

Rifco expecting record year

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A Red Deer company that provides non-prime loans for auto purchases has set some lofty goals for the next year.

In its annual report issued on Monday, Rifco Inc. (TSXV: RFC) said it hopes to achieve loan originations of more than \$50 million, revenues in excess of \$14 million and net income topping \$1.5 million — all of which would be records — for its fiscal year ended March 31, 2011.

This would represent a strong bounce back from 2010, when Rifco's loan originations fell 25 per cent to \$28.8 million, revenue dropped 17 per cent to \$11.3 million and net income shrank to \$309,000, from the previous year's \$1.4 million.

Rifco president and CEO Bill Graham said the credit crisis resulted in higher costs for funds, which necessitated steeper lending rates and hurt loan volumes.

Meanwhile, auto sales in Canada were down, and loan delinquencies and related losses were up.

But Graham foresees better times ahead, citing a decline in the number of competitors that Rifco has in Canada and growth in its own business.

Operating through its subsidiary, Repair Industry Finance Corp., Rifco provides loans through a network of new and used vehicle dealers in every province except Saskatchewan and Quebec.

The Company's annual shareholders meeting will take place Sept. 9 at 3 p.m. at the Red Deer Lodge.