

Treasurer's Report

I would firstly like to thank Russell Robinson who was Treasurer of North Ryde Community Finance until June 2009. Owing to business and health issues he regretfully relinquished the Treasury part of his duties with the Bank, but has continued as a Director and standing for election this year. The transition has been seamless and Russell continues to assist whenever required. From my perspective, coming into the business with fresh eyes, I can only say what a sterling effort Russell Robinson contributed as Treasurer of a start-up business. Prudent financial management during this crucial period was clearly a critical success factor in achieving the outstanding success that the business currently enjoys.

It is also pleasing to note that all reporting requirements have been met on time with the Bendigo Stock Exchange and other authorities.

Your Bank has made a profit of \$112908 after provision for tax, which means your shares have now cash backing of 68 cents per security.

Last year sales revenue increased 7.8% from \$572,270 to \$617,149 while expenses were reduced slightly from \$462,792 to \$456,228.

This financial year we expect our cash position to suffer with three major items:

- We will be making a 4 cent dividend to our Shareholders in December
- Our Franchise Agreement with our partner, Bendigo Bank Limited is due for renewal and we expect to pay them a fee of \$60,000 next May.
- We have exhausted our tax losses from past years and we are now liable to pay Company Tax on a quarterly basis together with our normal BAS payments.

Notwithstanding these projected expenses, the business is experiencing strong cash flow year to date and this augers well for the business over the short to medium term.

A Comment from Russell Robinson

It has indeed been a pleasure to serve as Treasurer for North Ryde Community Finance. The business faced a number of challenges in the first few years which were successfully addressed allowing our community business to prosper. I would like to thank all those who assisted me in my role as Treasurer without whose support would have made my job more difficult than it would otherwise be. A particular thanks goes to our auditors, David Hutchings and Leo Bruinier. I would also like to thank Rose Abbott from AFS & Associates for maintaining the Company Share Register in a most competent manner. To my fellow directors, Pat Italiano, Alex Hughes and Vince Burns (from Bendigo Bank), thank you for your support.

I am very proud of the progress that has been made on behalf of shareholders and I am confident having worked with Tony Wise over this recent period that the Treasurer's position is in good experienced hands. Tony, I wish you well.

Tony Wise
Treasurer

Russell Robinson
Treasurer