

Chairs Report 2023

Part of my usual practice is to deliver my report largely as published. In a departure this year, it is necessary for me to further elaborate, as it has been a fast, moving environment, producing a number of noteworthy comments that must be added.

That said, the statement still remains that it has been a big year for us. Twenty years of partnering within the Logan community to provide financial services, and 20 years of collaboration to give back to our local community. A wonderful milestone for us to celebrate and that we did.

I have spoken of changing financial circumstances across not just the local but the national and international landscapes. Noting that for many years that we were working through record low interest rates and wafer-thin margins, we finally saw some increases through moves made by the Reserve Bank. Previously in my report, I noted that the flow on effect had two fairly divergent impacts; firstly, the increase in margin boosted our revenue allowing us to see profits that we had not seen for several years; but at the same time also producing a highly competitive environment and one in which households became very focused on saving and debt reduction and a subsequent tight property market. This fairly strong statement at the time has become very much a daily news cycle topic.

My report went on to note our boards committed discipline of adopting a fiscally responsible approach to the tight conditions with a conscientious eye. Like all other businesses around Australia, we have encountered rising operating costs including occupancy, technology, and employment costs to name a few.

After enjoying many years of highly stable staffing, retirement, maternity and other factors have taken a toll and we have found employment to be one of the stronger challenges we have faced. As a group with multiple outlets, high staff numbers and increasing levels of community engagement, in order to best manage the business and demonstrate further commitment to our social purpose, the board made the decision to appoint Ms Kate Wakeling to the role of CEO and executive director. In additional commentary here, this has been a fine move that has provided an immense boost to our operational capacities. I wish to publicly commend Kate for the work that she has done.

We now enjoy a full staff compliment again and are well poised to meet the future. Part of this future saw us recommit to our Springwood location in the form of newly fitted out premises that

will better serve us our customers and our community. With the Springwood branch now operational since publishing this report, I can confirm that the move has been an overwhelming success.

On the financial front, It is a great pleasure to announce a profit of \$909,851.00, for the 2022/2023 financial year.

The Company also had the ability to increase its community contributions (including contributions to the Community Enterprise Foundation) by \$373,321 or 902% compared to 2022. Whilst passing \$2.5 million dollars' worth of community contributions has been our own milestone the national total exceeding \$300 million through community contributions demonstrates what a powerful model this has been. With the celebration of the 25-year anniversary of the model, recognition of the fact that this is Australia's most powerful social enterprise model continues to drive the passion and energy within the group.

I would like to also acknowledge the appointment of a new director Maria Elita, who brings a connection to the western part of the city to our team along with immense retail knowledge and experience.

At the time of publishing the report we were unable to advise the market of our bold Growth plans, as I stand here tonight, I can proudly speak to a major development that is in the public domain, and almost at its conclusion. The news to which I allude here is the Logan group's, acquisition of Broadwater Financial services operations and revenue rights, subject, only to formal ratification at their AGM this week. This will see us extend our operational footprint through to the northern reaches at the Gold Coast and the addition of the Helensvale community bank branch to our collective group. In doing this, we undertake to remain committed to the community which has for so long supported us, but also note that we welcome an extended geographic community boundary, for which we are to become custodians of.

In my published report, I noted that the year ahead would produce some challenges but now I also note how much opportunity it has also revealed.

We look forward to this exciting new chapter.