

Newsletter

November 2004

Chairman's report



Well, it's been an active time since our last newsletter. With the production of Annual Reports and Audit completed successfully and the AGM passed, we can now settle down for the busy Christmas period and I have a chance to reflect on the last few months and report to you our initiatives and activities over this period.

Since our last shareholder newsletter, we have focussed on the business issues of budgets, forward projections for 2005 – 2006 financial year, branch business plans, getting our policies in place for distributing future profits into the community and working on ideas to contribute to the communities in which we live.

Two major initiatives completed during this period are the formalisation of the company's vision, mission and values statements, certificates which can now be found in each branch and the investigation of possible banking facilities in the Station Road area of Logan Central.

Logan Central lost the Commonwealth Bank branch from this area earlier in the year and many businesses in the precinct have struggled to find acceptable banking alternatives since. Councillor Russell Lutton and Tania Laverty of Logan City Enterprises assisted the business community to gather together to discuss the possibility of Logan Community Financial Services Limited (LCFSL) providing banking facilities to the area. A public meeting was held on 17 August 2004 at the Logan Entertainment centre. After the meeting, surveys were distributed to

discover the amount of banking business available in the area. At present the surveys have not identified sufficient banking business to make a facility viable and we have gone back to that community to decide if they wish to pursue this further. LCFSL is still investigating the costs of placing an ATM close to Station Road, as this will at least provide access to cash for customers and businesses. We will keep you posted on the results of this.

During this period we have reviewed the performance of all our staff and I am pleased to report to you that the overall performance level of staff was very high. Additionally, Board Directors have undergone an internal performance review, to ensure that our performance as Directors is monitored and managed to the highest standards.

At the AGM this year, one of our Directors, Terry Skene, stepped down from the Board to pursue other business interests. Terry has contributed continuously over the year, and we are sad to see him go. However, we welcome Mr David Manfield to the Board and look forward to his assistance and new ideas.

Our focus over the next period is to further strengthen the position of the Company in the market, develop more initiatives to contribute to the community and find new ways to encourage all of Logan to bank with 'their Bank'.

Colin Nelson
Chairman

From the Secretary

Over the last year, we have had a number of requests for information about how to buy or sell shares in Logan Community Financial Services Limited.

Shareholders such as you have made an investment in the Logan community by purchasing shares to assist the Company to operate branches of Bendigo Bank for the long-term future of our community. Over time, your investment will assist the Company to invest in youth, employment opportunities, wealth creation and social and community projects for the good of the entire Logan community.

We understand that many shareholders have purchased shares for the first time and are not familiar

with the process involved should they wish to purchase more shares, or even sell some of their shares.

For this reason, we felt that you might appreciate some further information and some contacts that can help you if you wish to buy or sell shares in Logan Community Financial Services Limited, we have listed the most common questions asked and the answers to those. If you have any questions beyond this, please contact us on 1300 366 636 and we will help you wherever we can.

Cathleen Wallis
Secretary
Logan Community Financial Services Limited

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**Board of Directors, Logan Community Financial Services Limited,
Unit 7D Cuban Street, Underwood, QLD 4199**

Colin Nelson (Chairman), Zen Knezevic, Cathleen Wallis, Alan Gough, Scott Elkington,
Russell Jenkins, John McLaughlin, Patrick Simonis, David Manfield

From the Secretary continued

Q: Can I buy more shares in Logan Community Financial Services Limited?

A: Yes, shares may be traded as any other shares in a company listed on a stock exchange.

Q: How can I purchase more shares in Logan Community Financial Services Limited?

A: Shares in Logan Community Financial Services Limited can be purchased through the Bendigo Stock Exchange. To do this, you will need to contact a broker who deals on the Bendigo Stock Exchange. Brokers who can help you are:

1. ABN AMRO Morgans – Brisbane QLD
Phone (07) 3334 4888
2. Strategem Financial Group – Bendigo Vic
Phone (03) 5445 4777
3. AAA Shares Pty Ltd – Morphet Vale Sth
Aust. Phone (08) 8382 4288

Q: What does it cost to buy or sell shares?

A: ABN AMRO have special prices for Community Bank® Company share trades, please contact them for a quote.

Q: What if I want to buy shares from someone I know?

A: This is called an off market transfer. You will need to negotiate your own price, and complete your own documentation. We can provide transfer forms on request.

Q: How can I find out what the shares are worth?

A: You can gain information about trades, company announcements and documentation on the Bendigo Stock Exchange website - go to bsx.com.au and type in the code LCB, then select what information you would like.

“They offered me everything my business needed and they did it with a smile.”

Business banking customer, Bendigo Bank

We can provide you with every business product and service you'd expect from a bank. However, we believe the most important service we offer is also one of the simplest. In short, we listen. After all, it's only by listening and asking questions that we can better understand your business.

For more information speak to your local Branch Manager at:

- **Browns Plains** – Gavin Pingel, phone 3806 9777
- **Loganholme** – Darren Cahill, phone 3801 3600
- **Marsden** – Simon Reeves, phone 3299 7740
- **Springwood** – Steve McCormick, phone 3208 2611.

Logan
Community Bank® Branch Bendigo Bank



www.bendigobank.com.au Bendigo Bank Limited, Fountain Court, Bendigo, VIC 3550. ABN 11 068 049 178. AFSL 237879. (S6595) (09/11/04)

Q: Why does the price listed on the BSX vary?

A: The market determines what the shares of any company are sold for at a given time. Shares are a long term investment and normally fluctuate in price.

Q: When will the shares go up in value?

A: This is determined by the market, who is buying and selling, and what price the shareholder is prepared to pay, or accept. The Company cannot make any predictions about share price.

Q: Can I cash in my shares at the branch?

A: No, your shares are an investment in the Company, not a deposit at the branch.

Q: Do I earn interest on my shares?

A: No, your shares are not a bank deposit. In time, we expect that your shares will return you a dividend. Please refer to your copy of the Prospectus (page 24) for more information.

Q: Can I sell my shares for the price listed on the ASX for Bendigo Bank shares?

A: No, your shares are not Bendigo Bank Shares, and your shares are not listed on the ASX. Your shares are in Logan Community Financial Services Limited, the company that owns the franchise to operate branches of Bendigo Bank in Logan, and these shares are listed on the BSX.

Christmas in July

Staff enjoyed a 'Christmas in July' party at the residence of shareholder Brian Johnston and Director Cathleen Wallis, to thank them for their efforts during the past year. Activities included Celebrity Heads and Secret Santa, and we are told that Brian and Cathleen were still trying to send people home after midnight! Thanks go to all the staff who contributed with food, time, equipment and cleaning up.



Loganholme branch report

Since our last report, we have seen an excellent continuous flow of new business being written at Loganholme. The September month in particular was very pleasing with in excess of \$3 million in lending business being approved which will transfer to income on the bottom line over the next few months.

Loganholme continues to return profit figures slightly above budget which is a trend I am sure will continue.

Our new staff member Shani, who started with us in May, has come along in leaps and bounds and continues to be a valued member of our branch team. I would like to thank the other members of my team for their constant efforts to achieve above and beyond expectation. This has been all the more important given the change in my role now that I have the dual responsibility of Area Management as well.

Another exciting event we are about to undertake at Loganholme is a branch premises re-fit now that we have decided to stay in the Hyperdome.

The team is looking forward to this with much anticipation and see it as a very positive message to our community that we value the business and are prepared to invest heavily in that business. We anticipate our re-fit will start mid January 2005 and we will be endeavouring to minimise the period of closure and the inconvenience to our clients.

The new re-vitalised premises will give us a much more professional environment for the customers and I'm sure will also breathe new life into the team.

We look forward to meeting with you when you come to inspect your new branch in early 2005.

Darren Cahill
Manager

**Logan Hyperdome, Bryants Road,
Loganholme
or phone (07) 3801 3600**

Marsden branch report

Since our last newsletter, Logan Community Bank® Branch in Marsden has achieved a milestone and passed the \$10 million mark in banking business. In fact, this figure has almost reached \$11 million with the number of accounts opened growing to almost 2,500.

The team at Marsden has undergone some changes to meet the growing demand of the business and we have put on additional staff members. Gavin Daw and Elizabeth Armstrong have joined the customer service area to maintain our prime focus of meeting the needs of our customer base.

Gavin joins us straight from school and has shown great promise to date with his excellent customer skills.

The lending pipeline continues to gather momentum and depth as does the deposit growth and I am well pleased with the overall performance of the branch and staff to date.

Income and expense budgeted figures are tracking well and profitability will, I believe, be achieved well ahead of schedule.

However, we are not one to just sit back and hope that these great results continue. We are still looking to our shareholders to continue the great work that was started some time ago and canvass every possible opportunity to continue to grow "Their Bank" – the Community Bank® branch.

Management and staff at Marsden are committed to providing the very best in customer relationship banking and I feel with the excellent work done by my team at Marsden to date, customers can feel proud to be either a shareholder or an account holder, or both, at Marsden.

Simon Reeves
Branch Manager

**Shop 21 Marsden Park Shopping Centre,
55-77 Chambers Flat Road, Marsden
or phone (07) 3299 7740**

Springwood branch report

Springwood branch is gaining momentum with loan approvals in excess of target for each of the last three months. Our combined lending and deposit book has now passed \$18 million, and our profit and loss figures for the three months to date in this financial year show us ahead of budget.

Most business written to date can be attributed to our networking and marketing program and referrals from existing customers and shareholders. This is to be expected from our location in an established banking area, and is a tribute to the persistence and customer relationship skills of our staff.

As most business owners would agree, referrals are the best type of business you can get. I urge all shareholders to refer family and friends to your Community Bank® branch whenever possible, to enable us to continue to build our

business and profitability, so that we can return benefits to you and to our community.

Looking to the future, we will continue with our networking and marketing activities in order to build on the momentum underway at Springwood.

We look forward to continuing to provide exceptional service to you, our valued shareholders.

Steve McCormick
Branch Manager

**Shop 40 - 41, Centro Mall,
34 Fitzgerald Avenue, Springwood
or phone (07) 3208 2611**

Logan branches build shelters to raise money for emergency housing

On Saturday 25 September, staff & families from all of the Logan Community Bank® branches participated in the LEAN Corporate Challenge, working together to raise money for emergency housing.

LEAN stands for the Logan- Beaudesert Emergency Accommodation Network

This event was designed to raise awareness regarding homelessness & emergency accommodation issues in the Logan, Beaudesert & Beenleigh region. Also the aim was to raise dollars for this cause.

The challenge was to build a temporary structure fit to stand up to the elements and fit for sleeping in overnight. Approximately 18 teams from various businesses throughout Logan participated. Teams had minimal building materials, no nails, no glue & minimal hand tools (no power tools) from which to construct their shelter. This was a difficult condition to comply with for the two builders on our team! Materials supplied were several sheets of plywood & other scrap timber, some string, tape and zip ties and five metres of plastic sheeting, and lots of encouragement!

However, as no challenge is too big for the Logan Community Bank® team, we completed the task in less

than an hour of the four hours allotted. In the spirit of goodwill & co-operation we also lent a hand to other teams. One of our team also assisted LEAN staff with the BBQ in the evening. Over \$9,000 was raised by the corporate teams participating in the event.

Browns Plains Branch Manager, Gavin Pingel, co-ordinated our participation, "We were pleased to be able take part in such an event. I am proud of the staff & their family who participated.

"Congratulations must go to the team at LEAN for organising the event. By taking part in this event Logan Community Bank® branches have again demonstrated their commitment to the community of Logan beyond just banking".

Gavin Pingel
Manager, Browns Plains

**Shop 17 & 18 Westpoint Shopping Centre,
8-24 Browns Plains Rd, Browns Plains
or phone (07) 3806 9777**



We are open:
Monday - Friday 9am - 5pm
Saturday 9am - 12noon

Logan **Community Bank®** Branch  **Bendigo Bank**

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