

Chairman's Report FY2014-2015

North Ryde Community Finance Limited has had another year of adjustment to an ever changing environment. All in all we have had a very successful year, our financial results show a decrease in Total Revenues and a reduced Profit (after tax). Our customer base is supportive and we have engaged in pleasing community support.

Financial results summary (AUD \$'000)

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Total Revenue	1,022	940	835
Profit (after tax)	303	211	174
Cash held	1,303	1,346	1,395
Net Assets	1,609	1,735	1,824
Total Equity	1,609	1,735	1,824
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Earnings per share (cents)	28.66	19.91	16.46
Net Tangible Asset Backing per Share (\$)	1.50	1.70	1.64
Dividend per Share (fully franked- cents)	8.0	8.0	**

** Not declared at the time of this report

The impact of 'Restoring the Balance' by the franchisor, together with impact of low interest rates, has made significant changes to our earnings. With 'Project Horizons' being implemented in the coming year it is yet to be seen the on-going results, however financial models presented to us indicate little overall change in our earnings.

Remuneration report

This report is a requirement of Corporation Law and reporting to ASIC to annual accounts of a listed company. This report is outlined in the financial statements. As no Director or secretary received payment, no disclosure is required.

Dividend announcement

At the October meeting of the Board this will be discussed and a decision made. It will be announced on the National Stock Exchange soon after and be paid in the first half of December.

National Stock Exchange

North Ryde Community Finance Limited has been listed on the NSX for a number of years. We encourage shareholders to use the Exchange for company announcements and information. This web site shows brokers who operate on the exchange. The web site is **www.nsx.com.au**. Our company code is NRC. The bidder price on 30 June 2015 was \$1.18 per share.

Annual General Meeting

The Annual General Meeting will be held on Wednesday 18 November at 10:00am. As in previous years the venue is the Holy Spirit School Hall in Cox's Road North Ryde. Shareholders will receive information in a mail out relating to the formal notes, statutory accounts and proxy forms.

As in previous years shareholders may vote electronically, by proxy or at the meeting. The electronic vote will again be conducted by Elections Australia.

Our Directors

I would like to thank each of our Directors for their time and diligence throughout the year. The position is entirely voluntary as you have seen earlier in this report and no payment is made to them.

Especially I would like to thank Dr Graham McMaster for his tenure as Chairman. His guidance has helped this company to the strong financial backing it enjoys. His experience and hard work is missed, although he is always willing to pass on advice. Graham retired from the Board during the year and I took on the Chairman's role together with my role as Treasurer.

AFS & Associates

North Ryde Community Finance Limited engages AFS to conduct our audits. We are audited as at 31 December and 30 June. This ensures our accounts are checked every six months. They report to ASIC on our behalf and by providing half year and final reports to the NSX. These can be found, with any announcements at **www.nsx.com.au**. Again our company code is NRC.

AFS also provide a service to handle our share registry. This provides, together with the NSX the confidence and transparency that our shareholders deserve.

If you have any queries with your shareholding please contact Rose Abbott at AFS on **(03) 5443 0344** or by email on **r.abbott@afsbendigo.com.au**

We would like to thank AFS for their support and advice throughout the year.

Ten Year Anniversary

In May this company passed the milestone of ten years. It seems a long time ago that a group of concerned local residents took on the enormous task of creating a new Bank to service the North Ryde area. At that time it was thought a major bank was about to close their branch in Cox's Road, leaving no local banking facility.

With thanks to investors who shared the thoughts of those initial directors and the local residents who bought shares in the company to realise the dream of a truly local community bank. Together with the staff who opened the doors on that first day and the staff who followed them we now have a successful **Community Bank®** branch.

The branch staff, invited local residents and had a small celebration in the Cox's Road Shopping Centre on a Saturday morning and that signalled the start of a year of celebrations.

Tony Wise

Chairman