

Shareholder FAQ's

Q: I receive your shareholder's newsletter but I'm not sure what company I have shares in.

A: You receive this newsletter because you subscribed for shares in Mundaring Community Financial Services Ltd. when it was formed in 2002, or have since privately purchased shares in the Company. This company operates the Mundaring **Community Bank**® Branch of Bendigo Bank under a franchise agreement and should not be confused with the Bendigo Bank Limited.

Q: I am a recipient of a Centrelink benefit and they have asked me to provide a valuation of my shares in Bendigo Bank. What do I do?

A: As mentioned above if you receive this shareholder's newsletter it is because you have shares in Mundaring Community Financial Services Ltd **not** Bendigo Bank Ltd. There is a big difference in the value of the shares and the associated dividends. Please be assured that at this time the value of your shares will most likely **not** affect your entitlements. However we are happy to answer your queries on a case by case basis and provide copies of supporting documentation you may need – ring us on 08 9274 6833.

Q: What are my shares worth?

A: Mundaring Community Financial Services Ltd is an **unlisted** public company. As such there is no "daily share price" available. As a result your shares are worth whatever someone is prepared to pay for them. This is determined at the time you go to sell them based on the negotiations between yourself and the buyer. The Board does intend to implement a policy of issuing a "director's valuation" from time to time – however we have no specific time frame for this activity at this stage.

Q: How are the profits of the Company being spent?

A: As you will be aware, we have developed a regular newsletter to the shareholders in which we outline the various community projects that have received support from the Company, and we are endeavouring to support a large cross-section of the community through this strategy. These projects are all funded directly by our company and **not** by Bendigo Bank Ltd.

Q: Where do the profits spent in the community come from?

A: The profits are generated by the Mundaring **Community Bank**® Branch. The gross income from the Branch is shared between Bendigo Bank and Mundaring Community Financial Services Ltd. After payment of all day to day running costs – wages, rent, electricity etc. from our Company's share of the income, the balance of the profits are available for distribution to shareholders and then to the community. Naturally some of the profits are used towards growing the business for the future.

Q: Many companies claim to "support the community" – are we really different and if so how?

A: It is true many companies do say that they "give back" to the community. We are different in that we are specifically designed to do this, and actually do so on a significant scale. No more than 20% of our gross operating profits can be paid to shareholders as dividends, and the balance – after income tax and if necessary, topping up reserves) is entirely available for distribution through community projects – as is evidenced in the pages of this and previous newsletters.

Q: How do you decide who gets assistance?

A: Before any organisation gets assistance from us our Community Liaison Executive Officer spends a good deal of time discussing their needs and reviewing what support is needed. We sometimes receive applications, other times we search out community groups. After this discussion a detailed report is provided to the Board that contains many elements that include the impact on the community and the organisation itself. Based on the long term strategies the Board can then make an appropriate informed decision for support. If you have a question about your shares or the Company, send an email to mcfs@tnet.com.au or phone us on (08) 9274 6833 and we'll include a selection in each Shareholder Focus newsletter."

Disclaimer: Please note that the advice provided in relation to shares and the associated activities regarding shares is indicative and educational in nature. This advice does not take the place of professional advice so for specific advice relating to shares and share trading please refer to your own financial or legal advisor. If you require any specific information in relation to your shareholding in Mundaring Community Financial Services Ltd please refer your enquiry to the Board.

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Mundaring Community
Financial Services Ltd

ABN 63 097 289 677



Mundaring Community
Financial Services Ltd

Shareholder Focus

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We've been busy during the rainy winter months!

Welcome to the Spring edition of our Community Newsletter – and what a busy time we've had over the winter months with our work in the community! In this edition, you'll see how the community in Mundaring has benefited from the success of the Mundaring **Community Bank**® branch and the growth of our business continues to contribute to the partnership work we're doing – so keep your investment and commitment coming.

To find out more about how we can assist you, please don't hesitate to give me a call on 0417 954 805 or email me on mcfs@tnet.com.au.

I look forward to hearing from you!

Allison I'Dell
Community Liaison

Community Resource for not-for-profit groups

One of the issues that we found from our survey of the not-for-profit groups last year was that there was a need for support in administration, marketing and planning by the smaller community organisations in our region. We have thought about how to address this, and how we might best assist you, and the volunteers, to keep organisations viable.

Our strategy is to contract and employ **Community Resource Officers** on a part time basis who will work with the community groups on specific areas, such as administration, marketing, grant applications and planning, and provide the skills that are needed within the community group. That way, the skills and benefits of the **Community Resource Officers** will stay with the group, and we will support them in a way that gives the most impact and causes them the least overheads.

The first of our **Community Resource Officers** started work in July. Lynne Crook has been employed for eight hours a week to work with *The Individuals' Charity* to assist them in administration of their applications from the public for assistance. The work of *The Individuals' Charity* is inspiring: formed locally but working statewide, the charity offers direct equipment assistance to people with a disability



Community Resource Officers Wendy Luca and Lynne Crook

(for more information, see www.tic.org.au). All funds raised, and donated, go directly to the purchase of equipment for people with special needs; no additional money is raised for administration, and so the work of the charity is undertaken by a team of volunteers.

By placing Lynne with *The Individuals' Charity*, we are providing real and valuable support to assist this organisation to continue to offer an innovative approach to the disability services sector, and to assist them to make the transition to a new structure. Lynne will work with *The Individuals' Charity* for the next twelve months setting up systems, processing applications and providing administrative support to the committee and volunteers.

The second **Community Resource Officer** Wendy Luca has started with *Mundaring Sharing*. She assists *Mundaring Sharing* to develop a business plan, initiate and develop funding applications, market and promote their training and course work to the general community, and provide administration support to the committee. As the need arises we will consider further **Community Resource Officers** – and if you are interested in this strategy please do not hesitate to contact me for information.

Priorities for funding: 2007 and 2008

The board has recently approved the priorities for the next twelve months for our community partnerships. We have spent the past six months working closely with the community to find out where the needs are greatest and what gaps there are in funding available from both the State and Commonwealth governments. This year we are focusing on four key areas:

- Youth leadership and enterprise
- Schools
- Sports
- Young families

The Youth Enterprise Board will be established by December 2007, and this will provide an opportunity for local young people to get involved in projects, provide the Board with advice on what they need in the area, and work as a board to develop and progress youth issues locally. I will support the Youth Enterprise Board as part of my role and we will offer them some control over funding for projects and sponsorship applications – so that THEY make

the decisions! The MCFS Board will support and mentor the Youth Enterprise Board and we hope that young people from 12 to 18 will get involved and see that they have a lot to contribute to our community.

We are committed to supporting the women in the region who are networking in business – we have added some hours to our Community Resource Officer, Lynne Crook, to assist to develop and build this successful networking group over the next twelve months. Further enterprise and small business support programs will be reviewed and added to our list as we move through the year.

There's a considerable focus on the environment, particularly climate change issues, now. We are keen to see that the smaller community based environmental groups get some say and some support. During the next twelve months, we'll be establishing a small reference group to assist us to identify and partner more extensively with the groups in the Mundaring area, and look at ways to support their efforts to help our flora and fauna, and address local environment issues.

Sport & Recreation Group Assistance

As we have in the past, sports groups in the area will still be a key focus for our ongoing support. We offer small sponsorships to local sporting and recreation groups, as well as donations to assist their fund raising. We will continue this during the next year and all groups are invited to submit applications for sponsorship, equipment, training of coaches and fund raising assistance. Application forms are available by email from mcfs@tnet.com.au or by phoning me for a posted copy.

Hills Jazz Band



Sculpture Park



Wahroonga



Trek the Trail



Art and Culture in the Hills

Mundaring **Community Bank**® Branch is a proud supporter of local art and culture, and this year we have sponsored the Hills Symphony Orchestra (\$5,000), the Darlington Theatre Players (Marloo Theatre) (\$5,000), Katherine Susannah Pritchard Writers' Centre (\$1,942), Mundaring Arts Centre (\$2,000) and the Darlington Arts Festival (\$5,000 for the *Have a Go with Bendigo* workshops).

These groups contribute greatly to the vibrancy of our community and we encourage you to patronise the exhibitions, concerts, plays and the Darlington Arts Festival to see how much there is offered by our region.

Support for our young families

Local community play groups, toy libraries and community kindergartens provide a welcoming and safe place to grow and learn for our young families. We recognise the wonderful environment that these groups offer to our families, and we have been quietly assisting these small committees since our inception in 2002 to buy equipment, fund small projects and develop their work.

This year we are reviewing the needs of the eight play groups and one toy library in our region with the view to developing a closer partnership with young families. The Parkerville Playgroup recently had to replace termite infested landscaping retaining walls and we came to their assistance with a grant of \$2,500 towards the total cost of \$6,280. And the Mundaring Toy Library received "in principle" support from us to get a new storage shed built with our commitment of \$15,000 towards the project.

Telling our story

We have a new market development strategy for our branch business and our community work, with full page information pages in the Community Newspaper. These pages are placed every quarter so that those who invest and bank with us can see that the dividends paid are community based – whilst we offer a great banking product through Bendigo Bank, we also spend the profits back here in our community. The full page information allows us to tell the story of how the shareholders' commitment to the establishment of the Mundaring **Community Bank**® branch in 2001 has grown to reaching out across the community in The Hills and supporting local talent, volunteers and organisations.

Read more each quarter and pass on the pages to everyone so that our story grows.

Eastgate Youth

We've recently approved the funding for a storage cupboard to be installed for the local Eastgate Youth Group for their music equipment. The cupboard will keep the equipment safe and ensure that the group can continue to offer a safe, and loud, environment for local young people to get involved.

Hills Peace Festival

This year we have supported the Hills Peace Festival, with a donation of \$1,400 towards the printing and production of their posters for the August Festival. Celebrating ability and diversity in the community, the Festival has been a great event in the calendar to learn about support services, arts and culture for the community as well as celebrate our differences as a common good. We look forward to a continuing partnership with this great event.

Hills Sports Star of the Year Awards

We're once again the proud sponsor of the local Hills Sports Star of the Year Awards in 2007. Held annually, the awards are open to all sports men and women, young and old, across our region. Focusing on achievements in sport, the Hills Combined Sports Association has held the awards each year and this year, the Shire of Mundaring has also come on board to support the event. We are providing funds for trophies and the Honour Board, as well as funds towards the awards night catering. If you know of someone who should be nominating, or a team that deserves recognition, call Brad at the Shire of Mundaring for an application for the awards in November, but be quick!

Annual General Meeting of Shareholders of MCFS

The Annual General Meeting for our shareholders has been set for November 22 this year at The Hub in Craig Street, Mundaring. Shareholders will receive information in the mail shortly, but if you have any queries please contact me for details on 9274 6833.



Mundaring Branch