

Arab Bank Australia ~ Annual Report 2000

Growing from strength to strength

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**ARAB BANK**  
AUSTRALIA





# Chairman's Report

## Arab Bank Australia

Over the past years, we have developed a clear corporate mission and strategy, a reputable and trusted brand within our target market, a strong distribution network, a competitive product range and a highly competent team of employees. Our mission, to be a relationship bank delivering superior service and excellence in selected products, is well under way.

The year 2000 was the Bank's sixth successive year of record growth in all aspects of the Bank's operations. This year's result is another step towards realising our mission.

Our commitment to delivering excellence in selected products has been repeatedly recognised over the years. In 2000, the Bank was presented with four awards for its commitment to offering excellence in financial services including three gold and one silver award at the Personal Investor Magazine Excellence in Financial Services Awards 2000.

## Financial Highlights

### Profits

In 2000 we delivered our best-ever result. Operating profit before general provisions and tax was \$ 7.274 million. This represents an increase of 75% for the year.

### Deposits

Retail customer deposits increased by 35%. This is due to our award winning term deposit and cash management account, coupled with superior service. 2000 represented the third consecutive win for Best Term Deposit and the first for our cash management account. This demonstrates our continuing commitment to providing excellence in selected products.

### Lending

The retail lending portfolio continued the growth of previous years, recording a 28% increase from \$390 million to \$499 million.

This asset growth has been achieved while maintaining the Bank's unblemished credit quality record. In keeping with the Board's prudent approach to maintaining an adequate level of General Provision for Doubtful Debts, a further \$1.7 million has been added to provisions this year.

## The Year Ahead

Over the next year, the Bank plans to continue to extend its product range, its distribution channels and deliver on its promise of superior service. The Bank has committed to developing a quality Internet banking channel. The Bank is also dedicated to delivering a superior level of service, which will be measured by benchmarking ourselves against leaders in service-orientated industries. Arab Bank Australia is a service driven organisation, and this is reflected in our culture and our core values, to treat others as you would like to be treated.

Now that we have laid solid foundations for the growth of Arab Bank Australia, the task ahead is to concentrate on improving our performance. We will rely on the contribution of staff and the management team, and the direction given by my fellow Board members. I take this opportunity to thank them for their continuing support and dedication to achieving the Bank's objectives.



Khalid Shoman  
Chairman

# Corporate Governance Statement

This statement outlines the main Corporate Governance practices that were in place throughout the financial year.

## Role of the Board of Directors

The Board of Directors is responsible to the shareholders, employees and customers for the corporate governance of Arab Bank Australia Limited (“the company”) and its controlled entity being the economic entity. In accepting its responsibilities for formulating the strategic direction of the economic entity, members of the Board participate in strategic planning conferences, and entrust the Managing Director with the responsibility of maintaining and monitoring the economic entity’s direction. Responsibility for the day to day operations of the economic entity is also delegated to the Managing Director and senior management. The Board is then responsible for establishing goals and approving annual budgets for management and monitoring management’s performance in accordance with the predetermined objectives. Members of the Board often visit the operations of the economic entity and meet with its employees. The Board is also responsible for reporting back to the Shareholders of the economic entity.

Each member of the Board acknowledges their statutory obligations, as well as their fiduciary duty to act honestly and with reasonable care and diligence.

## Composition of the Board of Directors

The names of the directors of the economic entity in office at the date of this statement are detailed in the Directors’ Report.

## Independent Professional Advice

To assist the directors in discharging their duties as directors, each director has the right to seek independent professional advice, and with the approval of the Chairman, at the expense of the economic entity. Such advice is to be made available to the entire Board.

## Committees

The Board is supported by the Board Audit Committee, which has been established in order to assist the Board in exercising its responsibilities in assessing and maintaining the adequacy of the economic entity’s control environment in the areas of financial reporting, operations and regulatory requirements.

As approved by the Board of Directors, the Committee’s independence is clearly demonstrated, by requiring that the majority of its members must be non-executive directors. The members of the Committee at the date of this statement are:

Mr J P Grant (Chairman)

Mr J A J Liu

Mr J Beighton

The primary functions of the Board Audit Committee are to:

1. Direct and review the operations of the internal audit function;
2. Review both internal and external reports for reported significant weaknesses and ensure action be taken by management to address any deficiencies;
3. Review the terms of engagement, scope and quality of the external audit, as well as recommending to the Board on the appointment, continuance and removal of external auditors;
4. Review accounting policies and practices and making recommendations to the Board for enhancements; and
5. Provide a line of communication between management and the Board of Directors on all significant financial, compliance, and operating issues.

Decisions of the Board Audit Committee are effectively recommendations to the Board, not resolutions in their own right.

# Corporate Governance Statement (Continued)

## Internal Control Framework

The Board acknowledges that it is responsible for the overall internal control framework but recognises that no cost effective internal control system will preclude all errors and irregularities. The internal control system is based upon well documented, policies, procedures, manuals and guidelines. It is also based upon an organisational structure which provides an appropriate segregation of responsibility given the size of the Bank, an internal audit function which provides reasonable assurance to the Managing Director, and the careful selection and training of qualified personnel by Human Resources.

## Risk Identification and Management

Exposures that arise due to various risks, such as market (interest rate and foreign exchange rate), liquidity, credit and operational risks, are managed through the Bank's risk management approach. The Bank has in place risk management policies that address each of these risks. The internal audit function reviews the risk management policies on an annual basis the results of which the Managing Director and the entire Board are advised. The risk management approach also includes the approval by the Board of the establishment of a Credit Committee, Asset and Liability Committee (ALCO), Product Development Committee and an Operational Risk Committee. All Committees are comprised of senior management and the Managing Director.

## Ethical Standards

In recognising the need for all Directors, managers and employees to act with the highest standards of ethics in the performance of their duties, the Board has adopted internal Codes of Ethics, both Corporate and Personal, which set out the values with which all Directors, managers and employees are expected to observe.

The Codes of Ethics embrace the principles of honesty, integrity, independence, objectivity, responsibility, fairness, and respect. To emphasise the importance of the ethical values, the Managing Director communicates the code of conduct to all personnel throughout the organisation.

## Role of Shareholders

The shareholders of the company are responsible for the appointment of the Directors, as well as approval of the remuneration for the provision of their services as directors of the company.

Further, to ensure that the Board of Directors fulfils its stewardship responsibilities, Directors inform the Shareholders of all significant events concerning the Bank through the distribution of the Annual Financial Report to the shareholders. The Annual Financial Report includes all information required by the Corporations Law, including information concerning the operations of the economic entity and changes in the state of affairs.

## Subsidiary Board

Arab Australia Capital Markets Limited, a wholly owned subsidiary of Arab Bank Australia Limited is also comprised of a majority of non-executive directors being:

Mr K A H Shoman

Mr A H A M Shoman

Mr J A J Liu

Mr E Y Kim

Mr J Beighton

Mr G M Dundas

# Directors' Report

The directors present their report together with the financial report of Arab Bank Australia Limited ("the Company") and the consolidated financial report of the economic entity, being the Company and its controlled entity, for the year ended 31 December 2000 and the auditors' report thereon.

## Directors

The directors of the Company at any time during or since the financial year are:

### **K A H Shoman**

*Chairman*

*President Arab Bank, Jordan*

BA & MA (Econ), Jesus College, Cambridge University, Cambridge England

During the financial year he attended 0 of the 3 directors' meetings held.

### **A H A M Shoman**

*Deputy President, Arab Bank, Jordan*

Bachelor of Business Administration, American University of Beirut, Beirut, Lebanon

During the financial year he attended 0 of the 3 directors' meetings held.

### **J A J Liu**

*Executive Vice President and Chief Executive – Asia Pacific,  
Arab Bank, Singapore*

Graduate School of Commerce and Social Studies,  
University of Birmingham, England

BA Middle East Area Studies, American University of Beirut, Beirut, Lebanon

During the financial year he attended 3 of the 3 directors' meetings held.

### **J Beighton**

*Managing Director Arab Bank Australia Limited  
Stanford Executive Programme, Stanford University*

Fellow of the Australian Institute of Company Directors

During the financial year he attended 3 of the 3 directors' meetings held.

### **J P Grant**

*Non-Executive Director Arab Bank Australia Limited*

Fellow of the Institute of Chartered Accountants in Australia

During the financial year he attended 3 of the 3 directors' meetings held.

### **G C E Wild AM**

*Non-Executive Director Arab Bank Australia Limited*

Fellow of the Advertising Institute of Australia (dip.)

Associate of the Institute of Business Administration

Fellow of the Australian Institute of Company Directors

During the financial year he attended 3 of the 3 directors' meetings held.

### **E Y Kim**

*Senior Vice President and Head - North Asia, Arab Bank, Korea*

Bachelor of Arts - Business Administration, Korea University

During the financial year he attended 3 of the 3 directors' meetings held.

### **A Diplock**

*Non-Executive Director Arab Bank Australia Limited*

Fellow of the Australian Institute of Company Directors

Fellow of the Institute of Banking and Finance

During the financial year he attended 3 of the 3 directors meetings held.

## Directors' Report (Continued)

### Principal activities

The principal activity of the Company and the economic entity is the provision of general banking services.

### Results

Consolidated operating profit of the economic entity before income tax was \$5,574,000 (1999: \$3,204,000). The result included an increase in the General Provision for Doubtful Debts of \$1,700,000 (1999: \$950,000). The directors considered that the increase in the General Provision for Doubtful Debts was prudent in view of the continued growth in the loan portfolio of the economic entity.

The net amount of consolidated profit of the economic entity for the year after income tax expense of \$2,545,000 (1999: \$1,516,000) was \$3,029,000 (1999: \$1,688,000).

### Derivatives and Other Financial Instruments

The economic entity's activities expose it to changes in interest rates and foreign exchange rates. It is also exposed to credit, liquidity and cash flow risks from its operations. The Board has confirmed policies and procedures in each of these areas to manage these exposures.

It is economic entity policy to use derivative instruments to hedge cash flows subject to interest rate and foreign exchange rate risks. Interest rate futures were the only derivative instruments held for speculative purposes during the year. Exposures to these instruments are minimal and managed by trading and stop-loss limits. The Board is advised when these limits are exceeded.

The economic entity has a strict credit policy for all customers on credit terms, and only deals with financial market intermediaries with an acceptable credit rating determined by a recognised rating agency.

Financial facilities and operating cash flows are managed to ensure that the economic activity is not exposed to any adverse liquidity risks. Adequate standby facilities are maintained to provide strategic liquidity to meet unexpected and material cash outflows in the ordinary course of business.

### Dividends

No dividends have been paid or declared since the start of the financial year.

The directors do not recommend the payment of a final dividend in respect of the financial year ended 31 December 2000.

### Review of operations

During 2000, the company continued to strengthen its balance sheet through the growth of its loan portfolio to \$499 million (1999: \$390 million) and increased its retail deposits by thirty five percent to \$209 million (1999: \$155 million).

### Change in state of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the economic entity that occurred during the financial year under review.

### Events subsequent to balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity, in subsequent financial years.

Mr James Wakim has been appointed Managing Director of the company following the promotion of Mr Beighton to the position of UK Country Manager and Head of Individual Banking, Europe with Arab Bank plc.

## Directors' Report (Continued)

### Likely developments

The directors believe, on reasonable grounds, that to include in this report further information regarding likely developments in the operations of the economic entity and the expected results of those operations in future financial years would be likely to result in unreasonable prejudice to the economic entity.

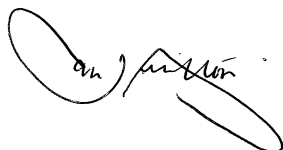
### Directors' benefits

Since the end of the previous financial year no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by directors shown in the notes to the financial report) because of a contract made by the Company, its controlled entity or a related body corporate with a director or with a firm of which a director is a member, or with an entity in which the director has a substantial interest.

### Rounding Off

The Company is of a kind referred to in ASIC Class Order 98/100 dated July 1998 and in accordance with that Class Order, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors:



J Beighton  
Director



J A J Liu  
Director

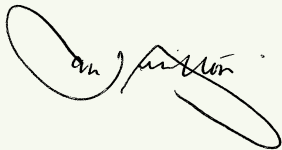
Dated at Sydney this 8th day of February 2001.

## Directors' declaration

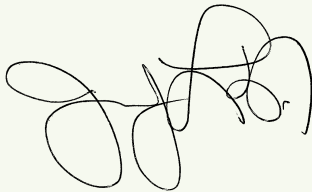
In the opinion of the directors of Arab Bank Australia Limited:

1. The financial statements and notes, set out on pages 12 to 31, are in accordance with the Corporations Law, including:
  - (a) giving a true and fair view of the financial position of the Company and consolidated entity as at 31 December 2000 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and
  - (b) complying with Accounting Standards and the Corporations Regulations; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



J Beighton  
Director



J A J Liu  
Director

Dated at Sydney this 8th day of February 2001.

# Audit Report

Independent audit report to the members of Arab Bank Australia Limited

## Scope

We have audited the financial report of Arab Bank Australia Limited for the financial year ended 31 December 2000, consisting of the profit and loss statements, balance sheets, statements of cash flows, accompanying notes 1 to 27, and the directors' declaration. The financial report includes the consolidated financial statements of the consolidated entity, comprising the Company and its controlled entity. The Company's directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Company.

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 and statutory requirements in Australia so as to present a view which is consistent with our understanding of the Company's and the consolidated entity's financial position, and performance as represented by the results of their operations and their cash flows.

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

## Audit opinion

In our opinion, the financial report of Arab Bank Australia Limited is in accordance with:

- a) The Corporations Law, including
  - i. giving a true and fair view of the Company's and the consolidated entity's financial position as at 31 December 2000 and of their performance for the financial year ended on that date; and
  - ii. complying with Accounting Standards and the Corporations Regulations; and
- b) other mandatory professional reporting requirements.

KPMG

P Russell  
Partner

Dated at Sydney this 8th day of February 2001.

# Financial Statements

# Profit and Loss Statements

For the year ended 31 December 2000

	Note	Consolidated		Company	
		2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Interest income	2	56,920	37,524	56,915	37,520
Less: Interest expense	4	41,922	26,389	41,926	26,392
Net interest income		14,998	11,135	14,989	11,128
Non-interest income	6	2,847	2,443	2,847	2,443
Total operating income		17,845	13,578	17,836	13,571
Less:					
General provision for doubtful debts	12	1,700	950	1,700	950
Non-interest expense	7	10,571	9,424	10,568	9,422
		12,271	10,374	12,268	10,372
<b>Operating profit before income tax</b>		5,574	3,204	5,568	3,199
Income tax expense attributable to Operating profit	8	2,545	1,516	2,543	1,514
<b>Operating profit after income tax</b>		3,029	1,688	3,025	1,685
Retained profits at the beginning of the financial year		2,056	368	1,969	284
<b>Retained profits at the end of the financial year</b>		5,085	2,056	4,994	1,969

The profit and loss statements are to be read in conjunction with the notes to and forming part of the financial report set out on pages 15 to 31.

# Balance Sheets

As at 31 December 2000

	Note	Consolidated		Company	
		2000	1999	2000	1999
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
Cash and liquid assets		540	341	537	339
Due from other financial institutions	9	10,213	30,366	10,118	30,270
Investment securities	10	36,000	2,360	36,000	2,360
Loans and advances	11	494,048	387,687	494,048	387,687
Shares in controlled entity	24	-	-	70	70
Plant and equipment	13	2,817	3,392	2,817	3,392
Other assets	14	8,041	5,106	8,038	5,104
<b>Total assets</b>		<b>551,659</b>	<b>429,252</b>	<b>551,628</b>	<b>429,222</b>
<b>Liabilities</b>					
Due to other financial institutions	15	181,105	85,305	181,105	85,305
Deposits	16	283,746	280,306	283,808	280,365
Income tax liability		1,368	893	1,366	891
Other liabilities	17	25,355	5,692	25,355	5,692
<b>Total liabilities</b>		<b>491,574</b>	<b>372,196</b>	<b>491,634</b>	<b>372,253</b>
<b>Net assets</b>		<b>60,085</b>	<b>57,056</b>	<b>59,994</b>	<b>56,969</b>
<b>Shareholders' equity</b>					
Share capital	18	55,000	55,000	55,000	55,000
Retained profits		5,085	2,056	4,994	1,969
<b>Total shareholders' equity</b>		<b>60,085</b>	<b>57,056</b>	<b>59,994</b>	<b>56,969</b>

The balance sheets are to be read in conjunction with the notes to and forming part of the financial report set out on pages 15 to 31.

# Statement of Cash Flows

For the year ended 31 December 2000

	Note	Consolidated		Company	
		2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
<b>Cash flows from operating activities</b>					
Interest and bill discounts received		55,161	37,076	55,157	37,072
Interest and other costs of finance paid		(39,490)	(25,605)	(39,494)	(25,608)
Fees and commission received		1,941	1,784	1,941	1,784
Cash paid to suppliers and employees		(7,054)	(4,981)	(7,051)	(4,980)
Income taxes paid		(2,243)	(1,465)	(2,241)	(1,462)
<b>Net cash provided by operating activities</b>	27(b)	<b>8,315</b>	<b>6,809</b>	<b>8,312</b>	<b>6,806</b>
<b>Cash flows from investing activities</b>					
Proceeds from sale of plant and equipment		92	85	92	85
Payments for plant and equipment		(616)	(1,481)	(616)	(1,481)
Net decrease/(increase)					
Loans, advances and bills discounted		(108,061)	(88,147)	(108,061)	(88,147)
Investment securities		(33,640)	2,640	(33,640)	2,640
Due from other financial institutions		(901)	74	(902)	74
<b>Net cash (used in) investing activities</b>		<b>(143,126)</b>	<b>(84,095)</b>	<b>(143,127)</b>	<b>(84,095)</b>
<b>Cash flows from financing activities</b>					
Net (decrease)/increase					
Due to other financial institutions		110,516	(30,779)	110,516	(30,779)
Deposits		3,440	128,039	3,443	128,041
<b>Net cash provided by financing activities</b>		<b>113,956</b>	<b>97,260</b>	<b>113,959</b>	<b>97,262</b>
<b>Net (decrease)/increase in cash held</b>		<b>(20,855)</b>	<b>19,974</b>	<b>(20,856)</b>	<b>19,973</b>
<b>Cash at the beginning of the financial year</b>		<b>30,611</b>	<b>10,637</b>	<b>30,609</b>	<b>10,636</b>
<b>Cash at the end of the financial year</b>	27(a)	<b>9,756</b>	<b>30,611</b>	<b>9,753</b>	<b>30,609</b>

The statement of cash flows are to be read in conjunction with the notes to and forming part of the financial report set out on pages 15 to 31.

# Notes

Notes to and forming part of the financial report for the year ended 31 December 2000

## 1 Statement of significant accounting policies

The significant policies which have been adopted in the preparation of this financial report are:

### (a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Law.

These accounting policies have been consistently applied by each entity in the economic entity and, except where there is a change in accounting policy, are consistent with those of the previous year.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with the current financial year amounts and other disclosures.

### (b) Basis of Accounting

The financial report has been prepared on the accrual basis of accounting using historical cost accounting except where otherwise indicated. The carrying amounts of all non-current assets are assessed as at the reporting date to ensure that they do not exceed their recoverable amounts. Recoverable amount is determined as the net amount expected to be recovered from the cash flows arising from the continued use and subsequent disposal of the asset or group of assets.

### (c) Principles of Consolidation

The consolidated financial statements of the economic entity include the financial statements of the Company, being the parent entity, and its controlled entity.

The balances, and effects of transactions, between the Company and the controlled entity included in the consolidated financial statements have been eliminated.

### (d) Bills discounted

Bills and other money market securities are stated at face value less income yet to mature, which is calculated on the number of days to maturity over the term of each instrument.

### (e) Interest income

Interest income is brought to account on an accruals basis.

### (f) Depreciation

Items of plant and equipment are depreciated at appropriate rates so as to write off the cost of each asset during its effective working life using the straight line method.

### (g) Loans and Advances

Loans and advances are recognised at recoverable amount, after assessing required provisions for impairment. Impairment of a loan is recognised when there is reasonable doubt that not all the principal and interest can be collected in accordance with the terms of the loan agreement. Impairment is assessed by specific identification in relation to individual loans and by estimation of expected losses in relation to loan portfolios where specific identification is impracticable.

Bad debts are written off when identified. If a provision for impairment has been recognised in relation to a loan, write-offs for bad debts are made against the provision. If no provision for impairment has previously been recognised, write-offs for bad debts are recognised as an expense in the profit and loss account.

The annual charge against profit for the provision for doubtful debts reflects specific provisions (if any) and transfers to the general provision. The specific provisions are to cover all identified doubtful debts and the general provision is to cover unidentified risks inherent in the loan portfolio, which could emerge in the future.

# Notes

Notes to and forming part of the financial report for the year ended 31 December 2000

## 1 Statement of significant accounting policies (continued)

### (h) Foreign currency

Foreign currency transactions are translated to Australian currency at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are translated at the rates of exchange ruling on that date.

Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account as exchange gains or losses in the profit and loss account in the financial year in which the exchange rates change.

### (i) Deferred expenses

Deferred expenses included in the balance sheet under "other assets" are amortised against income over the periods in which the benefits are expected to arise.

### (j) Investment securities

Investments in government bonds and other securities are intended to be held to maturity. They are recorded at cost, or at cost adjusted for premium or discount amortisation.

Shares in the controlled entity are carried at cost less provision for diminution in value, if appropriate.

### (k) Taxation

The economic entity adopts the liability method of tax effect accounting. Tax effect accounting principles have been adopted whereby income tax expense has been calculated on pre tax accounting profits after adjustments for permanent differences. The tax effect of timing differences, which occur when items are included or allowed for income tax purposes in a period different to that for accounting, is valued at taxation rates at which the benefits or liabilities will be recognised. These balances are shown in the provision for deferred income tax and future income tax benefit, as applicable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits relating to entities with tax losses are only brought to account when their realisation is virtually certain. The tax effect of capital losses is not recorded unless realisation is virtually certain.

### (l) Derivatives

#### (i) *Forwards, futures and options*

Forward foreign exchange contracts, foreign currency futures contracts, interest rate futures contracts, forward rate agreements, forward purchases and sales of securities and options entered into for trading purposes are valued at prevailing market rates. Gains and losses on such contracts are taken to profit and loss.

#### (ii) *Hedges*

Contracts entered into for hedging purposes are accounted for in a manner consistent with the accounting treatment of the hedged item.

Profits and losses are recognised over the period in accordance with the original intent of the hedging transaction.

#### (iii) *Swaps*

Interest rate and currency swap agreements entered into for trading purposes are valued at their net present value after allowance for future costs and risk exposure. Gains and losses on such agreements are taken to profit and loss. Agreements entered into for hedging purposes are accounted for in a manner consistent with the accounting treatment of the hedged item.

## 1 Statement of significant accounting policies (continued)

### (m) Employee entitlements

#### (i) Long Service Leave

The liability for employee's entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employee's services provided up to the balance date.

Liabilities for employee entitlements which are not expected to be settled within twelve months are discounted using the rates attaching to national government securities at balance date, which most closely match the terms of maturity of the related liabilities.

In determining the liability for employee entitlements, consideration has been given to future increases in wage and salary rates, and the consolidated entity's experience with staff departures. Related on-costs have also been included in the liability.

#### (ii) Superannuation plan

The Company contributes to a defined contribution superannuation plan. Contributions to the fund during the year were \$405,521 (1999 \$ 350,352).

### (n) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the assets or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to the, ATO are classified as operating cash flows.

	Consolidated		The Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
<b>2. Interest income</b>				
Parent entity	54	18	54	18
Other parties	56,866	37,506	56,861	37,502
	56,920	37,524	56,915	37,520

# Notes

Notes to and forming part of the financial report for the year ended 31 December 2000

### 3 Average Assets and Interest Income

The following table shows the daily average balance for each of the major categories of interest-bearing assets, the amount of interest revenue and the average interest rate. The "Other" category consists mainly of interest income on derivative instruments used to hedge cash flows subject to interest rate and foreign exchange rate risks.

	2000			1999		
	Consolidated			Consolidated		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
	\$'000	\$'000	%	\$'000	\$'000	%
Balances with Reserve Bank	8,884	506	5.69	9,307	394	4.24
Balances with Local Financial Institutions	4,009	235	5.86	5,804	223	3.85
Balances with Overseas Financial Institutions	1,229	54	4.39	1,213	19	1.57
Investment Securities	18,585	1,107	5.96	8,957	415	4.63
Loans and Advances	433,739	36,129	8.33	335,377	24,934	7.43
Discounted Bills	16,333	1,152	7.05	9,256	529	5.71
Other	-	17,737	N/A	-	11,010	N/A
	482,799	56,920		369,914	37,524	

	Note	Consolidated		Company	
		2000	1999	2000	1999
		\$'000	\$'000	\$'000	\$'000
<b>4 Interest expense</b>					
Parent entity		628	715	628	715
Subsidiary		-	-	4	3
Other parties		41,294	25,674	41,294	25,674
		41,922	26,389	41,926	26,392

## 5 Average Liabilities and Interest Expense

The following table shows the daily average balance for each of the major categories of interest-bearing liabilities, the amount of interest expense and the average interest rate. The "Other" category consists mainly of interest expense on derivative instruments used to hedge cash flows subject to interest rate and foreign exchange rate risks.

	2000			1999		
	Consolidated			Consolidated		
	Average Balance \$'000	Interest \$'000	Average Rate %	Average Balance \$'000	Interest \$'000	Average Rate %
Clients Deposits	180,928	9,556	5.28	127,453	5,241	4.11
Local Financial Institution Deposits	12,707	858	6.75	20,797	1,032	4.96
Overseas Financial Institution Deposits	136,150	628	0.46	73,101	718	0.98
Certificates of Deposits	93,099	5,712	6.14	96,382	4,882	5.06
Other	-	25,168	N/A	-	14,516	N/A
	422,884	41,922		317,733	26,389	

	Consolidated		The Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
<b>6 Non-interest income</b>				
Fees and commission income	1,984	1,740	1,984	1,740
Net foreign exchange gain	795	606	795	606
Other income	49	66	49	66
Profit on sale of non-current assets	19	31	19	31
	2,847	2,443	2,847	2,443
<b>7 Non-interest expense</b>				
Amortisation of deferred expenses	52	125	52	125
Depreciation and amortisation				
Plant and equipment	1,118	1,063	1,118	1,063
Operating lease rental charges	714	648	714	648
Management fee - parent entity	252	240	252	240
Other operating expenses	8,435	7,348	8,432	7,346
	10,571	9,424	10,568	9,422

# Notes

Notes to and forming part of the financial report for the year ended 31 December 2000

Note	Consolidated		Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
<b>8 Taxation</b>				
<b>(a) Income tax expense</b>				
Operating profit	5,574	3,204	5,568	3,199
Prima facie income tax expense calculated at 34% (1999 36%) on the operating profit	1,895	1,154	1,893	1,152
Increase in income tax expense due to:				
General provision for doubtful debts	578	342	578	342
Other non deductible items	15	19	15	19
Income tax (over)/under provided in prior year	(3)	1	(3)	1
Restatement in deferred tax balances due to change in company tax rate	60	-	60	-
Income tax expense on operating profit	2,545	1,516	2,543	1,514
Total income tax expense is made up of:				
Current income tax provision	2,736	1,511	2,734	1,509
Under/(over) provision in prior year	(3)	1	(3)	1
Future income tax benefit	(188)	4	(188)	4
	2,545	1,516	2,543	1,514
<b>(b) Future income tax benefit not taken to account</b>				
Potential future income tax benefit from capital losses not recognised as an asset (gross)	1,020	1,020	1,020	1,020

Potential future income tax benefits will only be obtained if:

- (i) the Company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised, or the benefit can be utilised by another company in the economic entity in accordance with Division 170 of the Income Tax Assessment Act 1997;
- (ii) the Company and the economic entity continue to comply with the conditions for deductibility imposed by the law; and
- (iii) no changes in tax legislation adversely affect the Company and the economic entity in realising the benefit.

	Consolidated		The Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
<b>9 Due from other financial institutions</b>				
Australia	6,705	28,268	6,610	28,172
Overseas				
Parent entity	2,536	1,950	2,536	1,950
Related parties	-	39	-	39
Other parties	972	109	972	109
	10,213	30,366	10,118	30,270
<b>Maturity Analysis</b>				
At Call	9,216	18,423		
Up to 1 month	-	11,847		
1 to 3 months	902	-		
3 to 12 months	95	96		
12 months to 5 Years	-	-		
Over 5 Years	-	-		
	10,213	30,366		
<b>10 Investment Securities</b>				
Government Securities	15,000	2,360	15,000	2,360
Bank Acceptances	21,000	-	21,000	-
	36,000	2,360	36,000	2,360
<b>Maturity Analysis</b>				
Up to 1 month	11,000	-		
1 to 3 months	25,000	2,360		
3 to 12 months	-	-		
12 months to 5 Years	-	-		
Over 5 Years	-	-		
	36,000	2,360		
<b>11 Loans and Advances</b>				
Loans and advances	461,413	369,393	461,413	369,393
Overdrafts	13,913	10,957	13,913	10,957
Bills discounted				
Parent entity	19,800	8,743	19,800	8,743
Other parties	2,161	312	2,161	312
Gross Lease Financing	2,106	1,539	2,106	1,539
Lease Unearned Income and Stamp Duty	(458)	(207)	(458)	(207)
	498,935	390,737	498,935	390,737

# Notes

Notes to and forming part of the financial report for the year ended 31 December 2000

	Note	Consolidated		Company	
		2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
<b>11 Loans and Advances (continued)</b>					
Less -					
Interest Suspended on Impaired Loans		(137)	-	(137)	-
General Provision for doubtful debts	12	(4,750)	(3,050)	(4,750)	(3,050)
Net Loans and Advances		494,048	387,687	494,048	387,687
<b>Maturity Analysis</b>					
Overdrafts		13,912	10,957		
Up to 1 month		90,289	27,507		
1 to 3 months		44,879	45,868		
3 to 12 months		92,282	83,603		
12 months to 5 Years		140,165	124,286		
Over 5 Years		117,408	98,516		
		498,935	390,737		
<b>12 Provisions for doubtful debts and impaired assets</b>					
<b>(a) Provisions for doubtful debts</b>					
General provision					
Balance at beginning of year		3,050	2,100	3,050	2,100
Charge to operating profit		1,700	950	1,700	950
Balance at end of year		4,750	3,050	4,750	3,050
Specific provisions		-	-	-	-
Total general and specific provisions		4,750	3,050	4,750	3,050

## (b) Impaired assets

Impaired loans and advances are reviewed and classified according to the categories outlined below:

- “Non-accrual loans” are loans and advances where the recovery of all interest and principal is considered to be reasonably doubtful, and hence provisions for impairment are recognised. The economic entity has no such loans at year-end.
- “Restructured loans” arise when the borrower is granted a concession due to continuing difficulties in meeting the original terms, and the revised terms are not comparable to new facilities. Loans with revised terms are included in non-accrual loans when impairment provisions are required. The economic entity has no such loans at year-end.
- “Assets acquired through the enforcement of security” are assets acquired in full or partial settlement of a loan or similar facility through the enforcement of security arrangements.
- “Past-due loans” are loans where payments of principal and/or interest are at least 90 days in arrears. Full recovery of both principal and interest is expected. If an impairment provision is required, the loan is included in non-accrual loans.

Interest accrued on impaired assets is suspended and not recognised in the profit and loss account until the principal outstanding is recovered or the account is no longer in arrears.

The balances of assets acquired through enforcement of security and past due loans are as follows:

	Consolidated		The Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
<b>12 Provisions for doubtful debts and impaired assets</b>				
Assets acquired through security enforcement	737	-	737	-
Past due loans	1,433	-	1,433	-
	2,170	-	2,170	-
<b>13 Plant and equipment</b>				
Plant and equipment				
At cost	7,696	7,264	7,696	7,264
Less: Accumulated depreciation	4,879	3,872	4,879	3,872
Net book value	2,817	3,392	2,817	3,392
<b>14 Other assets</b>				
Future income tax benefit	373	200	373	200
Interest receivable	4,362	2,603	4,359	2,601
Deferred expenditure	52	104	52	104
Other	3,254	2,199	3,254	2,199
	8,041	5,106	8,038	5,104
<b>15 Due to other financial institutions</b>				
Australia	20,936	-	20,936	-
Overseas - parent entity	159,007	85,192	159,007	85,192
Overseas - related parties	156	69	156	69
Overseas - other	1,006	44	1,006	44
	181,105	85,305	181,105	85,305
<b>Maturity Analysis</b>				
At call	6,747	5,764		
Up to 1 month	81,732	14,687		
1 to 3 months	44,394	45,106		
3 to 12 months	48,232	19,748		
12 months to 5 Years	-	-		
Over 5 Years	-	-		
	181,105	85,305		

# Notes

Notes to and forming part of the financial report for the year ended 31 December 2000

Note	Consolidated		Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
<b>16 Deposits</b>				
Current	8,474	10,180	8,474	10,180
Savings	5,064	4,867	5,064	4,867
At call	73,925	47,486	73,925	47,486
Term	120,944	92,113	121,006	92,172
Negotiable certificates of deposit	75,339	125,660	75,339	125,660
	283,746	280,306	283,808	280,365
<b>Maturity Analysis</b>				
At call	98,055	70,397		
Up to 1 month	59,172	82,255		
1 to 3 months	77,536	93,128		
3 to 12 months	28,628	14,407		
12 months to 5 Years	20,355	20,119		
Over 5 Years		-		
	283,746	280,306		
<b>17 Other liabilities</b>				
Interest payable	5,239	2,807	5,239	2,807
Long service leave provision	201	161	201	161
Unearned income	47	90	47	90
Revaluation	14,716	-	14,716	-
Other	5,152	2,634	5,152	2,634
	25,355	5,692	25,355	5,692
<b>18 Share capital</b>				
55,000,000 ordinary shares fully paid	55,000	55,000	55,000	55,000

## 19 Financial Instruments

### (a) Interest Rate Risk

The economic entity enters into interest rate swap transactions to swap floating rate borrowings into fixed rates and vice versa. Maturities of swap contracts are principally between six months and five years.

The economic entity's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out in the following table.

2000 Consolidated		Fixed interest maturing in:						
	Note	Weighted Average Interest Rate	Floating Interest Rate	1 Year or less	Over 1 to 5 Years	More than 5 Years	Non- Interest bearing	Total
		%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Cash and liquid assets		-	-	-	-	-	540	540
Due from other financial institutions	9	4.38	6,364	997	-	-	2,852	10,213
Investment securities	10	6.19	-	36,000	-	-	-	36,000
Loans and advances	11	8.48	306,805	137,075	55,055	-	-	498,935
		8.24	313,169	174,072	55,055	-	3,392	545,688
<b>Financial liabilities</b>								
Due to other financial institutions	15	1.43	2,059	174,358	-	-	4,688	181,105
Deposits	16	5.81	80,731	175,915	20,355	-	6,745	283,746
		4.13	82,790	350,273	20,355	-	11,433	464,851
Interest rate swaps*			(197,302)	145,552	51,750			

1999 Consolidated		Fixed interest maturing in:						
	Note	Weighted Average Interest Rate	Floating Interest Rate	1 Year or less	Over 1 to 5 Years	More than 5 Years	Non- Interest bearing	Total
		%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Cash and liquid assets		-	-	-	-	-	341	341
Due from other financial institutions	9	4.91	27,687	942	-	-	1,737	30,366
Investment securities	10	6.85	-	2,360	-	-	-	2,360
Loans and advances	11	7.34	228,428	100,380	61,930	-	-	390,738
		7.17	256,115	103,682	61,930	-	2,078	423,805
<b>Financial liabilities</b>								
Due to other financial institutions	15	0.72	2,542	79,541	-	-	3,222	85,305
Deposits	16	5.09	62,390	189,790	20,119	-	8,007	280,306
		4.08	64,932	269,331	20,119	-	11,229	365,611
Interest rate swaps*			(173,300)	120,400	52,900			

\*Notional principal amounts

# Notes

Notes to and forming part of the financial report for the year ended 31 December 2000

## 19 Financial Instruments (continued)

### (b) Foreign Exchange Risk

The economic entity enters into foreign exchange contracts for the purpose of meeting commitments in foreign currency, principally in Japanese Yen.

Forward foreign exchange contracts are used to hedge anticipated commitments in foreign currency that exist as a method of providing local funding for the bank (by converting foreign currency into Australian Dollars) and of providing funding for foreign currency loans made to customers (by converting Australian Dollars into foreign currency). Typically these contracts are of one year or less until maturity.

### (c) Credit Risk Exposures

#### *On Balance Sheet Financial Instruments*

The credit risk on financial assets, excluding investments, of the economic entity which have been recognised on the balance sheet, is the carrying amount, net of any provision for doubtful debts.

The economic entity minimises concentrations of credit risk by undertaking transactions with a large number of customers and counterparties.

The economic entity is not materially unsecured exposed to any individual customer or external parties located in overseas countries.

#### *Off Balance Sheet Financial Instruments*

Credit risk on off-balance sheet swap and foreign exchange contracts is minimised as counterparties are recognised financial intermediaries with acceptable ratings determined by a recognised rating agency.

### (d) Net Fair Values of Financial Assets and Liabilities

The net fair value estimates of the economic entity were determined by the following methodologies and assumptions :

#### *Cash and Liquid assets*

The carrying values of cash and liquid assets approximate their net fair value as they are short term in nature.

#### *Due from other financial institutions*

The carrying value of amounts due within six months approximate their net fair value. The net fair value of amounts due greater than six months have been calculated by discounting the future interest cash flows using a discount rate based on the current rate for the average remaining term.

#### *Investment securities*

The net fair value of Government securities have been determined by valuing them at the current quoted market bid price.

#### *Loans and advances*

The carrying value of loans and advances is net of general provision for doubtful debts and suspended interest. For variable loans and loans with rates fixed for a period less than six months, the carrying amount is a reasonable estimate of net fair value. The net fair value of fixed rate loans greater than six months was calculated by discounting the future interest cash flows using a discount rate based on the current market rate for the average remaining term.

#### *Due to other financial institutions and deposits*

The carrying values of amounts due within six months to other financial institutions and other depositors approximated their net fair value. The net fair value of liabilities with a longer maturity have been determined by using the discount methodology described above.

#### *Interest rate swaps*

The net fair value of interest rate swap instruments have been determined by valuing them at the current market quoted rates.

The carrying amounts and estimated fair values of financial assets and liabilities of the economic entity are as follows:

	2000 Consolidated		1999 Consolidated	
	Carrying Value \$'000	Net Fair Value \$'000	Carrying Value \$'000	Net fair Value \$'000
<b>19 Financial Instruments (continued)</b>				
<b>Assets</b>				
Cash and liquid assets	540	540	341	341
Due from other financial institutions	10,213	10,213	30,366	31,307
Investment Securities	36,000	35,719	2,360	2,422
Loans and advances	494,048	494,965	387,688	388,217
<b>Liabilities</b>				
Due to other financial institutions	(181,105)	(181,105)	(85,305)	(85,305)
Deposits	(283,746)	(283,963)	(280,307)	(278,566)
<b>Off-Balance Sheet</b>				
Interest Rate Swaps	(343)	(98)	136	1,384
	Consolidated		The Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
<b>20 Commitments for expenditure</b>				
Operating leases				
Future operating lease rentals not provided for and payable:				
Not later than one year	899	624	899	624
Later than one year but not later than two years	790	456	790	456
Later than two years but not later than five years	2,047	921	2,047	921
Later than five years	-	49	-	49
	3,736	2,050	3,736	2,050
<b>21 Auditors' remuneration</b>				
Amounts received or due and receivable by the Auditors of the Company for:				
Auditing the financial report	44	40	44	40
Other services	65	28	64	27
	109	68	108	67

# Notes

Notes to and forming part of the financial report for the year ended 31 December 2000

	Consolidated		The Company	
			2000 No.	1999 No.
<b>22 Directors' remuneration</b>				
<b>Directors' income</b>				
The number of directors of the Company whose income from the Company or related bodies corporate falls within the following bands:				
\$ 0 - \$ 9,999			4	4
\$ 30,000 - \$ 39,999			3	3
\$330,000 - \$339,999			1	1
	2000	1999	2000	1999
	\$'000	\$'000	\$'000	\$'000
Total income received, or due and receivable, by all directors of the Company from the Company or related Bodies corporate			455	453
Total income received, or due and receivable by all directors of each entity in the economic entity from the Company, related bodies corporate, or its controlled entity	559	554		

The above amounts for the Company include non-cash benefits and related costs of \$48,061 (1999: \$58,938).

### 23 Commitments and contingencies

The Company is a party to financial instruments with off balance sheet risk in the normal course of business to meet the financing needs of its customers, for trading purposes and to reduce its own exposure to fluctuations in interest and exchange rates.

Details of financial instruments with off balance sheet risk are as follows:

	Consolidated		The Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
	Face value		Face value	
Credit risk related instruments				
Letters of credit issued in the normal course of business	-	-	-	-
Letters of credit confirmed in the normal course of business	5,231	1,383	5,231	1,383
Letters of Guarantee given in the normal course of business	5,176	2,041	5,176	2,041
Commitments to extend credit	79,819	62,521	79,819	62,521
Exchange rate and interest rate contracts (notional principal):				
Forward exchange rate contracts	172,008	78,966	172,008	78,966
Forward rate agreements	122,000	139,770	122,000	139,770
Swap contracts	197,302	173,300	197,302	173,300

### 24 Details of the controlled entity

Details of the controlled entity are:

Name	Country of Incorporation	Interest %	Book value of investment		Contribution to Consolidated profit	
			2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Arab Australia Capital Markets Limited	Australia	100	70	70	4	3

Total assets: \$163,478 (1999: \$158,801), total liabilities: \$2,498 (1999: \$1,590).

# Notes

Notes to and forming part of the financial report for the year ended 31 December 2000

## 25 Related party transactions

### (a) Directors

The names of each person holding the position of director of Arab Bank Australia Limited during the financial year are Messrs K A H Shoman, A H A M Shoman, J A J Liu, J Beighton, J P Grant, G C E Wild, E-Y Kim and A Diplock.

Details of directors' remuneration, superannuation and retirement payments are set out in Note 22.

Apart from the details disclosed in this note, no director has entered into a material contract with the Company or the economic entity since the end of the previous financial year and there are no material contracts involving directors' interests existing at year end.

### (b) Transactions within the wholly-owned group

During the financial year the Company engaged in banking transactions with Arab Bank plc, and its wholly owned subsidiaries. All transactions were on normal terms and conditions. The Company also paid Arab Bank plc a management fee for corporate services; these services are also provided on normal commercial terms and conditions.

### (c) Transactions with other related parties

During the year the Company engaged in banking transactions with associated companies of Arab Bank plc. All transactions were on normal commercial terms and conditions. Balances with these companies are disclosed in the related notes to the financial statements.

### (d) Parent Entity

The Parent Entity of Arab Bank Australia Limited is Arab Bank Plc, a company incorporated in Jordan.

## 26 Financial reporting by segments

Arab Bank Australia Limited does not have any separately reportable segments. The company operates predominantly within the banking industry in Australia.

## 27 Notes to the Statements of Cash Flows

### (a) Reconciliation of cash

For the purposes of the statements of cash flows, cash includes cash on hand, cash at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheets as follows:

	Consolidated		The Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Cash	540	341	537	339
Short term deposits	9,216	30,270	9,216	30,270
Total Cash	9,756	30,611	9,753	30,609

## 27 Notes to the Statements of Cash Flows (Continued)

### (b) Reconciliation of operating profit after income tax to net cash provided by operating activities

	Consolidated		The Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Operating profit after tax	3,029	1,688	3,025	1,685
Add/(less) items classified as investing activities:				
Profit on sale of non-current assets	(19)	(31)	(19)	(31)
Add/(less) non-cash items:				
Depreciation of non-current assets	1,118	1,063	1,118	1,063
Decrease in deferred expenses	52	52	52	52
(Increase)/decrease in other assets	(2,814)	100	(2,813)	100
Increase in other liabilities	4,947	2,937	4,947	2,937
Increase in provisions for doubtful debts	1,700	950	1,700	950
Increase in income tax payable	475	46	475	46
(Increase)/decrease in future income tax benefit	(173)	4	(173)	4
Net cash provided by operating activities	8,315	6,809	8,312	6,806

### (c) Net reporting of certain cash flows

Cash flows arising from the following activities have been presented on a net basis in the Statements of Cash Flows:

- (i) money market trading activities and retail lending activities;
- (ii) customer deposits to and withdrawals from savings, money market and other deposit accounts;
- (iii) balances due to and from other financial institutions;
- (iv) statutory deposits; and
- (v) investments.

### (d) Financing facilities

	Consolidated		The Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Financing arrangements which are available to the group:				
Standby credit facilities with parent	20,000	20,000	20,000	20,000

At year-end the above facilities were unutilised.

# Australian Branches

## **Sydney, NSW**

### **Head Office**

Level 9 and 10, 200 George Street, Sydney, NSW 2000

Telephone 02 9377 8900 Facsimile 02 9221 5428

**[www.arabbank.com.au](http://www.arabbank.com.au)**

**Freecall 1800 646 484**

### **Auburn**

19 Auburn Road, Auburn, NSW 2144

Telephone 02 9749 9400 Facsimile 02 9749 9300

### **Bankstown**

Corner South Terrace and Restwell Street, Bankstown, NSW 2200

Telephone 02 9707 3755 Facsimile 02 9790 6943

### **Campsie**

206 Beamish Street, Campsie, NSW 2194

Telephone 02 9787 2133 Facsimile 02 9718 0594

### **Parramatta**

42 Macquarie Street, Parramatta, NSW 2150

Telephone 02 9893 7633 Facsimile 02 9893 7830

### **Rockdale**

506 Princes Highway, Rockdale, NSW 2216

Telephone 02 9597 1122 Facsimile 02 9597 7799

## **Melbourne, VIC**

### **Coburg**

492 Sydney Road, Coburg, VIC 3058

Telephone 03 9355 7740 Facsimile 03 9355 7783

