

19th annual report

1983

Board of Directors

K. D. HADLEY (*Chairman*)
H. MUDIE
E. J. HANLON
G. VASSALLO
A. J. R. WATSON
C. N. PENNEY
D. R. WILLIAMS

Administration

D. L. JONES (*Secretary/Manager*)
L. WILLIAMS
I. HOFFMAN
S. JENSEN
C. RITCHIE

Auditors

HOLMES & HARRINGTON
54 Park Street, Sydney

Solicitors

J. B. LANGE & BURKE
Cnr. King and George Streets, Sydney

Bankers

WESTPAC
Pitt Street, Sydney

**MAIN ROADS STAFF
CREDIT UNION LIMITED**

CHAIRMAN'S REPORT — 1982/83

On behalf of the Board of Directors, I have pleasure in submitting the 19th Annual Report, Audited Balance Sheet and Income and Expenditure Statement for the year ended 30th June, 1983.

After a difficult year in 1981/82, the Credit Union achieved outstanding operational results in 1982/83.

Highlights of the year's results were:

- Total assets stood at over \$6.6M (up 27.6% on last year).
- Loans to members increased by over 15% and savings by more than 27%.
- Gross income was up 23% on 1981/82.
- Interest paid to members increased by almost 30% and represented a return to members of 71% of gross income.

There was only a slight increase in membership, but this was not an unsatisfactory result, bearing in mind the somewhat static level of the Department's workforce.

The new Financial Institutions Duty imposed by the New South Wales State Government and the more recent Federal Government's Bank Account Debit Tax have imposed a burden on the Credit Union movement as a whole. Notwithstanding these and other increases in costs, income of our Credit Union during the year exceeded expenditure by over \$81,000.

The last Annual Report referred to a decision to purchase a micro computer and printer and to retain Planning Research Corporation Pty. Ltd. to write the necessary programmes. The aims of purchasing the computer were to provide members with a wider range of savings accounts, daily interest calculations and immediate update of members' savings. Because of unforeseen problems we have yet to achieve the foregoing aims, but members are assured that the Board, with the help of the best advice available, will over the coming months increase its efforts to resolve the problems.

APPRECIATIONS

This year the Board of Directors acknowledges firstly the dedication and effectiveness which the Secretary/Manager, Mr D. L. Jones, and his staff continued to bring to their duties. We are not a large Credit Union by some standards, but the professional manner in which the staff undertake their jobs puts it among the best.

The assistance from the Department, of course, has also been a significant factor in the successful operations and we again thank the Commissioner and Deputy Commissioner for their support.

Several new Credit Committees were formed during the year. Our thanks go to all the Credit Committees,

and to the Supervisory Committee, for their valuable contributions to the Credit Union's operations.

The Directors on the Board have stimulated me personally by the way they have given their personal time for the welfare of members. I thank them.

CONCLUSION

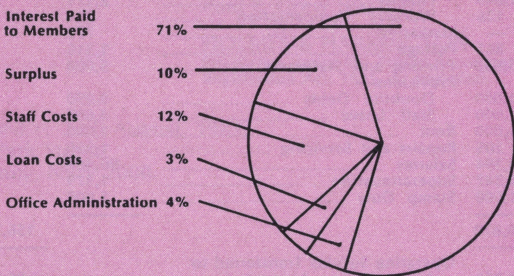
The Credit Union continues to maintain its overall aim of improving the financial security and well-being of its members.

We look forward to the continued support of members in the task of maintaining the highest practicable level of service and a steady growth rate.

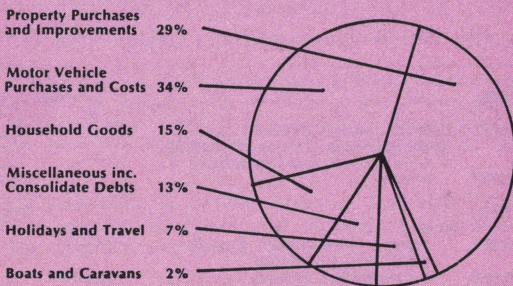
The year ahead can be faced with confidence.

K. D. HADLEY
Chairman of the Board

HOW YOUR INCOME WAS USED



PURPOSE OF LOANS



INCOME AND EXPENDITURE ACCOUNT

for the Year Ended 30th June, 1983

1982		1983
\$		\$ \$
INCOME		
603,804	Interest on Loans	706,021
61,538	Interest on Investments	113,643
207	Entrance Fees	190
665,549		819,854
Less:		
	Interest Paid on Members' Savings—	
249,360	At Call	276,089
199,976	Term	306,023
4,960	Interest on ACCU Loan	—
454,296		582,112
211,253		237,742
EXPENDITURE		
25	Advertising — Staff	—
480	Affiliation Fees	545
3,309	Audit Fees — Note 2	3,515
357	Bad Debts Written Off	2,431
2,696	Bank Charges	4,291
726	Cash Delivery Service	5,114
1,300	Computer Hire	1,300
6,630	Computer Systems Study	—
1,151	Debt Collection Fees	1,529
774	Depreciation — Note 3	2,510
—	Federal Debit Tax	1,118
—	Financial Institutions Duty	2,161
2,647	General Office Expenses	3,211
500	Honorariums	560
1,347	Income Tax Expense	—
	Insurance —	
3,906	Loan Protection	9,909
1,649	Fidelity	2,171
136	Workers' Compensation	221
—	Marketing	772
861	Postage	1,316
3,530	Printing and Stationery	5,008
	Provisions—	
11,000	Doubtful Debts	9,250
1,900	Staff Leave	4,600
1,000	Rent	1,000
205	Repairs and Servicing	1,350
78,394	Salaries	90,467
1,347	Superannuation	1,379
1,000	Stamp Duty	1,000
126,870		156,728
84,383	Operating Surplus Transferred to Appropriation Account	81,014

APPROPRIATION ACCOUNT

for the Year Ended 30th June, 1983

1982		1983
\$		\$ \$
157,671	Balance Brought Forward	196,757
	Add: Operating Surplus transferred from Income and Expenditure Account	81,014
84,383		81,014
242,054		277,771
Less:		
25,297	Transfer to Statutory Reserve	29,653
20,000	Transfer to Computer Conversion Reserve	20,000
45,297		49,653
196,757	Balance Carried Forward	228,118

BALANCE SHEET

as at 30th June, 1983

1982		1983	
\$		\$	\$
	MEMBERS' FUNDS		
	Issued Capital — 21,570 Shares		
42,400	of \$2 each fully paid	43,140	
119,047	Statutory Reserve	148,700	
382	Asset Revaluation Reserve	382	
196,757	Appropriation Account	228,118	
40,000	Computer Conversion Reserve	60,000	
<u>398,586</u>		<u>480,340</u>	
	MEMBERS' DEPOSITS		
3,035,112	Savings — At Call	3,423,003	
1,698,612	Term Investments	2,627,611	
<u>4,733,724</u>		<u>6,050,614</u>	
	CURRENT LIABILITIES		
6,384	Accrued Charges	7,531	
44,187	Accrued Interest	77,458	
9,600	Provision for Staff Leave	14,200	
1,347	Provision for Taxation	—	
242	Sundry Creditors	299	
<u>61,760</u>		<u>99,488</u>	
<u>5,194,070</u>	TOTAL LIABILITIES	<u>6,630,442</u>	
	FIXED ASSETS		
22,957	Computer Software Development ..	56,226	
	Office Furniture and Fittings		
16,447	at cost	17,498	
2,502	Less: Provision for Depreciation	5,012	
<u>36,902</u>		<u>68,712</u>	
	ADVANCES		
4,572,656	Loans to Members	5,297,379	
57,000	Less: Provision for Doubtful Debts	66,250	
<u>4,515,656</u>		<u>5,231,129</u>	
	INVESTMENTS		
10	Shares in ACCU	10	
386,090	ACCU Interlend Deposits	831,103	
	ACCU Subordinated		
—	Deferred Deposits	30,000	
50,000	Departemnt of Main Roads	100,000	
15,000	Aust. Resources Development Bank	65,000	
30,000	Primary Industry Bank of Australia	30,000	
—	Premier State Bonds	50,000	
<u>481,100</u>		<u>1,106,113</u>	
35,526	SAVINGS RESERVE FUND — Note 4	41,668	
	CURRENT ASSETS		
11,200	Cash on Hand	18,200	
104,373	Cash at Bank — Interest Bearing	142,967	
240	Prepayments	240	
9,073	Accrued Interest on Investments	21,413	
<u>124,886</u>		<u>182,820</u>	
<u>5,194,070</u>	TOTAL ASSETS	<u>6,630,442</u>	

Notes To and Forming Part Of the Financial Statements

1. BASIS OF PREPARATION OF ACCOUNTS:

The accounts have been prepared in accordance with conventional historical cost principles, together with the basic concepts of going concern and the accrual basis of accounting, and have not been adjusted to take into account either changes in the general purchasing power of the dollar or changes in the prices of specific assets.

2. AUDIT FEES:

The Auditor received no other benefits.

3. DEPRECIATION:

Depreciation is calculated on a diminishing value basis so as to write off the net cost of each fixed asset over its effective working life.

4. SAVINGS RESERVE FUND:

Deposits are made in accordance with the Credit Union Act and are available to the Savings Reserve Board to provide protection of the savings of members. Deposits are refundable only in the case of liquidation of this Credit Union.

5 YEAR GROWTH CHART

	1979	1980	1981	1982	1983	% INCREASE 1982/83
Membership	3,357	3,878	4,377	4,240	4,314	1.7
Total Assets	3,109,447	4,190,580	4,924,344	5,194,071	6,630,442	27.6
Members' Loans	2,598,644	3,888,905	4,534,066	4,572,656	5,297,379	15.8
Loans Granted Each Year	2,037,928	3,118,214	3,010,243	2,530,524	2,950,279	16.6
Loans Granted Since Formation	9,154,098	12,272,312	15,282,555	17,813,079	20,763,358	16.6
Members' Savings	2,936,126	3,781,503	4,423,167	4,733,724	6,050,613	27.8
Gross Income	311,329	435,062	570,511	665,549	819,854	23.2
Interest Paid to Members	201,394	279,019	363,166	449,336	582,112	28.1
Total Turnover	4,727,893	6,168,367	8,390,869	9,345,558	10,132,651	8.4
Number of Staff	4	5	5	5	5	
Member/Staff Ratio	839	775	875	848	862	

AUDITOR'S REPORT TO THE MEMBERS for Year Ended 30th June, 1983

We have examined the books of account and records of Main Roads Staff Credit Union Limited for the year ended 30th June, 1983, and have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

In our opinion, proper books of account have been kept by Main Roads Staff Credit Union Limited, so far as appears from our examination of those books and the Balance Sheet, Appropriation and Income & Expenditure Statements, read in conjunction with the subject notes thereon, dealt with by our report, are in agreement therewith and to the best of our information and according to the explanations given to us, the said accounts give information required by or under the Credit Union Act, 1969, in the manner so required and give a true and fair view of the state of the Credit Union's affairs as at 30th June, 1983, and the surplus for the financial year then ended.

In our opinion, the Register of Members and other records which the Credit Union is required to keep by or under the said Act or by its rules have been properly kept and the rules relating to the administration of the funds of the Credit Union have been observed.

Paul F. Grew (Partner)

HOLMES & HARRINGTON
Registered under the Public Accountants'
Registration Act, 1945, as amended.

SYDNEY: 24th August, 1983.
54 Park Street,
Sydney, NSW 2000.

REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee has continued the examination of the books and records of the Main Roads Staff Credit Union Limited in respect of the receipt of moneys and the registration and safekeeping of securities.

The Committee is of the opinion that the Credit Union is keeping its books and records in accordance with the rules and the Credit Union Act, 1969.

Signed: R. BRADLEY M. YOUNG

Dated: 31st August, 1983.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 19th Annual General Meeting of the Main Roads Staff Credit Union Limited will be held in the second floor Conference Room, 309 Castle-reagh Street, on Friday, 30th September, 1983, commencing at 1.05 p.m.

BUSINESS:

- To confirm the Minutes of the 18th Annual General Meeting held on Friday, 24th September, 1982.
- To receive the Chairman's Report, Auditor's Report, Supervisory Committee's Report, the Income & Expenditure Account and Balance Sheet for the year ended 30th June, 1983.
- To elect three Directors.
Messrs K. D. Hadley, A. J. Watson and C. N. Penney retire in accordance with the rules and offer themselves for re-election.
- To elect two members to the Supervisory Committee.
Mr R. Bradley retires in accordance with the rules and offers himself for re-election.
- To appoint an Auditor and fix his remuneration.
- To transact any other business that may be brought forward in accordance with the rules.

Nomination forms for the appointment of Directors and Members of the Supervisory Committee are available on application from the undersigned. Nominations will close at 4 p.m. on 28th September, 1983, with the Secretary of the Credit Union. If required, a ballot will be conducted at the Annual General Meeting.

By Order of the Board,

D. L. JONES, Secretary