

**ANNUAL
REPORT
1969-70**

MAIN ROADS STAFF CREDIT UNION LTD.

Cover Photograph: Southern Cross Drive.

By courtesy of the Commissioner for Main Roads.

MAIN ROADS STAFF CREDIT UNION LTD.
309 Castlereagh Street, Sydney

Registered under the N.S.W. Co-operation Act 1923-1965
on 29th September, 1964

**SIXTH ANNUAL REPORT OF THE BOARD OF DIRECTORS
COVERING OPERATIONS FOR THE YEAR ENDED
30th JUNE, 1970**

DIRECTORS

C. W. Mansfield (Chairman)
R. E. Johnston N. D. King C. W. Mathews E. F. Mullin
G. C. Sheldon J. Vallentine

SECRETARY

J. Vallentine

TREASURER

J. L. Maloney

OFFICE STAFF

Miss Kerry Medway

Mrs. J. Collins

Miss Cheryl Fisher

SOLICITOR

J. B. Lange,
155 Castlereagh Street,
Sydney.

AUDITORS

W. J. Mullane & Co.,
4 Bridge Street,
Sydney.

BANKERS

Bank of New South Wales
Liverpool and Castlereagh Streets Branch.



Contents

CHAIRMAN'S REPORT 3

FINANCIAL STATEMENTS 7

AUDITOR'S REPORT 8

PROGRESS GRAPHS 9

SUPERVISORY COMMITTEE'S REPORT 11

CHAIRMAN'S REPORT

I have very much pleasure in submitting the Sixth Annual Report of the Main Roads Staff Credit Union Ltd. for the year ended 30th June, 1970. The year has shown considerable increase in the activities of the Credit Union, the Management of which is an ever increasing responsibility for the Board of Directors.

It has been stated by Mr. A. W. E. Stanford* that, "A Credit Union is a co-operative organisation of people who run their own financial service. It is composed of a group of people with a common bond who agree to save regularly together and then lend these savings to one another at the lowest possible rate of interest. In this way, they assist each other to improve their financial position." This is precisely what has happened in your Credit Union. Members of the staff, and in some cases members of their families, have made savings, which now stand at \$403,468. On the other hand, loans have been made to members of staff and the indebtedness to the Credit Union now is \$410,279. The Credit Union is a little over 5½ years old, being registered on 29th September, 1964. From that date the membership has risen to 1,269. Reference should be made to the graphs included in this report which indicate the progress made.

It is interesting to note that during this period the growth of Credit Unions in New South Wales has been,

**Year	No. of Credit Unions	No. of Members	Deposits \$	Loans \$
1964/65	197	92,199	18,514,858	18,689,948
1965/66	229	111,479	24,619,170	24,152,353
1966/67	260	133,118	32,935,371	31,264,319
1967/68	282	156,228	42,472,505	40,122,073
1968/69	307	183,903	55,749,590	52,608,128

It will be realised immediately that Credit Unions have been accepted on a national basis, having loans outstanding of \$63,335,650 and assets totalling \$73,223,613 as at 30th June, 1968, over the whole of Australia.** It has been Government policy in N.S.W. to assist in the development of Credit Unions.

* Personnel Practice Bulletin, Vol. 26, No. 2, June, 1970, pp. 93-99. Mr. Stanford is the Extension and Development Officer of the Registrar of Credit Unions, N.S.W.

** Material shown on p. 94, previous reference, and drawn from N.S.W. Registry of Credit Unions.

The Members of the Board retire in two groups after serving two years. At the Annual Meeting held on 18th September, 1969, Messrs. R. E. Johnston, E. F. Mullin, O.B.E., and C. W. Mathews retired and, being eligible, submitted themselves and were re-elected for a further term of two years. The composition of the Board therefore remained unchanged since the inaugural meeting held on 12th August, 1964. This has been a very significant factor in the success of the Credit Union as policies have had to be formulated in these early years and the continuity of the Board has enabled their establishment on a very sound basis and good progress has been achieved.

At the first meeting of the Board after the September, 1969, Annual Meeting I was re-elected Chairman of the Board and I acknowledge the confidence being entrusted to me. I wish to place on record my appreciation of the work of the Members of the Board which has been unstintingly given in a most pleasant manner. During the year under review, there were 47 meetings of the Board. The individual members were present at these meetings as follows:— J. Vallentine 42, C. W. Mansfield 41, E. F. Mullin, O.B.E. 41, G. C. Sheldon 40, R. E. Johnston 40, N. D. King 38 and C. W. Mathews 35. Absences from the Board meetings were on account of official duties out of Sydney and annual and sick leave, for which appropriate leave was granted by the Board.

There were staff changes during the year. Mr. A. P. McBaron, who commenced full time duty with the Credit Union on 15th July, 1968, retired on 1st May, 1970. The Board appointed Miss K. R. Medway, who had been capably instructed by Mr. McBaron and in whom the Board has confidence, to take over the duties previously discharged by Mr. McBaron. Mr. G. H. Woodlands continued as a casual employee, usually two days per week. Mrs. V. J. Collins was appointed to the staff as a Machine Operator keeping the ledgers on an "Optimatic" Fully Automatic Bookkeeping Machine which has been purchased by the Credit Union. The appointment commenced on 24th November, 1969, on a casual basis, but due primarily to the growth of the Credit Union, Mrs. Collins was appointed full time from 18th May, 1970. Miss C. M. Fisher was appointed as Junior Typiste/Clerk on 7th May, 1970, to take over many of the duties previously carried out by Miss Medway. The office work is up to date and being performed in a satisfactory manner.

The Credit Union Committees located in the Divisional Offices provide valuable assistance to the Board in the consideration of applications for loans and assist greatly in the administration of the Union. Committees operate in all Divisional Offices except Metro-

politan, Parramatta, Lithgow and Goulburn, where arrangements are being made to have a Committee formed.

The Commissioner of Taxation has so far not accepted the basis of mutuality principles and has issued assessments on a non-mutual society on the Credit Union for Taxation for 1967/68 and 1968/69 in a total amount of \$2,531.70 which has been paid during the year under review. On advice of the New South Wales Credit Union League appeals have been lodged in each case.

The Credit Union paid \$1,523 for Loan Protection Insurance for the year. The only claim was for \$100 in connection with the death of Mr. P. J. D'Arán, which is recorded with regret. It is regretted also that the deaths occurred of Mr. R. H. Wallace, Mr. B. De Capell, and Mr. D. Eskenazi who were members and depositors with the Credit Union.

The members of the Supervisory Committee have been very diligent in their efforts. It is to their credit that on two occasions during the year they attended Board Meetings and joined some discussions and communicated some observations to the Board. I would, on behalf of the Board and all the members of the Credit Union, like to place on record our appreciation of the interest and effort of this Committee.

At the commencement of the year the Credit Union had two amounts each of \$10,000 invested with the P.S.A. Permanent Building Society Ltd. and the United Permanent Building Society Ltd. respectively. During the year the deposit with the United Permanent Building Society Ltd. was withdrawn, the other deposit remains.

The Credit Union Act, 1969, provides inter alia, that a Credit Union which has a reserve amounting to less than the prescribed reserve amount shall transfer to reserve an amount not less than the prescribed amount for the financial year or the amount required to increase the reserve to the prescribed reserve amount for the financial year, whichever is the lesser.

The Credit Union had a reserve less than the prescribed reserve amount so the prescribed amount \$1,210 being 5% of the sum of the surplus for the year and the amount of interest paid on deposits for the year, was transferred to reserves, which now stand at \$7,007. To this can be added the \$10,000 invested in the Building Society previously referred to, which is available as a liquid asset.

During the year approval was sought from the Registrar of Credit Unions to the alteration of rules allowing the Credit Union to lend up to \$4,000, provided that the loan/s shall not create a greater indebtedness than \$2,000 unless secured by mortgage over land and dwellings or vacant land. The repayment term was also increased

to not more than 7 years for a loan between \$2,000 and \$4,000, and 5 years for a loan up to \$2,000.

I have mentioned above my appreciation to the members of the Board and I would like to add the thanks of the Directors to Mr. J. Vallentine in his capacity as Secretary and Public Officer of the Credit Union, who has made a very valuable contribution to the work and expansion of the Credit Union. Thanks are also due to the Treasurer, Mr. J. L. Maloney, whose assistance to the Board and the staff has been most helpful. The assistance and encouragement extended by the Commissioner, Assistant Commissioner and officers of the Department has been a valuable contribution to the success of the Credit Union and for this the members extend their thanks.

In conclusion, I would like to emphasise that the Board places great importance on the personal approach of the Credit Union to both lenders and borrowers. It is desired to provide a safe, small investment field for members, particularly the younger members of the staff who are encouraged to save regular, though relatively small, amounts. It is a feature of the responsibility of the Board that help has been within our reach in many cases in diverse conditions and here a very personal approach is made in strict confidence. We look forward to greater success and more expansion in the years ahead and some proposals will be made known at the Annual Meeting.

C. W. MANSFIELD,
Chairman.

MAIN ROADS STAFF CREDIT UNION LIMITED
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1970

	1969	1970	
	\$	\$	
195 Audit Fees	150.00	195 Interest on Loans	23,496
— Advertising	20.00	208 Bank Interest	208
533 Affiliation Fees	910.35	148 Entrance Fees	148
— Bank Charges	60.00	725 Interest on Investments	725
— 4 Depreciation	227.00		
124 General Expenses	74.09		
340 Honorariums	320.00		
48 Insurance—General	66.97		
1,241 Insurance—Loan Protection	1,523.55		
14,308 Interest on Deposits	20,838.99		
240 Printing and Stationery	351.03		
82 Postages, Duty Stamps and Turnover Tax	158.03		
200 Rent	200.00		
4,040 Salaries	7,402.56		
Excess of Income over Expenditure for the Year transferred to Profit and Loss Appropriation	32,302.57		
3,222			
<u>\$24,577</u>	<u>\$35,668.95</u>	<u>\$24,577</u>	<u>\$35,668.95</u>

PROFIT AND LOSS APPROPRIATION ACCOUNT

	1970	1970	
	\$	\$	
June 30 Provision for Taxation	2,539.30	July 1 Balance brought forward	2,496.98
Transfer to Provision for Doubtful Debts	924.00	1970	
Transfer to Statutory Reserve	1,210.00	June 30 Net Surplus for year transferred	3,366.38
Balance carried down	1,190.06		
	<u>\$5,863.36</u>		<u>\$5,863.36</u>
July 1 Balance carried forward		1970	
		July 1 Balance carried forward	1,190.06

BALANCE SHEET AS AT 30th JUNE, 1970

LIABILITIES	1969	\$	1970	\$	ASSETS
SUBSCRIBED CAPITAL—					
6,345 Shares of \$2.00 each		12,690.00		275,564	LOANS TO MEMBERS
Less: Unpaid		—			Less: Provision for Doubtful Debts
			12,690.00		412,778.67
STATUTORY RESERVE	9,353		7,007.00		
PROFIT AND LOSS APPROPRIATION	2,373		1,190.06	10	SHARES IN N.S.W. CREDIT UNION LEAGUE
	2,497				INVESTMENTS—
TOTAL SHAREHOLDERS' FUNDS	14,223		20,887.06	10,000	P.S.A. Permanent Building Society Limited
DEPOSITS	285,155		403,468.40	10,000	United Permanent Building Society Limited
ACCRUED ITEMS	175		150.00	115	OFFICE EQUIPMENT (At Cost less Depreciation)
PROVISION FOR TAXATION	58		55.60		BANK OF NEW SOUTH WALES — Liverpool and Castlereagh Streets
				3,782	CASH ON HAND
				40	ACCRUED INCOME
				100	
			\$424,561.06	\$299,611	
					\$424,561.06

AUDITORS' REPORT TO THE MEMBERS

We have examined the Books, Accounts and Vouchers of the Society, and have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the Audit.

In our opinion, proper Books of Account have been kept so far as appears from our examination of the Books, and the Balance Sheet and Income and Expenditure Account dealt with in this Report are in agreement therewith and to the best of our information and the explanations given us the said Accounts give the information required by or under the Act in the manner so required and give a true and fair view of the state of the Society's affairs and the net surplus for the year ended 30th June, 1970.

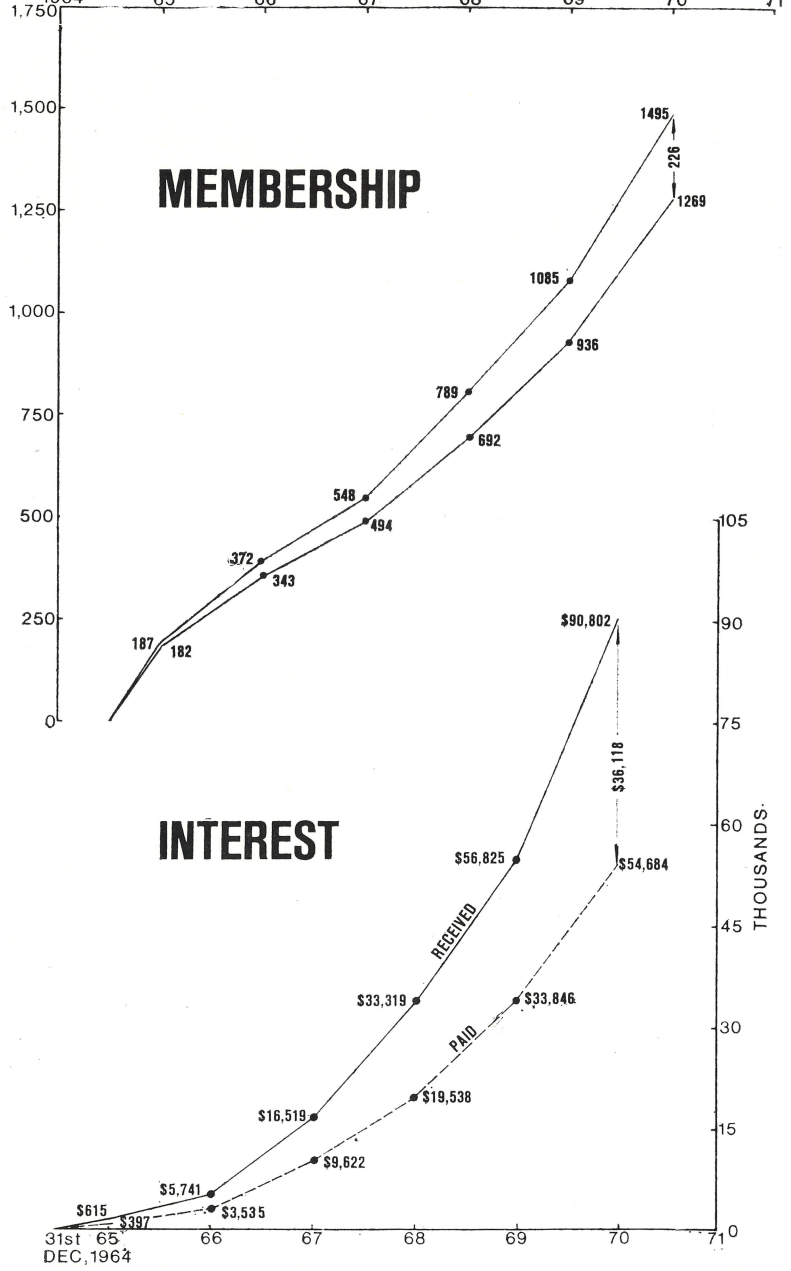
In our opinion, the Registrar of Members and other Records which the Society is required to keep by or under the Act or by its Rules have been properly kept and the Rules relating to the administration of the Funds of the Society have been observed.

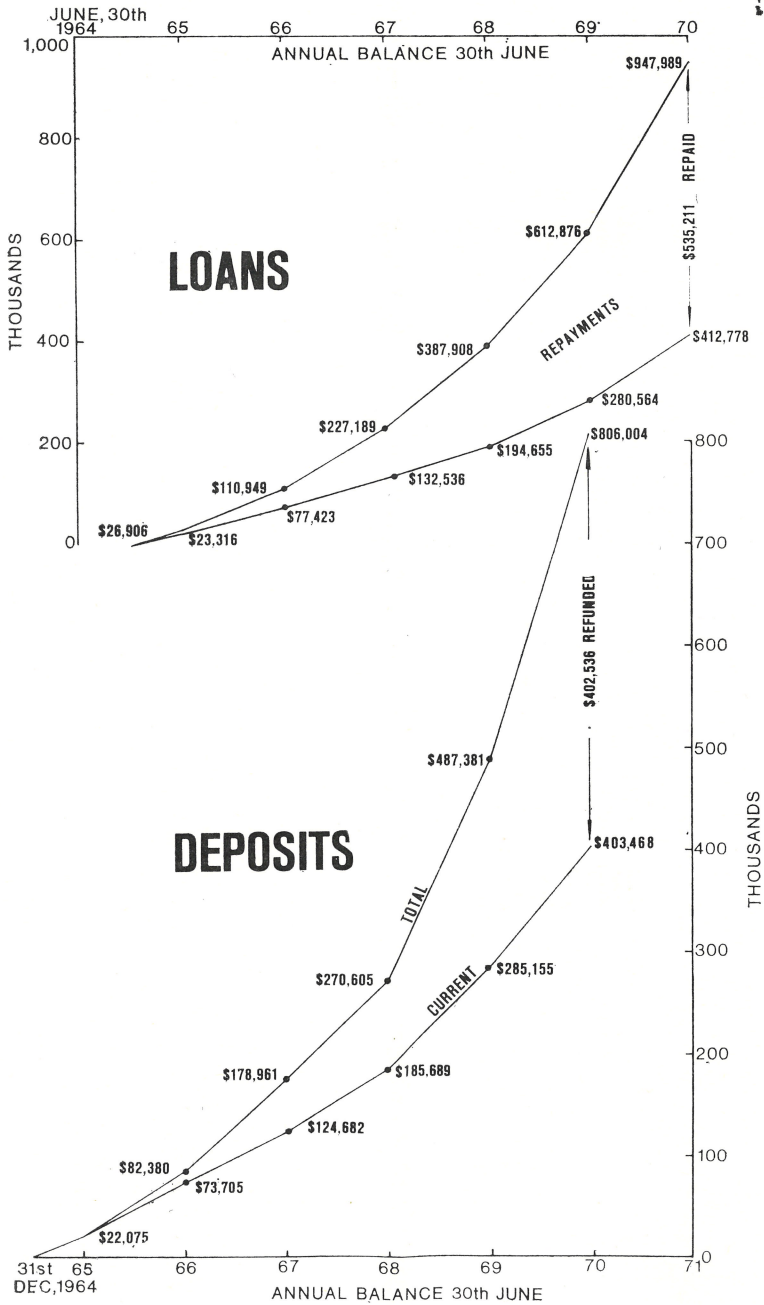
W. J. MULLANE & CO., Registered Public Accountants and Auditors.
(Registered under the Public Accountants Registration Act, 1945, as amended.)

23rd July, 1970.
4 Bridge Street,
SYDNEY.

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JUNE, 30th
1964 65 66 67 68 69 70 71





**REPORT OF THE SUPERVISORY COMMITTEE
FOR THE YEAR ENDED 30th JUNE, 1970**

The Supervisory Committee has carried out a thorough examination of the books and records of the Main Roads Staff Credit Union Ltd. for the year ended 30th June, 1970.

As a result of this examination we consider that the Main Roads Staff Credit Union Ltd. is being conducted in a proper manner and in the best interests of the members.

D. L. JONES

I. McKAY

L. PEAKE

Supervisory Committee

9/9/70

