman)  
Michael Price

Dated this 26th day of September 2019



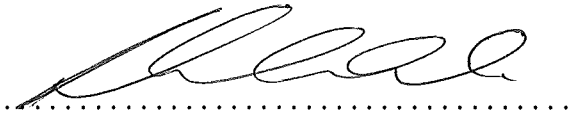
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A.B.N. 37 105 775 844

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 2019 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 City



Name of Auditor: Robert Bruce Rowland

Dated this 26th day of September 2019

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**

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**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 2019. 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 2019 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 \$53,278, which is 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 \$166,958 and a decrease in accumulated losses to \$577,951.

**Statement of Changes in Equity**

The equity of the company has increased by \$53,278. This is due to the current year operating profit.

**Statement of Cash Flows**

Cash at the end of the year increased by \$16,476 to \$172,156. 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 2019**

	Note	2019 \$	2018 \$
Revenue	2	549,963	598,118
Charitable Donations & sponsorship	2	-	-
Employee benefits expense		(208,894)	(205,243)
Occupancy and associated cost		(55,229)	(54,825)
Depreciation and amortisation expenses		(14,339)	(15,638)
Other expenses		(218,223)	(283,317)
Profit/(Loss) before income tax	3	53,278	39,095
Income tax (expense)/revenue	4	-	-
<b>Profit/(Loss) for the year</b>	3	53,278	39,095
<b>Other comprehensive income:</b>			
Net gain/(loss) on revaluation of non current assets		-	-
Net gain/(loss) on revaluation of financial Assets		-	-
<b>Total other comprehensive income/(loss) for the year</b>		-	-
<b>Total comprehensive income/(loss) for the year</b>		53,278	39,095
Profit/(loss) attributable to members of the entity		53,278	39,095
Total comprehensive income/(loss) attributable to members of the entity		53,278	39,095

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

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash		172,156	155,680
Receivables		49,640	53,898
Other		5,058	3,898
		226,854	213,476
<b>TOTAL CURRENT ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		3,763	4,963
Intangibles		-	13,139
		3,763	18,102
<b>TOTAL NON-CURRENT ASSETS</b>			
		230,617	231,578
<b>TOTAL ASSETS</b>			
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable		51,843	98,801
Provisions		11,816	19,097
		63,659	117,898
<b>TOTAL CURRENT LIABILITIES</b>			
		63,659	117,898
<b>TOTAL LIABILITIES</b>			
		166,958	113,680
<b>NET ASSETS (LIABILITIES)</b>			
<b>EQUITY</b>			
Issued capital		744,909	744,909
Accumulated losses		(577,951)	(631,229)
		166,958	113,680
<b>TOTAL EQUITY</b>			

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

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

	<b>Issued Capital Ordinary \$</b>	<b>Accumulated Losses \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2017</b>	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	-	-	-
<b>Subtotal</b>	744,909	(631,229)	113,680
Dividends paid or provided for	-	-	-
<b>Balance at 30 June 2018</b>	744,909	(631,229)	113,680
<b>Balance at 1 July 2018</b>	744,909	(631,229)	113,680
Profit/(Loss) attributable to members of the entity	-	53,278	53,278
Total other comprehensive income for the year	-	-	-
Shares issued during the year	-	-	-
<b>Subtotal</b>	744,909	(577,951)	166,958
Dividends paid or provided for	-	-	-
<b>Balance at 30 June 2019</b>	744,909	(577,951)	166,958

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

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows from Operating Activities</b>		
Receipts from Franchise	553,834	602,707
Payment to Suppliers and Employees	(537,878)	(484,380)
Interest Received	-	-
Other Receipts (Payables)	520	(1,966)
	16,476	116,361
<b>Net cash provided by (used in) operating activities</b>		
<b>Cash Flows from Investing Activities</b>		
Payment for Leasehold Improvements	-	-
Payment for Office Equipment	-	-
	-	-
<b>Net cash provided by (used in) investing activities</b>		
<b>Cash Flows from Financing Activities</b>		
Payment of Franchisee Instalments	-	(27,485)
	-	(27,485)
<b>Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in cash held	16,476	88,876
Cash at Beginning of Year	155,680	66,804
<b>Cash at end of year</b>	<b>172,156</b>	<b>155,680</b>

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

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

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>1 BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT</b>		
<p>The concise financial report relates to Bexley Financial Services Limited as an individual entity and at the end of the year ended 30 June 2019.</p> <p>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.</p> <p>The presentation currency used in this concise financial report is Australian dollars.</p>		
<b>2 REVENUE AND OTHER INCOME</b>		
Revenue:		
Commission Income	549,963	598,118
Other Income:		
Interest Income	-	-
Sundry Income	<u>                    </u>	<u>                    </u>
	-	-
Total Other Income	<u>549,963</u>	<u>598,118</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.

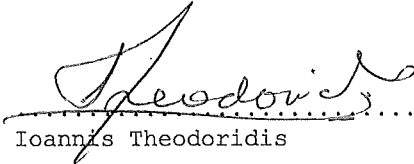
BEXLEY FINANCIAL SERVICES LIMITED  
A.B.N. 37 105 775 844

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 2019:

- (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 2019 and has been derived from and is consistent with the full financial report of Bexley Financial Services Limited.

Director

  
.....  
Ioannis Theodoridis

Director

  
.....  
Michael Price

Dated this 26th day of September 2019



**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 2019, 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 2019.

***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 City

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

Dated this 26th day of September 2019



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

Franchisee: Bexley Financial Services Limited  
PO Box 21, Arncliffe NSW 2205  
Phone: (02) 9597 7677  
ABN: 37 05 775 844

[www.bendigobank.com.au/bexley](http://www.bendigobank.com.au/bexley)  
(BMPAR13160) (11/13)

**Bexley Community Bank Branch**