

Mt Eliza Community Enterprise Ltd

RE: Half-Yearly Financial Report – December 2014

30 March 2015

Dear Shareholder,

It is with pleasure that I present our Half-Yearly Report for the six months to 31 December 2014.

The Mt Eliza **Community Bank**[®] has seen some significant and positive changes over that time. Leading into this financial year, the challenge was to turn the businesses' steady growth into long-term, sustainable profitability. Our December financial position shows that we are making considerable progress to that end.

The interim Financial Statements will soon be published on our website: www.bendigobank.com.au/mt-eliza. They show a net loss for the six months of \$56, compared to a net loss of \$84,979 in same period last year. The company also recorded a positive cash flow in the first half. These results illustrate marked improvement in financial performance and are in line with the Board's focus and objectives for this financial year.

At the 2014 AGM, I outlined to shareholders the Board's vision and strategy. I am confident that we are well on the way to achieving our objective of seeing the company achieve a profit for the full year.

The first half of the financial year saw a number changes to the Board and staff. Ken Sleep, a member of the Steering Committee and Company Secretary and Sean Limpens, our Treasurer, stepped down from the Board. On behalf of the entire company, I thank both these gentlemen for their contributions and service to the company over many years. In October, 2014 our Branch Manager, Chris Watson, resigned to return to his own business. We thank him for his great work on our behalf.

We welcomed Jessica Bayne as Acting Branch Manager in November 2014. Jess has extensive experience as a Bendigo and Adelaide Bank employee and has brought enthusiasm and versatility to the role. After her formal appointment Jess commenced as Branch Manager in February. I thank all the staff for their work in the last six months. It is ultimately our staff who deliver the company's outcomes. They are our public face and I thank them whole-heartedly.

Recently we hit an impressive target of returning a total of \$116,000 to our local community through schools, clubs, grants and community initiatives. Our primary message remains that the more our business grows, the more we can re-invest. We must reinforce this and sell the **Community Bank**[®] concept at every opportunity through our marketing and communications.

The six months ahead will present both challenges and opportunities. The Board and I will continue to work hard to take the company to its next phase of development. I look forward to reporting on our performance in the coming months.

I thank you for your ongoing support and encourage you to continue bring and drive banking business to our Mt Eliza **Community Bank**[®] Branch. Help us spread the word that local banking keeps our communities robust, healthy and prosperous.

I welcome your feedback and comments and invite you to contact me at any time on the details below.

Yours sincerely



Reagan H. Barry
Chairman

ABN 18 139 499 326

PO Box 307, Mt Eliza VIC 3930

Phone 0400 298 380 Email reagan@mece.com.au

Franchisee of Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879