

East Gosford and Districts Financial Services Newsletter Winter 2010

Chairman's report



On behalf of the Board and management, it gives me much pleasure in bringing you up to date with the Company's performance since our last newsletter.

For the six months ended 31 December 2009 the net after tax loss of the Company was \$7,831 (2008: loss \$54,949).

Sales revenue for the six months ended 31 December 2009 increased from \$780,556 to \$854,140 – which represents an increase

of 9.4 per cent. Trading activity for all branches is in line with expectations.

This result is a credit to our Senior Manager, Branch Managers and staff and certainly is a welcome outcome compared with the earnings downgrade in the past full financial year.

Business levels as at 16 May 2010 are as follows:

East Gosford	\$106 million
Lisarow	\$31 million
Kincumber	\$26 million

This represents a year to date growth of \$11 million, which is a pleasing result in view of the current economic climate.

As at 16 May 2010 total account numbers stand at 9,930.

The **Community Bank**[®] network has now returned more than \$40 million to support their local communities.

Since its inception in 1998, almost 260 **Community Bank**[®] branches have opened in partnership with 1,690 volunteer Directors and 63,332 local shareholders.

The **Community Bank**[®] network total banking business now stands at \$16.3 billion.

As at April 2010 our sponsorships stand at \$40,956 for this financial year.

We are continuing to advertise on NBN television at a modest cost similar to the previous year.

It is important to note that our television advertising and our sponsorships are paid out of a Market Development Fund, given to us by Bendigo and Adelaide Bank and not Company funds.

On Sunday 16 May, staff from all three branches and the Central Coast Regional Office attended the annual Million Paws Walk at the Gosford waterfront to raise funds for the RSPCA.

On 23 May the Ourimbah – Lisarow RSL held a fund raising day with proceeds going to the Ourimbah Rural Fire Brigade. Our Lisarow staff attended this event.

The Board has appointed a new sub committee to organise our 10th birthday celebrations to be held on Saturday morning 7 August at the East Gosford shopping village. This event will be similar to the East Gosford bank opening in August 2000.

Our Regional Manager for the Central Coast and northern NSW, Rob Chittick, has been appointed Regional Manager for Sydney south with Tony Gravas replacing Rob as our Regional Manager. We wish Rob and Tony every success in their new roles.

On behalf of the Board, I would like to thank all our shareholders for their continued support in helping to build a successful **Community Bank**[®] network. I would also like to congratulate our Senior Manager, our Branch Managers and all support staff for their dedication and hard work in making our branches successful.

Special thanks must go to all Directors for giving up their time on a voluntary basis to support the **Community Bank**[®] concept.

Bob Rudd
Chairman

Senior Manager's report

It has been a while since our last newsletter and we have been busy ensuring we continue to build our book value and learn from the experience of the past two years.

Our Branch Managers are coming up to two years in their positions and results are starting to show with our emphasis on lending to grow our book and improve our profitability. No small task in light of tight margins and a very competitive market.



▲ Michael Bell is presented with an appreciation award from president of Terrigal SLSC Mardi Love.

This focus has seen East Gosford loan settlements YTD improve by 96 percent, Lisarow by 263 percent and Kincumber by 54 percent, which is pleasing across all three branches. Please refer all friends and family who may be looking to borrow whether for personal or business purposes as we would welcome the opportunity to talk with them.

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PO Box 4021, East Gosford NSW 2250 ABN 90 092 538 620

Senior Manager's report (continued)

Another of our focuses has been in getting out into the community. As mentioned in Bob's report, staff recently attended the RSPCA Million Paws walk, a fundraising event for Ourimbah Lisarow Rural Fire Brigade, Kincumber Fair, Putt Putt Regatta and promotional BBQ's.

Individual members of staff have attended community events in their own time such as breakfast programmes for primary school children, awards nights at the local schools in their communities and are part of varied community groups, and service clubs.

Please note our website will be updated with copies of newsletters, financial reports and information to keep you informed on a more regular basis. See us at www.bendigobank.com.au/east_gosford

Thank you to all shareholders who continue to support the **Community Bank**® concept, the Directors who provide their time and guidance to ensure the business continues to move forward and to the managers and all staff for their efforts in challenging times, particularly over the past 18 months.

Michael Bell
Senior Manager

Our credo – 'Successful customers and successful communities create a successful bank - in that order'

In keeping with this simple but undeniable statement, East Gosford, Lisarow and Kincumber branches have all been involved with numerous community organisations right from the start. We support these wonderful and inspirational volunteers by providing cash donations and various facilities and by volunteering our time.

Here are some of the organizations we have supported:



▲ Senior Manager Michael Bell and East Gosford **Community Bank**® Branch Manager Julie Carrington accepting Gosford City Football Club sponsored shirt from Treasurer Mark Yule under the newly unveiled co-branded marquee.



▲ Collage of the RSPCA 2010 Million Paws walk attended by the Bendigo Barkers.

East Gosford Rotary
East Gosford Football
Terrigal Trotters (Bay to Bay NSW)
Mangrove Mountain Country Fair
Gosford City Brass Band
Central Coast Youth Centre
Gosford/Kariong Junior Rugby League
Central Coast Kids Day out
Gosford City Sports Stadium
Central Coast Cancer Council
Kulnura P & C Association
Dodgers Baseball Club
Central Coast Surf Clubs Charity Day
Navy Cadets T/S Hawkesbury
Gosford City Football Club
Narara - Wyoming junior Cricket Club

Gosford Tigers AFL
Chertsey Public School
Narara Public School
Lions Club Wyoming
Fairhaven Services
Wyoming Soccer Club
Terrigal B.M.X
Gosford City Rotary
Central Coast Community Chest
Lisarow High School
Terrigal Surf Club
Gosford City Seagulls
Haven Education Centre
Gosford Junior Cricket Club
East Gosford Lions Club
Kincumber Men's Shed

Vietnam Veterans Association of Australia
Davistown Putt Putt Regatta
Our Lady of the Rosary - Wyoming
Narara Valley High School Band
Kincumber Community Festival
Kincumber Roos Football Club
Central Coast Highland Dancing
Tempo Terrific Concert band
Terrigal Avoca Panthers AFL
St.Edwards Old Boys Union
East Gosford Progress Association
Ourimbah Wyoming Junior Rugby League
Gosford District Tennis Association

Terrigal Primary School
Avoca Rugby Club
Lisarow Public School
St Edwards JRLFC
Ourimbah Public School
Kincumber Colts RLFC
Niagara Park Junior AFL
Kincumber Primary School
Gosford City Family Support
Donnica Clarke Foundation
Ourimbah Junior Rugby Club
Lions Baseball Club

Ten years in the community!

Come down and help us celebrate our 10th Birthday!



Where:
East Gosford
Community Bank®
Branch

When:
Saturday
7 August 2010

Time:
9.00am - 12noon



▲ Top: Opening day, 2000.
Above: 10 years on Jenny Webber, Tracey Anderson, Julie Carrington and Michelle Clague are still with us!

East Gosford Community Bank® Branch



▲ Branch Manager Julie Carrington and staff Lyn Farthing, Tracey Anderson, Leanne Heys and Tracey Galante with our very own Bendigo Bank Santa – Steve McIntosh.

Another year has gone by quickly. Our focus this year has been on lending and has seen an increase of 90 percent in approvals which has seen our growth in lending settled increase markedly year to date.

Our other focus this year has been on community involvement, which has seen us

involved in running a free BBQ on Saturday's at local school's Working Bees, undertaking free Santa photo's at the branch for customers during the Christmas period, and supporting the annual East Gosford Rotary Club's Present Appeal through it's "Tree of Joy" program., Staff have also taken part in Salvation Army Red Shield Appeal door knocking in local East Gosford residential area over Saturday and Sunday in May. I am also involved in Chertsey Public School "Good Start Breakfast Club" assisting with the successful breakfast program for students on a Wednesdays.

Other staff must be congratulated with their involvement in other external Community activities, all of which highlight the branch within the community.

Julie Carrington
Branch Manager



▲ Lisarow Branch give back to the community with a sausage sizzle.

Lisarow Community Bank® Branch

Lisarow Community Bank® Branch is coming into its seventh year of operation.

Our branch staff at the branch have been very active in the community with the donation of annual awards for several schools in the area. These awards are perpetual trophy's and will see our involvement in these schools continue for some years to come.

In April a sausage sizzle was held to give back to our community. Sausages were donated by Alan's Meats and the bread was donated by Bakers Delight Lisarow.

The girls at Lisarow organised staff from our three branches to participate in the RSPCA Million Paws Walk on Gosford waterfront and assisted in raising money for this worthy cause.

The Ourimbah Rural Fire Brigade held a fundraiser at the Ourimbah Lisarow RSL. Staff attended on the day to give out balloons and show bags, showing support and assisting to raise much needed funds.

This financial year has seen an improvement in lending applications and settlements and we hope to continue on with this growth into the next year.

Terri Rutherford
Branch Manager

Kincumber Community Bank® Branch

We are heading into an exciting phase of our growth with the conversion of Kincumber sub-branch to full Community Bank® branch status. This has occurred due to the hard work of all staff and the branch now exceeding the benchmark for conversion as set out in our sub branch franchise agreement with Bendigo Bank.

The girls have joined Red Cross 'telecross' which is a community program that provides a daily phone call to people living alone to confirm they are safe and well.

In addition we have continued our support of Kincumber Men's shed and planning is well under way for our ongoing support and participation of Kincumber Festival in September and Davistown Putt Putt Regatta in October both being significant community events for the Kincumber area.

Personally I have been appointed to the Board of the Kincumber Neighbourhood Centre and am excited by being able to further assist the local community with its activities in supporting the local residents and shopkeepers.

Martin Creesey
Branch Manager



▲ Kincumber Branch staff enjoying the festivities at the Kincumber festival.

Bendigo is best for business customers

A survey released in May by Business Review Weekly shows that Bendigo Bank provides industry leading customer satisfaction levels. They surveyed small and medium enterprise customers to find out how satisfied they were with their financial institution.

The survey found that 91.4 percent of Bendigo Bank's business customers were satisfied with the bank's service, more than any other Australian bank.

Bob Rudd Chairman of East Gosford Financial Services Ltd, said the bank's Community Bank® branches played a significant role in achieving such high customer satisfaction results.

"We believe that successful customers create a successful community which creates a successful bank, but only in that order."

For more information about business banking visit the East Gosford, Lisarow or Kincumber Community Bank® branches.

Make a mark on your event with our Marquee's

Do you have a community event to organise? Let us provide you with much-needed shade and shelter.

Each of our three branches have two marquee's available free of charge to our existing community groups. Just ask in the branch for more details.

- ▶ Top: Scallywaggs Gym for Kids - Utilising our East Gosford marquee at their recent in-house competition, where they are raising funds to send a team over to Switzerland for the 2011 World Gymnaestrada.
- Centre: Lisarow Marquee being utilised at the 2010 million paws walk, staff from all 3 branches attended a fantastic day with their dogs.
- Bottom: Kincumber Marquee received great exposure at the Annual Davistown Putt Putt Regatta.



Full range of services

Flexible Home loans	Home equity line of credit, home loans with variable or fixed interest rates, mortgage saver interest offset with transaction fee free account, generation green loans
Personal loans and Credit cards	Basic Black, RSPCA Rescue Visa or Ready Red
Business Finance	Principal and interest or interest only loans, business overdrafts, equipment finance, factoring, business credit cards
Wealth Management	Financial planning, superannuation, managed funds, personal/business risk protection and retirement planning
Online banking	Security token internet banking, bulk payments, BPay service, telegraphic transfers, direct debiting, merchant facilities
Insurance	Home and contents, car, motorcycle, landlords, loan repayment, travel and business insurance
International trade and Foreign currency	Letters of credit/ import/ export finance, foreign currency exchange, travellers cheques

Website:

www.bendigobank.com.au/east_gosford

Chairman: Bob Rudd.

Directors: Max Hiron, Brian Lindbeck, Col Moran, Garry Morris, Ken Howes, Don Glover, Mary Collins.

East Gosford **Community Bank**[®] Branch,
101 Victoria Street,
East Gosford NSW 2250
Phone: 4323 4559
Opening hours:
Monday to Friday 9.00am – 5.00pm
and Saturday mornings 9.00am – 12noon.

Lisarow **Community Bank**[®] Branch,
Shop 16, Lisarow Plaza Shopping Centre,
Corner Pacific Highway and Parsons Road,
Lisarow NSW 2250
Phone: 4328 5472
Opening hours:
Monday to Friday 9.00am – 5.00pm and
Saturday mornings 9.00am – 12noon.

Kincumber **Community Bank**[®] Branch,
2a 39 Avoca Drive,
Kincumber NSW 2251
Phone: 4363 2133
Opening hours:
Monday to Friday 9.00am – 5.00pm and
Saturday mornings 9.00am – 12noon.