

community connection

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Community CPS Australia records strong profit rebound in six months

We are pleased to advise members that we have posted strong results for the first half of the 2009/10 financial year.

Reporting an after tax profit of more than \$10 million and underlying earnings of \$9.34 million for the first half of the financial year, we have exceeded forecasts and are well positioned for the 2009/10 financial year.

Our good start to the financial year is largely due to the increase in new lending, continued low delinquency

rates on loans, and a recovery in the equities market, resulting in stronger wealth management income.

While our 2008/09 financial results were solid in light of the challenging economic climate and costs absorbed due to our merger with United Credit Union, we are pleased to record such strong mid year figures.

As a mutually owned organisation we work hard to deliver maximum value to our members, and our strong performance to date during this financial year will enable us to continue delivering excellent outcomes for our 180,500 members.



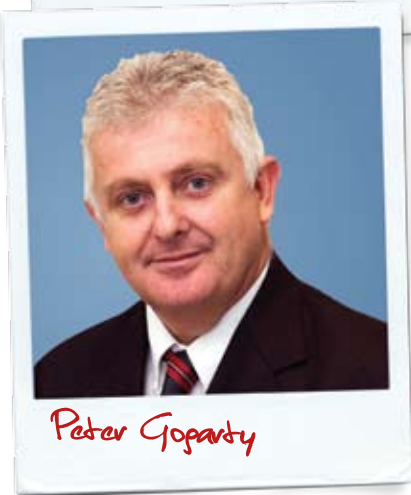
Share the difference

Member Contact Centre: 13 25 85

New Directors on the Community CPS Board



Steven Nolis



Peter Gogarty

Steven Nolis was appointed to the Board as a result of the directors' election in November 2009. South Australian-based Steven brings to the Board extensive experience in financial management, change management, strategic planning, corporate governance, marketing, business development and human resources.

Steven was recently appointed as General Manager of Adelaide law firm Duncan Basheer Hannon, after a decade spent as State Manager SA and WA at human resources organisation McArthur Management Services. Prior to that, Steven worked in the finance sector for almost 20 years, including positions at the Reserve Bank of Australia and CPS Credit Union (SA) Ltd.

Peter Gogarty joined the Board in January 2010 following the merger with Companion Credit Union. Peter was Chairman of Companion's Board since November 2008.

Peter holds Bachelor and Masters qualifications in the Social Sciences, a Graduate Diploma of Law, and Diplomas in Business Management, Company Directorship and Financial Services. He is an Accredited Mediator, a Graduate of the Australian Institute of Company Directors and a Fellow of the Australasian Mutuals Institute.

Peter's professional career up until 2008 was in Local Government – holding senior management positions with responsibilities as diverse as land development, business planning, governance, strategic planning and community facilities management.

Community CPS Chairman, Gary Green, said Steven and Peter's extensive experience in various industry sectors would be of great benefit to the governance of the credit union, and he was pleased to welcome them to the Board.

Introducing our new CEO

Robert Keogh has commenced his role as Chief Executive Officer of Community CPS Australia, incorporating United Community and Companion Credit Union, following the retirement of Kevin Benger.

Robert brings more than three decades of experience in the financial services industry to the role, including four years as the Deputy CEO of Community CPS, and more than 20 years as the CEO of CPS Credit Union Co-operative (ACT).

Throughout his career, Robert has gained extensive experience in business, financial services, auditing, accounting and finance. He has worked closely with the Executive team for more than four years and will continue to pursue the strategic initiatives developed by the Board and the Executive.

He is proud to head one of the country's most influential credit unions and will continue to strengthen our position in the market, deliver maximum value to members and give back to the communities in which the organisation operates.

"Since Community CPS' inception in 2006, the credit union group has grown strongly and it has been a pleasure to be part of this success story.

Our goal is to continue to grow and deliver value to our members and their communities through our dedicated and professional team. I am committed to ensuring that this objective is realised." said Mr Keogh.



A message from Kevin Bengler

Dear members

As you may be aware, I retired from my position as Chief Executive Officer in February 2010.

It was an honour and a privilege to undertake the role as CEO for twelve years. I was very fortunate to have been strongly supported over the years by our Board and to have been part of a very talented Executive and management team.

I have thoroughly enjoyed working at Community CPS and I am now looking forward to spending more time with my family, who have supported me throughout my career, and made numerous sacrifices for me.

I look forward to watching Community CPS continue to succeed and provide outstanding products and services to its members. We are well placed to continue the successful journey as we have the leadership within the organisation to ensure we grow and prosper.

I will miss the employees who are so dedicated and committed to making our organisation so respected and successful. They have made member service a top priority and I know this will continue in the future.

Many changes have been forced upon us by governments who don't understand or support the mutual values and philosophy. Australia needs competition in the financial services industry.

People like us believe that it is not all about profit for shareholders but about relationships, community and commitment to helping each other.

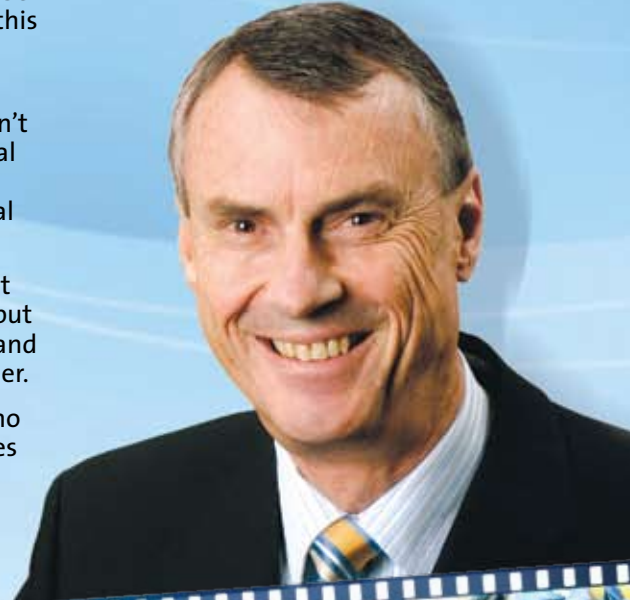
Thank you to all the members who have supported the many changes

that were necessary to continue to build on the rich legacy laid by those who dared to dream and then made it happen.

Regards



Kevin Bengler



We have teamed up with The Ambassador Card to create our Lifestyle Rewards Program which rewards members for taking out a term deposit.

It provides a wide range of discounts at retail outlets, restaurants and cafes, as well as savings on hotel accommodation and leisure activities and exclusive offers on our products and services.

All members with a term deposit are automatically eligible for the 2010 program at no cost.

Our term deposits start from as little as \$500 and offer a fixed rate of interest for a set period of time, ranging from three months to five

years, with interest paid monthly, at maturity, or annually – whatever suits you best.

So why not take out a term deposit and you too could be enjoying our Lifestyle Rewards Program!

LIFESTYLE REWARDS PROGRAM

Go all the way to the 2010 FIFA World Cup™ with Visa Debit

The countdown has begun for the 2010 FIFA World Cup™ South Africa.



For a limited time only, Visa Debit cardholders have the chance to win FIFA World Cup™ match tickets to share in all the excitement.

Each time you spend over \$20 on your Visa Debit card before 25 April 2010, you'll automatically go into the draw to win Visa's once in a lifetime prize. Up for grabs are two economy class return airfares to South Africa, accommodation, FIFA World Cup™ match tickets and more - all thanks to Visa.

There is no limit to the number of times you can enter. Every purchase over \$20 gives you a fresh chance to win. The more you use your Visa Debit card, the greater your chance to be part of the 2010 FIFA World Cup™. It's that easy.



Upgrade your rediCARD to a Visa Debit Card

A Visa Debit card is not a credit card. It gives you the control of using your own funds, providing quick, flexible access to your money anywhere Visa is accepted. It makes a Visa Debit card a far safer option than carrying cash, but the benefits of a Visa Debit card go well beyond standard ATM cards.

Unlike a rediCARD, a Visa Debit card can be used to make safe and secure purchases over the phone, online and overseas.

It opens up new and exciting shopping opportunities across the country – and around the globe.

Visa Debit is accepted at over 30 million locations in 150 countries (including ATMs), giving Australian travellers the freedom to explore the world without worries of travellers' cheques or credit cards.

Along with convenience and cash control, a Visa Debit card provides

extra security features that are exclusive to Visa. Cardholders simply press the 'Credit' or CR button when making a transaction using your Visa Debit card to access these additional security measures.

Upgrading to a Visa Debit card is simple. Just enquire at your local Personal Financial Centre (Branch) or call us on 13 25 85.

2010 Tax Returns

It's time to start planning for your tax return due from July 2010.

Now is a good time to think about your tax position and contact your financial planner and/or accountant for pre-year end tax planning.

Changes to legislation that came into effect as of 1 July 2009 include:

- > Most income earned by an Australian resident individual from continuous foreign service of more than 90 days will not be exempt from income tax. However, taxpayers that have paid foreign tax to another country may be entitled to an Australian foreign tax offset.
- > The contribution cap for superannuation for those under 50 years of age is \$25,000 and \$50,000 for those aged 50 or over. Concessional contributions include employer contributions, any salary sacrifice arrangements and personal contributions claimed as a tax deduction by self-employed person.
- > Employee share scheme acquired from 1 July 2009.
- > Changes to the PAYG payment summary-individual non-business includes the reporting of reportable employer superannuation contributions and reporting of exempt foreign employment income.

Have you remembered to:

- > Record work and business usage of motor vehicle
- > Retain receipts for donations over \$2.00
- > Retain receipts for education tax refund
- > Keep all work related receipts

A taxation checklist is available on our website www.eastwoods.com.au

Appointments can be made with our Tax Accountants Tess and Paul by calling 8132 9299 (SA) or 1800 010 650 (ACT & WA).

Taxation services are provided by Eastwoods Accounting & Taxation Pty Ltd, a subsidiary of Community CPS Australia Limited.



Your nearest rediATM is easy to find!

Out and about and need a rediATM? Did you know that you can have the location of your nearest rediATM sent directly to your mobile by SMS?

Simply send a text with either your postcode or your suburb and State to **199 55 ATM (199 55 286)*** and within seconds you will receive a return text message with the rediATM locations nearest to you.

It's quick and easy, so save the SMS rediATM locator number to your mobile now and the location of your nearest rediATM will always be as close your mobile.

Alternatively, if you have an iPhone you can download our FREE rediATM application - simply search for 'rediATM Finder'.

*SMS costs 55c including GST. Cardholders who do not have premium phone line SMS enabled, will not be able to access this service.



Recommend us and help Camp Quality

We appreciate that much of our growth over the years has been a direct result of members recommending us to their friends and family.

As a result, we developed our Advocacy Program whereby our members provide an Advocacy Card to friends or family they wish to refer to our credit union.

So if you have been happy with the service you've received from us and know someone else who could benefit from talking to us about their financial needs, please collect an Advocacy Card from your local Personal Financial Centre (Branch).

As an added bonus, if the card is presented when a new membership is opened, we will make a \$20 donation to Camp Quality, to assist with their tireless efforts helping children and families affected by cancer within the community.

Stay safe when shopping online

Here are some easy tips you can follow to ensure your online shopping experiences are safe and secure.

- > Always ensure you have the latest security and operating system updates running daily and a firewall activated;
- > Make sure you understand online retailers terms and conditions regarding delivery, goods and warranties;
- > Make sure the site you are shopping on is using encryption and is up front about where and how your details are stored;
- > Never give a date of birth or other personal identifiers that aren't necessary to complete a purchase. The more details provided the greater the risk of identity fraud happening;
- > Online retailers only ever require basic information such as billing address, contact details and card details to complete a transaction;
- > Always keep records of the transaction, including the product description, price and the receipt of payment;
- > Check your debit and credit card Statements regularly and ensure you refer immediately any unauthorised activity to us as soon as possible.



A Financial Planner is your Financial Coach

With the benefit of hindsight, everyone should now be well aware that the share market suffers a fall in value now and then.

Throughout the 'global financial crisis' that ran from November 2007 until markets showed signs of recovery in early March 2009, the Australian market nearly halved in value.

Many investors lost their nerve at various stages of the cycle, and cashed out of their investments. Most of them are still sitting in cash, waiting for the 'right time' to re-enter the market.

But when is the 'right time'?

This is one of the many advantages of having a financial planner...they act as your financial coach. By removing the emotion from the situation, your financial planner is in a position to keep you on track.

Take the example of Craig, who has been a client of Financial Planner Andrew Woodrow for the last 4 years during which time he has experienced the rise and fall of the share market.

In September 2008, Craig saw Andrew for his annual review meeting. After nearly 12 months of negative returns in his super fund, he was obviously concerned about the state of the markets and the value of his investments.

Andrew looked at each of the underlying shares held by the managed funds within Craig's super and they agreed that the shares were all good quality holdings that had not been immune to the negative sentiment surrounding equities since November 2007. They decided to leave the portfolio as is.

The markets continued their negative run and by February 2009 Craig was concerned that his balance may fall to zero. Andrew reassured him that this would be highly unlikely and recommended that Craig continue to remain invested.

Craig mentioned that a number of his work colleagues had now lost their nerve and had sold their funds into cash within the past week. With the benefit of hindsight, we now know that the share market hit its low early in March 2009 before rebounding by nearly 46% at the end of December.

To Craig's relief, he has been able to watch his funds recover substantially over the past 9 months.

The picture for Craig's work colleagues is vastly different:

- > They incurred the costs of selling their investments;
- > They turned their 'paper losses' into a reality;
- > Many are still waiting for the 'right time' to re-enter the market, thereby missing out on the 46%+ rebound;
- > They will incur the costs of buying back in.

Your financial planner is there to keep your focus on the long term strategies that have been put in place to help you achieve your financial goals.

To make an obligation free appointment with one of our financial planners please call:

SA office - (08) 8132 9288
ACT office - (02) 6286 0564
WA office - (08) 9382 0457



De-Clutter Your Life and you could win an in-car GPS Navigator



Want less paperwork? Register for e-statements

Our e-statement service provides you with the convenience of having your Statement history at the click of a button.

Advantages of e-statements

- > Reduce paper wastage - no more hard copies
- > Make your life easier by storing all your Statement information in a single secure environment in Internet Banking
- > Receive your e-statement sooner
- > We will send you an email as soon as your e-statement is ready to view.

Register for e-statements in April and go into the draw to win* an in-car GPS Navigator!

The TOMTOM XXL 540 In-Car GPS Navigator (valued at \$292) has a 5.0" wide touchscreen, spoken street names, advanced lane guidance and a latest map guarantee.

You can register for e-statements via Internet Banking or by calling us on 13 25 85. We also have a registration demonstration available on our website to assist you through the process – visit www.unitedcommunity.com.au/estatemnts

*Competition terms and conditions are available at your local Personal Financial Centre or on our website.

Have you moved recently or are you about to move?

Please let us know by completing the form below and returning it to us. Alternatively, you can advise us of your new details via Internet Banking (under the Service Options menu) or by calling 13 25 85 (with your Telephone Banking Passcode).



Membership number(s):.....

Member name(s):.....

New residential address:

New postal address:

New telephone number(s): H: W: Mob:

Email address:

Signature(s):..... Effective date:/...../.....

Yes, please update my address on my Insurance policies.

Send to: Community CPS Australia, Reply Paid, GPO Box 1430, Adelaide SA 5001 (no postage stamp required)

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