

MAIN ROADS STAFF CREDIT UNION LTD.

# ANNUAL REPORT 1971-72

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*Cover: Stockton Bridge over the Hunter River at Newcastle was opened to traffic on 1st November, 1971. Photograph 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

**EIGHTH ANNUAL REPORT OF THE BOARD OF DIRECTORS  
COVERING OPERATIONS FOR THE YEAR ENDED  
30th JUNE, 1972**

**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

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## CHAIRMAN'S REPORT

I am pleased to submit on behalf of the Board of Directors the Eighth Annual Report of the Main Roads Staff Credit Union Ltd. The year ended on 30th June, 1972, was a very successful year and the activities of the Credit Union continued to expand.

At the last Annual General Meeting held on 23rd September, 1971, Messrs R. E. Johnston, C. W. Mathews and E. F. Mullin retired as directors and being eligible were again nominated and elected for a further two years. The Board of Directors consequently continued unchanged during the current year.

I was again elected Chairman of the Board of Directors at the first meeting of the Board on 30th September, 1971, and I again appreciate the confidence of the Board. The continued association of the Board of Directors has substantially assisted in achieving the sound position reached by the Credit Union. Mr. J. Vallentine was also re-appointed Hon. Secretary of the Credit Union, which position he has held since the formation of the Credit Union on 12th August, 1964. I must express here and now my appreciation for the unstinted assistance so willingly given by the members of the Board of Directors. I also record my thanks to Mr. Vallentine for his help on many matters during the year.

During this year there were 44 meetings of the Board of Directors. The attendances by the members were most regular. Absences were covered by approved leave caused by official duties usually in country centres or interstate, precluding attendance and leave from official duties. The attendances at the Board meetings were, E. F. Mullin 42, N. D. King 39, C. W. Mathews 37, G. C. Sheldon 37, J. Vallentine 36, C. W. Mansfield 32 and R. E. Johnston 30.

Miss K. R. Medway continued as Office Manageress for the full year, assisted by Mrs. S. King, Clerk Typiste, Miss G. Keith, Junior Assistant (appointed to replace Miss C. M. Fisher who resigned in the previous year), Mrs. V. J. Collins, Bookkeeping Machine Operator, and Mr. G. Woodlands, Clerk (part-time). The office work is up to date and was the subject of an inspection during May by an officer of the Registrar of Credit Unions. The Board desires to record its appreciation of the co-operation of the staff.

Local Credit Committees have now been established in all Divisions (except Metropolitan Division) and at Central Workshop. The advice of these Committees assists the work of the Board and facilitates enquiries and completion of applications for loans.

At the last Annual General Meeting held in September, 1971, there were alterations agreed to in respect of two rules.

Rule 6 (a) — Delete the amount of “\$20,000” and substitute “\$50,000”.

This rule to borrow or raise money on loan has not so far been used by the Credit Union, as generally sufficient money has been available. However, it was considered expedient to bring this provision up to date due to the expansion of the Credit Union.

Rule 80 — Delete the word “shall” and substitute “may”.

It was considered that the obligatory provision should be removed, leaving the question of affiliation with the N.S.W. Credit Union League Co-op. Ltd. as a matter for decision by the Board or the members.

Loan Protection Insurance has come before the Board for consideration, due to the present insurer, National Co-operative Insurance Society, refusing to pay a balance due in respect of a borrower who committed suicide. This was an unusual circumstance not previously recognised. The matter has been taken up strongly with the insurer, but so far without satisfactory result. The matter is being pursued. In the meantime the amount not recovered, \$708.07, has been written off against provision for bad debts.

Liquidity provisions in the Credit Union Act require the Credit Union to have as liquid funds a percentage to reach 7% of the total of deposits and shareholdings by 1st July, 1972. During the year under review the amount required to be set aside was approximately \$32,000. This provision and additional amount due from 1st July, 1972 is covered by deposits with Building Societies totalling \$42,665. The question of liquidity in the particular circumstances of this Credit Union has been raised with the Registrar and it is expected that some favourable consideration will be given to this matter. This liquidity is aimed to ensure that the Credit Union has sufficient ready funds to meet requests for refunds of deposits. The experience of this Credit Union is that a substantially lesser amount than the provision would suffice. The investment of the amounts herein stated means that some funds cannot be made available for loans to members.

The facilities of the Credit Union, in pursuance of an alteration to the rules, were made available to the employees at the Central Workshop. The activities to date have not been substantial but consideration is being given by the Board to some liberalisation of the conditions for loans and it is expected that in the ensuing year the expansion to this group of employees will be more noticeable.

During the year Income Taxation amounting to \$4,480.35 was paid and an objection was also lodged against the assessment on the grounds that the Credit Union is a mutual society. Appeals to the High Court in respect of earlier assessments are still pending.

The expansion in the last two years as shown in the following summary is quite significant and indicates the very satisfactory position of the Credit Union. Reference might also be made in this respect to the accounts and graphs attached to this report.

#### Comparison of first 5½ years with last 2 years

	5½ years to 30-6-70	2 years increase	7 years to 30-6-72
Membership — net	1,269	609	1,878
Loans granted	\$947,989	1,020,718	1,968,707
Loans repaid	\$535,211	706,111	1,241,322
Deposits received	\$806,004	1,256,006	2,062,010
Deposits refunded	\$402,536	869,111	1,271,647
Interest paid on deposits	\$54,684	72,257	126,941
Interest received on loans	\$90,802	118,113	208,915

The successful operation of the Credit Union, and very successful it has been this year, is in every way a co-operative effort. The confidence of the lenders and the needs of the borrowers are brought together by the Credit Union and reconciled, as far as is practicable, by the Board of Directors. The directions of the Board are faithfully followed by the staff. The end result is what I have, on behalf of the Board, been able to present to you in this report.

This Credit Union is affiliated with the N.S.W. Credit Union League Ltd. which in the last published report for 1970/71 advised similar expansion. There were 292 affiliated Credit Unions at 31st July, 1971, and the membership of affiliated Credit Unions as at January, 1971, was 148,765. The movement and strength of Credit Unions is extending.

A very responsible part of the administration of the Credit Union falls on the Supervisory Committee, comprising Messrs. D. L. Jones, I. H. McKay, L. H. Peake and N. F. Seiffert. This Committee has been very active during the year and attended Board meetings and discussed matters with the Board. The diligence of these Committee members reflects favourably on the amount of ultimate audit required. I should place on record the appreciation of the members of the Credit Union for the work of these members of the Supervisory Committee.

It now remains for me to record the thanks and appreciation of the Board of Directors to the Commissioner for Main Roads and Assistant Commissioner for Main Roads for their confidence and encouragement and to officers of the Department whom it has been necessary to contact in the business of the Credit Union. I would also like to place on record the appreciation of the continued association and assistance rendered by Mr. J. L. Maloney in his capacity as Hon. Treasurer. His knowledge of the work of the Credit Union and advice to the staff has been of inestimable help.

C. W. MANSFIELD,  
Chairman.



**MAIN ROADS STAFF CREDIT UNION LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1972**

	1971	1971	1971	1971	
	\$	\$	\$	\$	
240 Audit Fees .....	270.00				
— Advertising .....	294.27				
1,211 Affiliation Fees .....	1,732.00				
— Bad Debts Written Off .....	708.07				
304 Bank Charges .....	332.71				
368 Depreciation .....	302.16				
— Doubtful Debts .....	750.00				
82 General Expenses—					
General Office					
Expenses .....	51.42				
Turnover Tax ..	21.16				
320 Honorariums .....	72.58				
62 Insurance—General—	400.00				
Fidelity Insurance					
Workers' Comp.	91.78				
Insurance—Loan					
2,271 Protection .....	2,901.33				
29,529 Interest on Deposits .....	42,728.19				
924 Printing and Stationery .....	240.98				
Postages, Duty Stamps and					
Turnover Tax	31.49				
300 Rent .....	300.00				
— Repairs and Maintenance .....	315.92				
9,510 Salaries .....	12,911.14				
160 Long Service Leave					
Provision .....	160.00				
		64,542.62			
Excess of Income over					
Expenditure for the Year					
transferred to Profit and					
Loss Appropriation .....		3,528.36			
6,732			\$52,055		
		\$68,070.98		\$68,070.98	

## BALANCE SHEET AS AT 30th JUNE, 1972

	LIABILITIES				ASSETS	
1971		\$	1971	\$		\$
			\$			
16,060	SUBSCRIBED CAPITAL 9,390 Shares of \$2.00 each	18,780.00	550,983	727,386.00	LOANS TO MEMBERS	
	Less: Unpaid	—		3,250.00	Less: Provision for Doubtful Debts	
8,596	STATUTORY RESERVE	18,780.00				724,136.00
1,853	PROFIT AND LOSS APPROPRIATION	10,801.00	10		CREDIT UNION LEAGUE	10.00
	TOTAL SHAREHOLDERS' FUNDS	30,877.00			INVESTMENTS—	
547,693	DEPOSITS	790,363.00			N.S.W. Credit Union Savings Protection Fund	11,444.00
625	ACCRUED ITEMS	324.00			N.S.W. Permanent Building Society Ltd.	10,054.00
3,274	PROVISION FOR TAXATION	2,160.00			Cronulla & St. George Building Society Ltd.	10,054.00
160	PROVISION FOR LONG SERVICE LEAVE	320.00			P.S.A. Permanent Building Society Ltd.	5,027.00
					R.S.L. Permanent Building Society Ltd.	5,086.00
						41,665.00
					OFFICE EQUIPMENT (At Cost, Less Depreciation)	907.00
			1,104		BANK OF NEW SOUTH WALES, Liverpool and Castlereagh Streets	57,286.00
			22,817		CASH ON HAND	40.00
			40		DEBTORS FOR LOANS —Deceased Members	—
			3,307			
			\$578,261			\$824,044.00
		\$824,044.00				
			\$578,261			\$824,044.00

**PROFIT AND LOSS APPROPRIATION ACCOUNT**

	1971	1972	\$
June 30 Provision for Taxation .....	2,160.00		2,160.00
Transfer to Statutory Reserve .....	2,205.00		2,205.00
Balance carried down .....	1,296.41		1,296.41
	<u>5,661.41</u>		<u>5,661.41</u>
July 1 Balance brought forward .....			2,133.05
June 30 Net Surplus for year transferred .....			3,528.36
			<u>\$5,661.41</u>
1972			
July 1 Balance carried forward .....			\$1,296.41

**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.

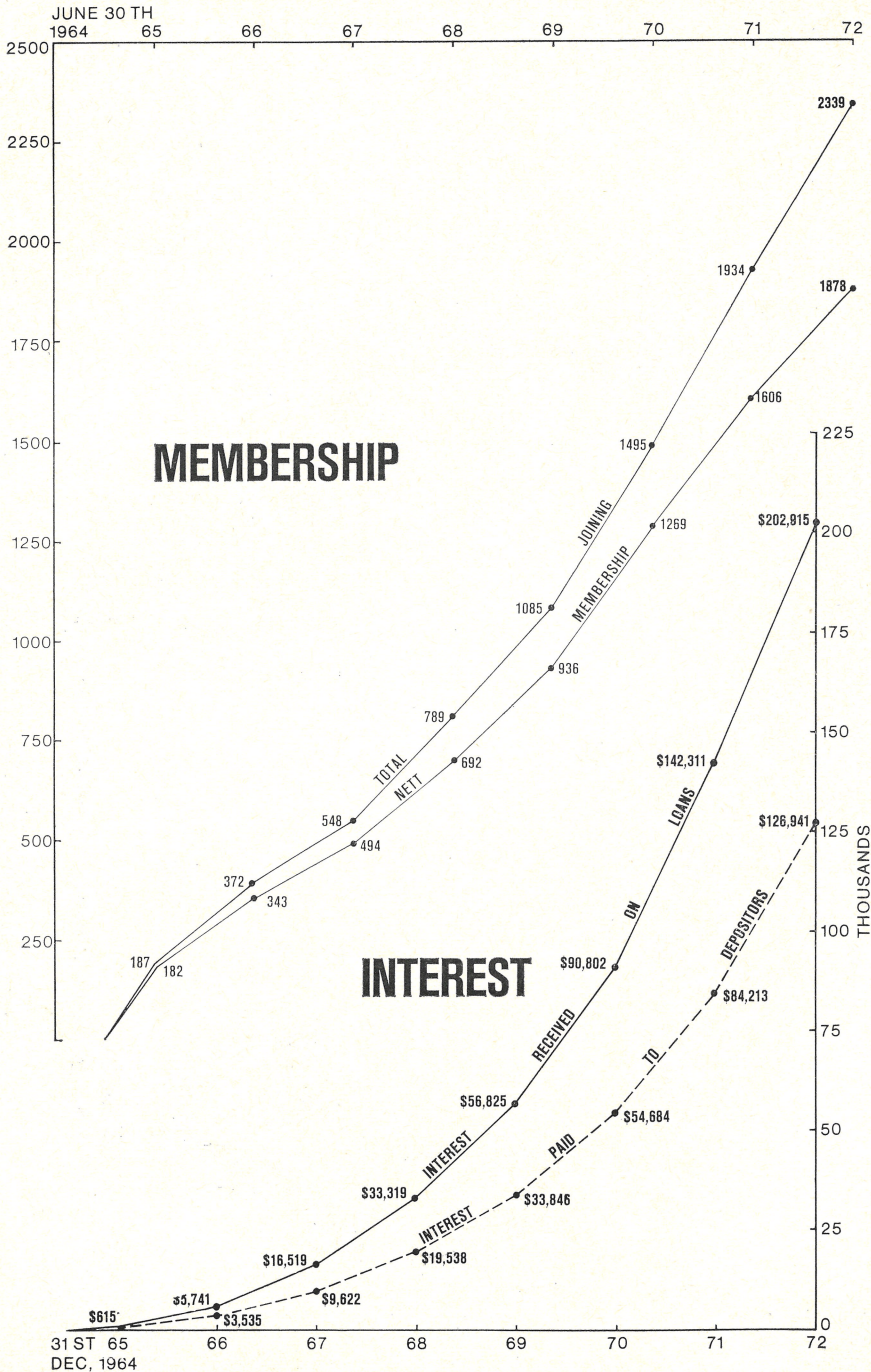
In our opinion, proper Books of Account have been kept so far as appears from our examination of the Books, and the Balance Sheet and Income and Expenditure Account dealt with in this Report are in agreement therewith and to the best of our information and the explanations given us the said Accounts 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, 1972.

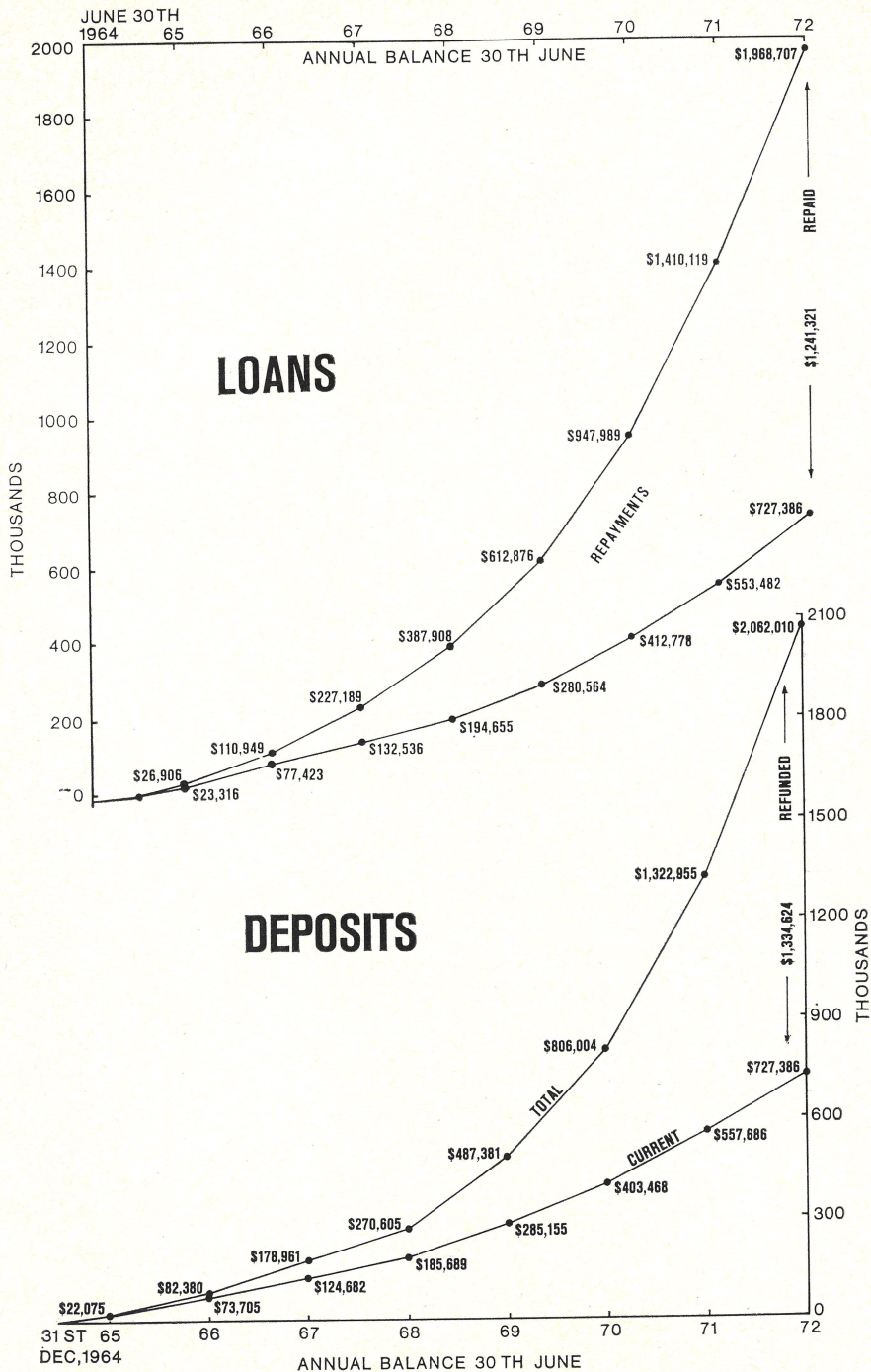
In our opinion, the Register of Members and other Records which the Society is required to keep by or under the Act or by its Rules have been properly kept and the Rules relating to the administration of the Funds of the Society have been observed.

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).

5th September, 1972.





**REPORT OF THE SUPERVISORY COMMITTEE  
FOR THE YEAR ENDED 30th JUNE, 1972**

The Supervisory Committee has carried out during the year ended 30th June, 1972, a thorough examination of the books and records of the Main Roads Staff Credit Union Limited.

As a result of this examination we are of the opinion that the Credit Union 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  
18th September, 1972



