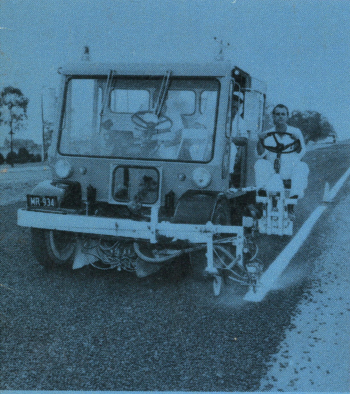
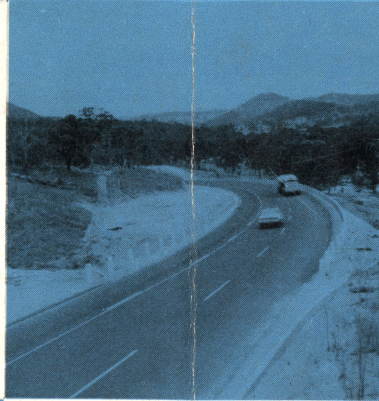
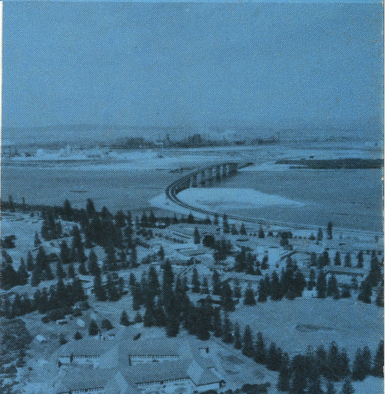


ANNUAL REPORT 1970-71



MAIN ROADS
STAFF CREDIT
UNION LTD.



Cover photographs by courtesy of the Commissioner of 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

**SEVENTH ANNUAL REPORT OF THE BOARD OF DIRECTORS
COVERING OPERATIONS FOR THE YEAR ENDED
30th JUNE, 1971**

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 Mrs. Sue King
Miss Gail Keith

SOLICITOR

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

AUDITORS

Counsel & O'Neill,
Suite 4,
Hartill-Law Avenue,
Bardwell Park, N.S.W., 2207

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

It is indeed with much pleasure and great satisfaction that I submit on behalf of the Board of Directors the Seventh Annual Report of the Main Roads Staff Credit Union Ltd., which covers the year ended 30th June, 1971. There has continued to be an ever increasing demand for money for many very good reasons. The business generally has expanded and consequently the work of the staff and the Board of Directors has increased in volume and responsibility.

At the Annual General Meeting held on 9th September, 1970, Messrs. J. Vallentine, G. C. Sheldon, N. D. King and I retired as directors in accordance with the Rules, and being eligible, again nominated as directors and were re-elected for a further term of two years. The membership of the Board of Directors then continued unchanged since the inaugural meeting on 12th August, 1964. This continued association of the original Members of the Board has permitted administrative procedures being followed which have established the Credit Union on a very sound basis.

I am pleased to report that, at the first meeting of the Board of Directors in this year, I was again appointed Chairman of the Board and I fully recognise and accept the responsibility entrusted to me. I cannot adequately express in a report the wholehearted total support I have received from the other members of the Board, but I hasten to express my appreciation for the co-operation and devotion to the business of the Credit Union which has always been available from the Members of the Board. Mr. J. Vallentine has continued as Secretary of the Credit Union, a service also which has been unbroken since the inauguration. The Credit Union has certainly been very fortunate to have had his interest and services over these years.

During the year under review, there were 49 meetings of the Board. The individual attendances at these meetings were.— Mr. E. F. Mullin (45), Mr. C. W. Mansfield (45), Mr. J. Vallentine (44), Mr. N. D. King (43), Mr. G. C. Sheldon (41), Mr. C. W. Mathews (40), Mr. R. E. Johnston (31). Leave was approved for the absences from Board meetings in each instance. Mr. R. E. Johnston has had leave approved from the Board while travelling overseas on duty and leave from the Department since early in May last.

There were staff changes during the year. Miss K. R. Medway continued as Office Manageress for the full year and justified the confidence of the Board in her appointment. Mrs. V. J. Collins continued as the Bookkeeping Machine Operator and Mr. G. H.

Woodlands has been engaged on a casual basis, usually two days per week, during the year. Mrs. S. King was appointed as Clerk/Typiste on 28th June, 1971, due to an increase in the volume of work. Miss C. M. Fisher resigned on 21st May, 1971, and a replacement has not been appointed despite advertisements and enquiries. Efforts to fill this position will continue.

The Board desires to record the good work and co-operation shown by the members of the staff, often under very busy conditions. The office work is up to date.

A close liaison is maintained with members in the country through the Divisional Credit Committees. The Committees greatly assist the administration by reviewing applications for loans and making recommendations in respect of same to the Board. Members in the country are encouraged to approach the Divisional Committees for advice on any matters related to the Credit Union.

At the last Annual General Meeting the Rules of the Credit Union were altered in the following respects:—

- 76 (a) by deleting “and whose salary is paid from the Head Office of the Department on the Head Office Salary Voucher”, and adding, “Providing also that the loan repayments can be deducted from the salary or wages payable to the member”.

The effect of this alteration is to give the Board the right to admit groups of employees, other than those paid on the Head Office Salary Vouchers. The first of the groups admitted during the year was the employees at Central Workshop, Granville. A local Committee has been appointed at the Central Workshops and members have been admitted. The admission of additional groups will be by administrative action of the Board.

- 76 2 by the addition of this sub-clause —

“A loan may however, be made to enable a member who is a contributor other than for limited benefits to the State Superannuation Fund, to pay for an additional unit or units of superannuation for which he may become entitled to contribute, providing for the repayment of the principal of such loan at the termination of the period of the loan which shall not exceed a period of three years, and for the payment of interest due on the loan not less frequently than monthly. Notwithstanding the provisions of

Clause 1 of this rule, a loan of up to \$2,000 for the above purpose shall be secured by mortgage over real or personal property.”

This rule was designed to assist officers who obtained the right to elect in respect of additional units of superannuation late in service. All such enquiries should be made at the Credit Union Office.

81. An additional member was added to the Supervisory Committee. This was brought about by the volume of work which the committee carries out during the year and which has a reflection in the audit requirements.

The matter of liquidity is one which is causing some concern to the Board. The Credit Union Act provides that in any month the Union **shall not** make loans when the liquid funds on the last day of the next proceeding month are less than 4% of the paid up share capital and the amount held on deposit. This provision, at the close of the year, meant that the Credit Union was required to hold in liquid funds \$23,500. This figure will increase each month with additions to share capital and deposits and next year the percentage is altered to 7%, which means that an inordinate amount of money is not earning interest. The experience of this Credit Union is that the amount required for withdrawals of deposits is substantially less than the required provision. The Board is investigating ways and means of alleviating this position and an alteration in the Act is also forecast.

At the commencement of the year the Credit Union had \$10,000 on interest bearing deposit with the P.S.A. Permanent Building Society Ltd., but due to the demand for loans, this amount was withdrawn and used for making loans.

An amount of \$2,271.46 was paid during the year for loan protection insurance. I am happy to report that it was not necessary to claim against the insurance in the year.

It is pleasing to be able to report that there have been no bad debts incurred during the operation of the Credit Union. There were three debts causing concern in the year under review but due to the positive action taken by the Board, two amounts outstanding have been recovered together with a substantial amount of the other debt, the balance of which should be recovered.

During the year, Income Tax in an amount of \$3,803.95 was paid in respect of the years ended 30th June, 1968, 1969 and 1970. A protest was lodged at the time of payment as provided for in the Act. A decision on an appeal by another Credit Union has not yet been

handed down. Your Credit Union now has lodged an appeal against assessment for the years 1967/68, 1968/69 on the grounds that the Credit Union is a mutual society and not subject to Company Taxation.

The Board is concerned at the number of members using the Credit Union in the nature of a savings account, that is, placing small amounts regularly on deposit and almost straight away withdrawing these amounts. This system makes work in the office and does not fulfil the principal aim of the Credit Union of encouraging savings. It is interesting to report here that the total deposits during the year were \$506,958 and the withdrawals \$362,733.

The total amount now due to the Credit Union for loans is \$553,483 contained in 829 loans. During the year 491 loans were paid up.

Reference should be made to graphical presentation of "deposits" later in this report.

I would like at this stage to express, on behalf of the Board and Members of the Credit Union, appreciation to the Commissioner, Assistant Commissioner and officers of the Department for their support, co-operation and assistance at all times. It has always been encouraging to know that the Credit Union, which has provided very useful and, in many cases, much needed assistance to members of the staff, has had a favourable following. Credit is also due again to Mr. J. L. Maloney for his unfailing assistance at all times in his capacity of Honorary Treasurer. His advice and knowledge of the work of the Credit Union since the commencement has been most helpful.

I would finally point out that the Credit Union was formed to provide a service to members of the staff on a mutual basis. The Board is confident that the objects have been achieved and every effort is being made to assist in as many cases as financial resources will allow. At the present time money is needed so that loans can be made on a "no risk" basis. It is a feature of the work that strict confidence is maintained in all the dealings.

The members of the Board look forward to still greater expansion in the years ahead.

C. W. MANSFIELD,
Chairman.

**MAIN ROADS STAFF CREDIT UNION LIMITED — INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30th JUNE, 1971.**

	1970	1970	1970	1970	
	\$	\$	\$	\$	
1970					
150	Audit Fees	240.00	33,988	Interest on Loans	51,509.32
20	Advertising	—	222	Bank Interest	220.50
910	Affiliation Fees	1,210.50	205	Entrance Fees	325.00
60	Bank Charges	303.49	1,254	Interest on Investments	—
227	Depreciation	368.00			
74	General Expenses—				
	Office Expenses	56.58			
	Turnover Tax	25.66			
320	Honorariums	82.24			
67	Insurance—	320.00			
	Fidelity Insurance	49.16			
	Workers' Comp	12.37			
1,524	Loan Protection	61.53			
20,839	Interest on Deposits	2,271.46			
351	Printing and Stationery	29,529.48			
158	Postages, Duty Stamps and Turnover Tax	924.05			
200	Rent	42.36			
7,404	Salaries	300.00			
—	Long Service Leave Provision	160.00			
		45,322.91			
3,366	Loss Appropriation	6,731.91			
		\$52,054.82			\$52,054.82

PROFIT AND LOSS APPROPRIATION ACCOUNT

	1970	1970	1970	1971	
1971					
June 30	Provision for Taxation	4,480.35	July 1	Balance brought forward	1,190.06
	Transfer to Statutory Reserve	1,589.00	1971		
	Balance carried down	1,852.62	June 30	Net Surplus for year transferred	6,731.91
		\$7,921.97			\$7,921.97
			1971		
			July 1	Balance carried forward	1,852.62

BALANCE SHEET AS AT 30th JUNE, 1971

	1970	1970	\$	\$	\$
SUBSCRIBED CAPITAL					
8,030 Shares of \$2.00 each			16,060.00		553,482.74
Less: Unpaid				2,500.00	
STATUTORY RESERVE	12,690		16,060.00		550,982.74
PROFIT AND LOSS	7,007	410,279	8,596.00		
APPROPRIATION	1,190	10	1,852.62		10.00
TOTAL SHAREHOLDERS' FUNDS	20,887		26,508.62		
DEPOSITS	403,468		547,693.26		
ACCRUED ITEMS	150		625.00		1,103.93
PROVISION FOR TAXATION	56		3,273.70		
PROVISION FOR LONG SERVICE LEAVE	—		160.00		22,817.33
			\$424,561	\$424,561	40.00
			\$578,260.58	\$578,260.58	3,306.58
					\$578,260.58

AUDITORS' REPORT TO THE MEMBERS

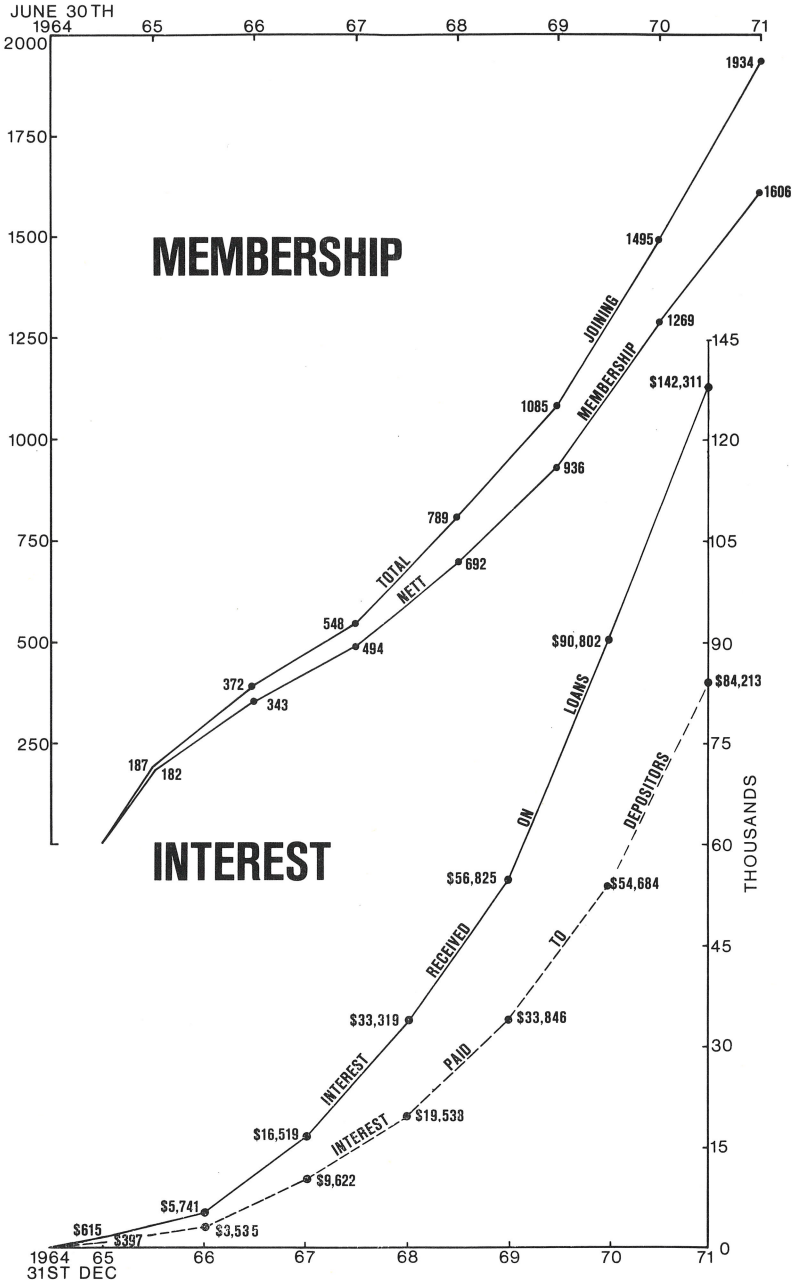
We have examined the Books, Accounts and Vouchers of the Society, and have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the Audit.

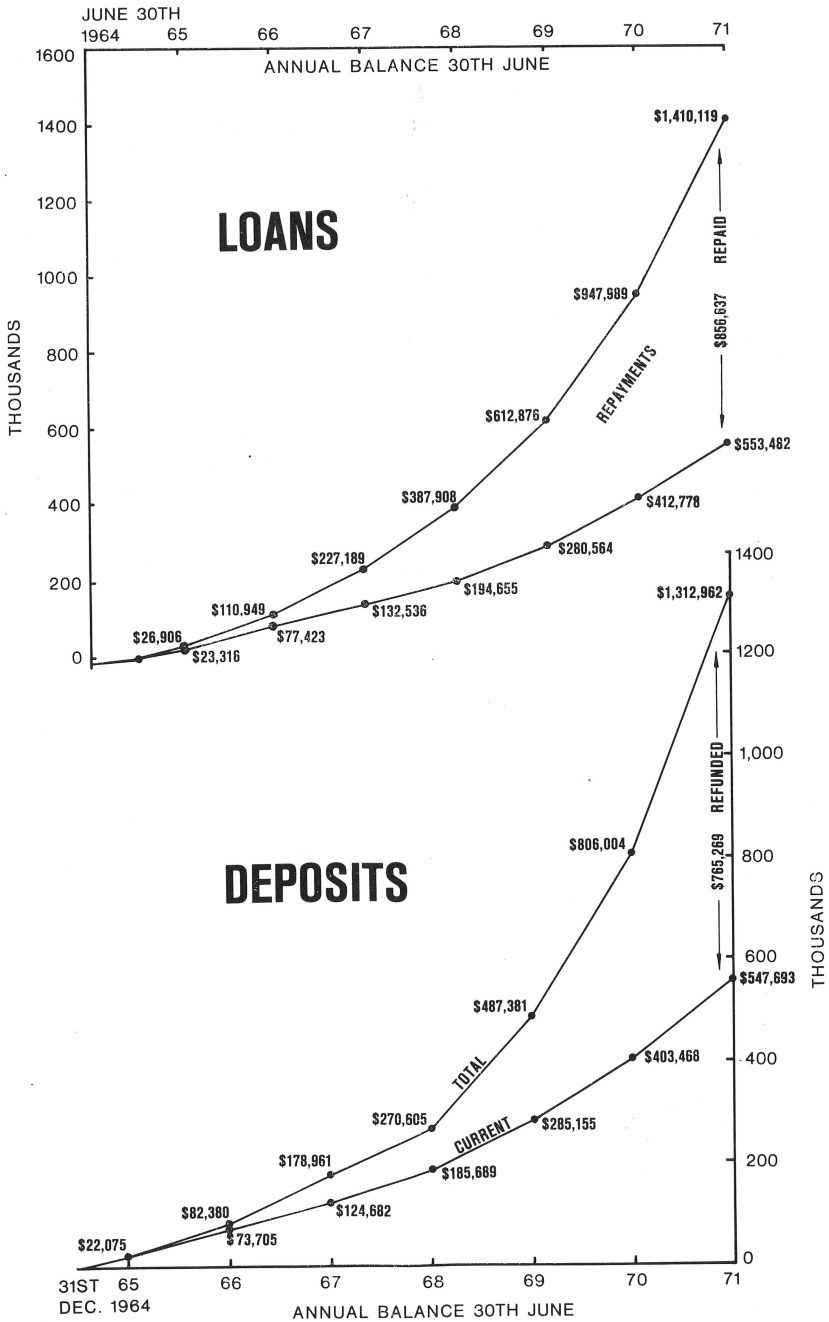
In our opinion, proper Books of Account have been kept so far as appears from our examination of the Books, and the Balance Sheet and Income and Expenditure Account dealt with in this Report are in agreement therewith and to the best of our information and the explanations given us the said Accounts 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, 1971.

In our opinion, the Register 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.

13th September, 1971.
4/14-18 Hartill-Law Avenue,
BARDWELL PARK.

COUNSEL & O'NEILL, Registered Public Accountants and Auditors.
(Registered under the Public Accountants Registration Act, 1945, as amended).





**REPORT OF THE SUPERVISORY COMMITTEE
FOR THE YEAR ENDED 30th JUNE, 1971**

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, 1971.

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 interest of the members.

D. L. JONES

I. H. McKAY

L. H. PEAKE

N. F. SEIFFERT

Supervisory Committee

17/9/71

