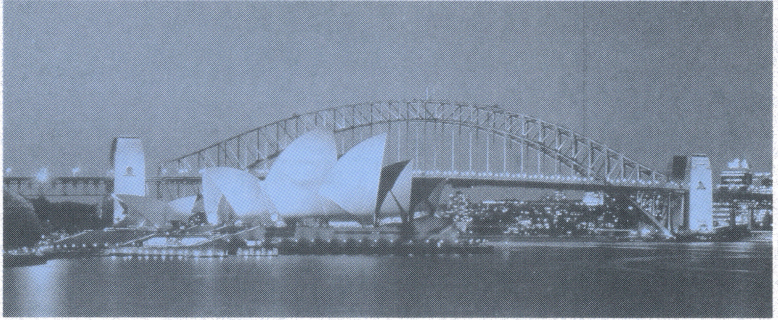


# 33rd Annual Report



1997



**RTA STAFF** CREDIT UNION LIMITED

REGISTERED OFFICE  
Suite 2, 86 Mary Street  
SURRY HILLS NSW 2010

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## NOTICE OF ANNUAL GENERAL MEETING

The 33rd Annual General Meeting of the RTA Staff Credit Union Limited will be held in the first floor conference room of the Furama Hotel Central, 22-24 Albion Street Surry Hills (opposite RTA Head Office, Centennial Plaza) on Thursday 20th November, 1997, commencing at 1:00 pm.

The formal notice of the business of the meeting was contained in the September, 1997 issue of "Credit Union News"

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### REGISTERED OFFICE

RTA STAFF Credit Union Limited  
Suite 2, 86 Mary Street, Surry Hills, NSW 2010  
PO Box K198 Haymarket, NSW 2000  
Telephone: (02) 9218 6604 Facsimile: (02) 9218 6605



# 1996/97 SNAPSHOT



The trading results of the RTA Staff Credit Union during 1996/97 almost matched the record year of 1994/95. Also, when compared with the industry average of all New South Wales Credit Unions, we were shown to be operating more efficiently in almost every area.

Although 1996/97 was not a big year for asset or membership growth, it was a year for a complete review of the products and services on offer to members. By the end of the financial year Visa Credit Card was introduced, and planning was well underway for the introduction of our telephone banking service, PhoneTeller.

The Consumer Credit Code was finally legislated nationally and introduced from 1st November 1996, to protect all consumers requiring financial accommodation, from in "some financial institutions" cases, inappropriate lending practices. You can be assured that your Credit Union was fully prepared for the introduction of the Consumer Credit Code and has always operated using "best practice" lending principles both before and after the implementation of the Code.

The Credit Union Code of Practice was also implemented from the same date. Your Credit Union adopted the Code of Practice which governs the practices for offering many products and services, other than loans.

For members, improved benefits and services will continue into the future with improved access to accounts by electronic means and ongoing product enhancements.

# KNOW YOUR CREDIT UNION

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## MEMBERS

## BOARD OF DIRECTORS

GLEN MORGAN (Chairman)

PATRICK MURPHY (Deputy Chairman)	SUZANNE SINCLAIR
WARWICK RANDELL	JIM PEACHMAN
PHILIP GALLAGHER	NOEL HANCOCK

## ADMINISTRATION

STEVE WARREN (General Manager)  
ANTHONY O'BRIEN (Loans Supervisor)  
JOANNE BADENOCH (Loans Consultant)  
CATHY SIMS (Loans Consultant)  
VIENA YEE (Member Services Consultant)  
SANDRA DOWN (Member Services Consultant)  
LEANNE WILLIAMS (Administration/Member Services)

## AUDITORS

KPMG  
THE KPMG CENTRE  
45 CLARENCE STREET, SYDNEY

## BANKERS

CREDIT UNION SERVICES CORPORATION  
(AUSTRALIA) LTD  
CENTRALISED BANKING SCHEME WITH  
THE NATIONAL AUSTRALIA BANK LTD

## SOLICITORS

LANGE & CO  
LEVEL 6  
60 YORK STREET,  
SYDNEY

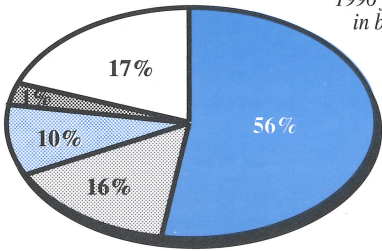


# PROGRESS OVER FIVE YEARS



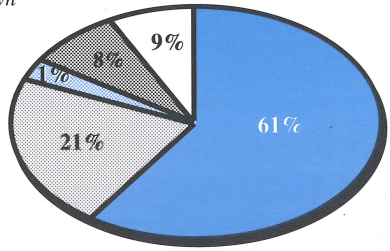
## How your income was used

Interest paid to members 56% (62%)  
 Surplus 16% (9%)  
 Staff Costs 10% (9%)  
 Loan Costs 1% (2%)  
 Office Administration 17% (18%)



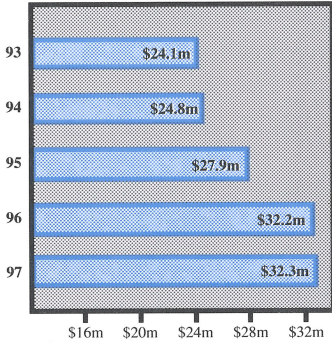
## Purpose of Loans

Property Purchases and Improvements 61% (67%)  
 Motor Vehicle Purchases and costs 21% (22%)  
 Household Goods 1% (2%)  
 Consolidating Debts 8% (6%)  
 Other 9% (3%)

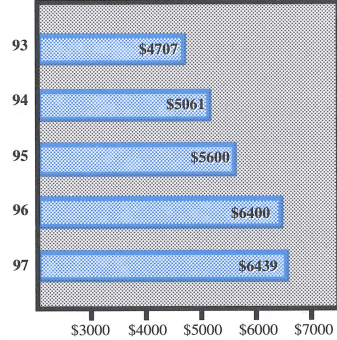


1996 figures shown in brackets ( )

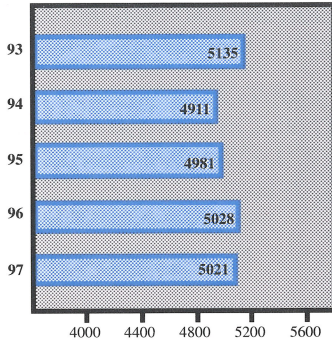
## DEPOSITS



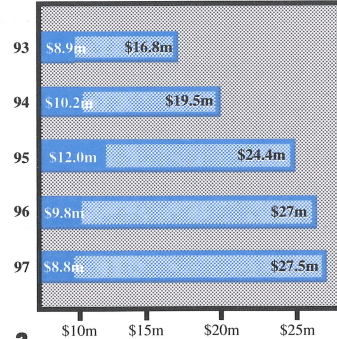
## AVERAGE SAVINGS PER MEMBER



## MEMBERSHIP



## LOANS FUNDED AND BALANCES



# PROGRESS OVER FIVE YEARS



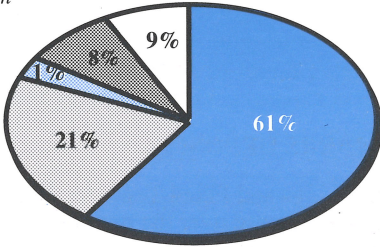
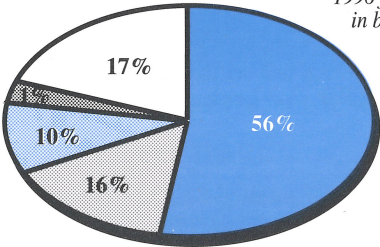
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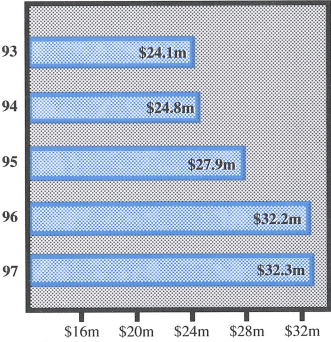
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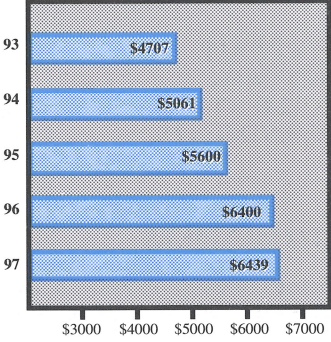
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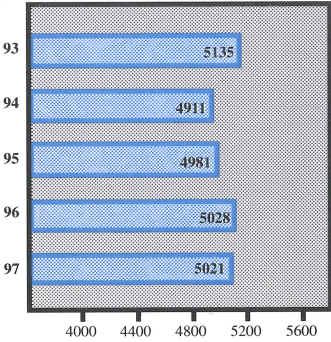
## DEPOSITS



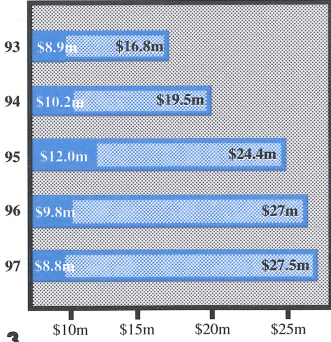
## AVERAGE SAVINGS PER MEMBER



## MEMBERSHIP



## LOANS FUNDED AND BALANCES





# OPERATIONS OVERVIEW

## MEMBERSHIP

The Credit Union recorded a net decrease of 7 members for the year. This decrease was primarily due to a cull of dormant/inactive accounts which accounted for 59 membership account closures.

Total membership now stands at 5,021, variations during the year were:

New Members	202
Resigned	(150)
Dormant Accounts	(59)

## MEMBERS DEPOSITS

Total savings and Fixed Term deposits at 30th June 1997 totalled \$32,329,746, a marginal increase over the previous year. A breakdown of total savings under the main headings were:

	30/6/97 \$	INCREASE %	30/6/96 \$
SAVINGS AT CALL	8,342,444	(0.07)	8,348,260
REDIFUND CASH MANAGEMENT	2,656,781	(4.26)	2,775,054
TERM INVESTMENTS	21,330,521	1.27	21,063,668
	<u>32,329,746</u>	0.44	<u>32,186,982</u>

## LOANS TO MEMBERS

Despite fierce competition in the housing loan market this year, the Credit Union maintained growth in this area, proving that it can maintain competitive interest rates for housing. As a result the Credit Union still has 79% (78% in 1996) of all loans, being secured by a mortgage over property.

	30/6/97 \$	INCREASE %	30/6/96 \$
HOUSING LOANS/HOME EQUITY LOANS	21,684,530	3.29	20,994,071
NEW CAR LOANS	940,796	(17.09)	1,134,766
PERSONAL LOANS			
- BILL OF SALE	2,267,526	(7.93)	2,462,794
- UNSECURED	2,614,608	7.05	2,442,340
	<u>27,507,460</u>	1.75	<u>27,033,971</u>

( ) Decrease

## BAD DEBTS

Bad debts written off during the year were \$11,874, a substantial improvement on the previous years figure of \$25,293. Amounts recovered from bad debts previously written off in 1996/97 were \$24,077, compared with \$20,520 in 1995/96.

## INCOME AND EXPENDITURE

Income from all sources totalled \$3,288,456 during the year (1995/96 \$3,258,583). Interest income from member loans accounted for 78% of total income for 1996/97 (1995/96 77%).

Amounts paid to members by way of interest on deposits during the year was \$1,847,455 (1995/96 \$2,027,583), being a reflection of the four interest rate cuts throughout the year by the Reserve Bank of Australia. The cost of running the Credit Union was \$934,943, an increase of 7.4% over the previous year.

## HOW WE COMPARE

The RTA STAFF Credit Union met all the requirements under the AFIC legislation and performed well when compared with the industry average of New South Wales Credit Unions. A brief comparison of the main statistics is as follows:

(AFIC requirements are shown in brackets)

	RTA STAFF CREDIT UNION 30/6/97 %	AVERAGE OF 136 NSW CREDIT UNIONS 30/6/97 %
CAPITAL ADEQUACY (8.0%)	20.15	16.52
LIQUIDITY RATIO (13.0%)	26.87	25.16
TOTAL LOANS/ASSETS (60%)	75.00	76.35
ASSET GROWTH	1.81	13.62
LOAN GROWTH	1.75	10.35
DELINQUENT LOANS/TOTAL LOANS	1.34	2.29
TOTAL PROVISION/TOTAL LOANS	1.56	1.43
NET INTEREST INCOME/ AVERAGE ASSETS	3.83	5.33
TOTAL EXPENSES/AVERAGE ASSETS	2.51	5.01
RETURN/AVERAGE ASSETS	1.10	0.95
STAFF/MEMBER RATIO	1:717	1:449
STAFF/ASSET RATIO	1:\$5.2M	1:\$2.3M



# CHAIRMAN'S REPORT 1996/97

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I am pleased on behalf of the Board of Directors and Administration of the RTA Staff Credit Union to present to you our 33rd Annual Report for the financial year ended 30 June 1997.

Despite what could only be described as a turbulent year in the financial sector with the introduction of the Consumer Credit Code and Code of Practice in November 1996 and four official Reserve Bank interest cuts between October 1996 and May 1997 your Credit Union has managed to stay ahead of both the banks and other leading credit unions in both the investment and loans markets, and at the same time has continued to introduce and plan for a range of improved membership services.

Profit (before abnormals and income tax) for the year was \$505,115, which increased from the previous year in readiness to meet our commitment for full company tax in 1997/98, whilst all other prudential performance guidelines remain ahead of industry requirements.

Outstanding performance indicators include:

- total Assets almost exceed \$37M
- reserves increased to \$3.8M (12% above industry requirements)
- operating costs of your Credit Union continue to run at almost half the industry average.

1996/97 has seen the introduction of both Visa Credit facilities and the Telephone Banking which gives Members access to their accounts 24 hours a day, 7 days a week.

Your Credit Union is committed to the continuing introduction of innovative products and services and will embrace the latest technology to ensure that we remain competitive in the ever-expanding financial industry. We will endeavour to achieve this while providing the highest level of customer service at a minimum of cost to Members.

As Members would be well aware there has been an escalation in the number and size of costs associated with both the banks and other financial institutions. The Board of your Credit Union has reluctantly agreed to the introduction of a range of fees and charges to keep your Credit Union ahead of the competition in both the payment of interest on investments and to offer loan rates at competitive levels.

You may be assured that these fees and charges will be kept to an absolute minimum and at the lower end of industry averages.

It was with great regret that the Credit Union farewelled the former General Manager Don Jones to retirement in December. Don had given extremely dedicated service to the Credit Union over his years at the helm and is singularly most responsible for the strength of the Credit Union, today. I'm sure I speak for all the Board, Staff and Members in wishing the Jone's family all the best in Don's retirement and in welcoming the new General Manager, Steve Warren on-board.

Steve comes to us well credentialled in the Credit Union movement and in the relatively short time that he has been in the position has shown a commitment and enthusiasm that will see the unique goals of this Credit Union continue. We look forward to a long and rewarding relationship.

Again it was with regret that we saw Alan Cook, retire as Chairman in November. Alan had given dedicated service as both Chairman and Board Member. Long-serving Director, Ron Sinclair also retired and I would like to take this opportunity to thank both gentlemen for their unselfish commitment and wish them both well in their respective retirements.

The Board welcomed new Directors, Jim Peachman and Noel Hancock during the year. Both have brought additional knowledge and skills which is greatly assisting the Board to successfully operate in such a competitive climate.

It would be remiss of me not to formally acknowledge at this point, the outstanding contribution made by the Staff of the Credit Union. Their ongoing commitment to the highest level of customer service has the respect of the Board, Management and most of all I'm sure the Members. It is the Staff that collectively makes the Credit Union such a successful operation.

The year ahead promises to continue with many challenges and the Board and Administration will continue to ensure that this Credit Union remains a leader in its field.

I commend this report to you on behalf of the Board of Directors and thank them for their continuing commitment. We thank all the Members for your loyalty and patronage during the year and look forward to your continued support.

A handwritten signature in blue ink, appearing to read 'G. Morgan', written in a cursive style.

Glen Morgan  
Chairman



# DIRECTOR'S REPORT

## R.T.A. STAFF CREDIT UNION LIMITED

The Directors present their report together with the financial statements of R.T.A. Staff Credit Union Limited, for the year ended 30 June 1997 and the auditors' report thereon.

### Directors

The Directors of the Credit Union in office at the date of this report are:

<b>Name</b>	<b>Position</b>	<b>Experience</b>	<b>Other Offices</b>
Robert Glen Morgan	Manager, Traffic Management Policy	Director 8 years	Chairman (appointed 16 December 1996) Audit Committee
Patrick M Murphy	Team Leader, External & Commercial Reporting	Director 3 years	Deputy Chairman (appointed 16 December 1996) Audit Committee
Warwick H Randell	Manager, Directorate Quality	Director 4 years	Audit Committee
Philip J Gallagher	General Manager Private Sector Projects	Director 3 years	
Suzanne M Sinclair	Director, Corporate Services	Director 3 years	
Noel J Hancock	General Manager, Finance and Management Accounting	Appointed 21 October 1996	Audit Committee
Walter J Peachman	Administration Manager, Driver and Vehicle, Policy and Regulations	Appointed 28 November 1996	

Each Director holds five ordinary \$2.00 shares in the Credit Union.

## Directors' Meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Credit Union during the financial year are:

Director	Directors' Meetings		Audit Committee Meetings	
	Held*	Attended	Held*	Attended
A D Cook	5	4	2	2
R S Sinclair	1	0	0	0
R G Morgan	13	10	1	1
W H Randell	13	10	3	3
P J Gallagher	13	9	0	0
S M Sinclair	13	6	0	0
P M Murphy	13	11	3	3
W J Peachman	9	7	0	0
N J Hancock	9	8	1	1

\* Reflects the number of meetings held during the time the director held office during the year.

## Audit Committee

The role of the committee is to assist the Board of Directors in the discharge of their duties, in particular to assure the quality and reliability of financial information used by the Board and financial statements issued by the Board.

## Principal Activities

The principal activities of the Credit Union over the period were the provision of retail financial services to Members in the form of taking deposits and giving financial accommodation as prescribed by the rules. No significant change in the nature of these activities occurred during the year.

## Operating Result and Review of Operations

The operating profit of the Credit Union for the financial year after provision for income tax was \$540,727 (1996: \$283,584).

The following significant events occurred during the year:

1. On 1 September 1996 the "Redi-card network" converted to an on-line system following a software upgrade during the prior months.
2. On 1 November 1996 a national Consumer Credit Code and Credit Union Code of Practice were introduced.
3. Income tax was introduced in 1995/96 at 20% and continued to apply for the 1996/97 year. This will increase to the full corporate tax rate of 36% from 1 July 1997.
4. Introduction of Visa credit card accounts in May 1997.

## **State of Affairs**

In the opinion of the directors there were no significant changes in the state of affairs of the Credit Union that occurred during the financial year under review.

## **Events Subsequent to Balance Date**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Credit Union, to affect significantly the operations of the Credit Union, the results of those operations, or the state of affairs of the Credit Union, in subsequent financial years.

## **Likely Developments and Results**

The Credit Union's objectives over the next financial year will be to continue to improve services to members and achieve growth in all areas of the operation. In the opinion of the Directors, disclosure of any further information on likely developments in operations would be prejudicial to the interests of the Credit Union.

## **Insurance of Officers**

Since the end of the previous financial year the Credit Union has paid insurance of \$138 (1996: \$128) in respect of Directors' and Officers' Liability and Legal Expenses insurance contracts, for current and former officers, including executive officers of the Credit Union. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position, to gain a personnel advantage.

The premiums were paid in respect of the following officers and directors of the Credit Union:

- premiums were paid in respect of the following current and former directors: R S Sinclair, R G Morgan, W H Randell, A D Cook, P J Gallagher, P M Murphy, S M Sinclair, N J Hancock and W J Peachman; and
- premiums were paid in respect of officers of the Credit Union.

The insurance policies outlined above do not contain details of the premiums paid in respect of the individual officers and directors of the Credit Union.

## Register of Directors

In accordance with Section 258 of the Financial Institutions Code, the Credit Union keeps a register containing information about the directors, including details of each directors interest in any securities issued by the Credit Union and the register is open for inspection:

- By any member of the society, without fee; and
- By any other person, on payment of the amount (if any) prescribed by the Credit Union rules.

## Directors' Benefits

Since the end of the previous financial year no director has received or become entitled to receive a benefit (other than that disclosed in the notes to the financial statements) by reason of a contract made by the Credit Union with a director or with a firm of which he/she is a member, or with an entity in which he/she has a substantial financial interest.

Signed in accordance with a resolution of the Board of Directors.

Dated at Sydney this 24th Day of September, 1997.



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R G Morgan



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P M Murphy



# INDEPENDENT AUDITOR'S REPORT

.....  
TO THE MEMBERS OF R.T.A. STAFF CREDIT UNION LIMITED

## Scope

We have audited the financial statements of R.T.A. Staff Credit Union Limited for the financial year ended 30 June 1997, consisting of the profit and loss account, balance sheet, statement of cash flows, accompanying notes, and the statement by directors set out on pages 13 to 32. The Credit Union's directors are responsible for the financial statements. We have conducted an independent audit of the financial statements in order to express an opinion on them to the members of the Credit Union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and statutory requirements so as to present a view which is consistent with our understanding of the financial position of the Credit Union and the results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

## Audit Opinion

In our opinion, the financial statements of R.T.A. Staff Credit Union Limited are properly drawn up:

- (a) so as to give a true and fair view of the state of affairs of the Credit Union at 30 June 1997, and the results and cash flows of the Credit Union for the financial year ended on that date;
- (b) in accordance with the provisions of the Financial Institutions Legislation; and
- (c) in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.



Sydney 25 September 1997 KPMG Chartered Accountants C J Gardoll Partner

# DIRECTOR'S STATEMENT

R.T.A. STAFF CREDIT UNION LIMITED

1. In the opinion of the Directors of R.T.A. Staff Credit Union Limited:
  - (a) the financial statements as set out on pages 14 to 32, are drawn up so as to give a true and fair view of the results and cash flows of the financial year ended 30 June 1997, and the state of affairs for the Credit Union at 30 June 1997;
  - (b) the financial statements have been made out in accordance with the provisions of the Financial Institutions Legislation; and
  - (c) at the date of this statement, there are reasonable grounds to believe that the Credit Union will be able to pay its debts as and when they fall due.
2. The financial statements have been made out in accordance with applicable Accounting Standards and Urgent Issues Group Consensus views.

Signed in accordance with a resolution of the Board of Directors.

Dated at Sydney this 24th Day of September, 1997



R G Morgan



P M Murphy

# PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 1997

R.T.A. STAFF CREDIT UNION LIMITED

	Note	1997 \$	1996 \$
Operating profit before abnormal items and income tax	2	505,115	360,653
Abnormal item	3	<u>52,286</u>	<u>-</u>
Operating profit before income tax		557,401	360,653
Income tax (expense)/benefit attributable to operating profit	1(a),4	<u>(16,674)</u>	<u>(77,069)</u>
Operating profit after income tax		540,727	283,584
Retained profits at the beginning of the financial year		2,487,269	2,203,685
Aggregate of amounts transferred from reserves	14	<u>786,554</u>	<u>-</u>
Retained profits at the end of the financial year		<u><u>3,814,550</u></u>	<u><u>2,487,269</u></u>

The profit and loss account is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 32.



# BALANCE SHEET

AS AT 30 JUNE 1997

.....  
R.T.A. STAFF CREDIT UNION LIMITED

	Note	1997 \$	1996 \$
<b>CURRENT ASSETS</b>			
Cash	5	302,192	96,290
Investments	6	6,281,000	5,992,800
Loans	7	3,409,383	3,319,438
Other	8	<u>607,165</u>	<u>458,288</u>
<b>TOTAL CURRENT ASSETS</b>		<u>10,599,740</u>	<u>9,866,816</u>
<b>NON-CURRENT ASSETS</b>			
Investments	6	2,391,398	2,832,077
Loans	7	23,668,077	23,304,533
Furniture and equipment	9	<u>114,662</u>	<u>21,404</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>26,174,137</u>	<u>26,158,014</u>
<b>TOTAL ASSETS</b>		<u>36,773,877</u>	<u>36,024,830</u>
<b>CURRENT LIABILITIES</b>			
Deposits	10	30,261,776	29,029,376
Creditors	11	98,594	21,719
Provisions	12	246,587	211,032
Other	13	<u>284,400</u>	<u>331,274</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>30,891,357</u>	<u>29,593,401</u>
<b>NON-CURRENT LIABILITIES</b>			
Deposits	10	<u>2,067,970</u>	<u>3,157,606</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>2,067,970</u>	<u>3,157,606</u>
<b>TOTAL LIABILITIES</b>		<u>32,959,327</u>	<u>32,751,007</u>
<b>NET ASSETS</b>		<u>3,814,550</u>	<u>3,273,823</u>
<b>SHAREHOLDERS' EQUITY</b>			
Reserves	14	-	786,554
Retained profits		<u>3,814,550</u>	<u>2,487,269</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<u>3,814,550</u>	<u>3,273,823</u>

The balance sheet is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 32.

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 1997

R.T.A. STAFF CREDIT UNION LIMITED

	Note	1997 \$	1996 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest received		3,206,844	3,084,899
Other cash receipts in the course of operations		100,210	64,550
Interest paid		(1,882,486)	(1,993,499)
Other cash payments in the course of operations		(838,902)	(836,869)
Payment of tax		(79,750)	(4,778)
		<u>505,916</u>	<u>314,303</u>
Net cash provided by operating activities	21(ii)	<u>505,916</u>	<u>314,303</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Member loan repayments		10,710,873	7,624,129
Member loan advances		(11,200,723)	(10,243,319)
Net purchases of investments		(588,257)	(1,653,755)
Purchase of furniture and equipment		(117,312)	(14,320)
Proceeds from sale of furniture and equipment		2,641	-
		<u>(1,192,778)</u>	<u>(4,287,265)</u>
Net cash used in investing activities		<u>(1,192,778)</u>	<u>(4,287,265)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net members' shares and deposits		142,764	4,294,840
		<u>142,764</u>	<u>4,294,840</u>
Net cash provided by financing activities		<u>142,764</u>	<u>4,294,840</u>
Net (decrease)/increase in cash held		(544,098)	321,878
Cash at the beginning of the financial year	21(i)	<u>1,346,290</u>	<u>1,024,412</u>
Cash at the end of the financial year	21(i)	<u>802,192</u>	<u>1,346,290</u>

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 32.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1997

R.T.A. STAFF CREDIT UNION LIMITED

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Credit Union are a general purpose financial report which have been drawn up in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views and the provisions of the Financial Institutions Legislation. They have been prepared on the basis of historical costs and do not take into account changing money values nor, except where stated, current valuations of non-current assets.

The accounting policies have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year.

### (a) Income Tax

The Credit Union adopts the liability method of tax effect accounting.

Income tax expense is calculated on operating profit adjusted for permanent differences between taxable and accounting income. The tax effect of timing differences, which arise from items being brought to account in different periods for income tax and accounting purposes, is carried forward in the balance sheet as a future income tax benefit or a provision for deferred income tax.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits relating to income tax losses are only brought to account when their realisation is virtually certain.

### (b) Furniture and Equipment

Furniture and equipment is depreciated over the assets' useful lives using the straight line method. Depreciation rates applied are in accordance with the rates outlined in the Financial Institutions Legislation.

### (c) Provisions

#### *Provision for Employee Leave Entitlements*

Annual and long service leave entitlements accruing to employees are accrued on the basis of statutory requirements. Long service leave is provided for all employees having regard to the probability that employees as a group will remain employed for the period of time necessary to qualify for long service leave. Annual leave provided represents the amount that the Credit Union has a present obligation to pay at balance date and includes on-costs.



**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***Provision for Doubtful Debts*

The amount provided for doubtful debts is determined by management and the Board. The Financial Institutions Code and Statement of Prudential Standards requires a minimum provision to be based on specific percentages on the loan balance, contingent upon the length of time the repayments are in arrears. In addition, the Board makes a further provision against loans considered to be doubtful.

**(d) Non-Current Investments***(i) Primary/Central Bank Shares*

These amounts represent part of the capital entitlement of the Credit Union to shares in Credit Union Services Corporation (Australia) Limited ("CUSCAL"), a national Credit Union service provider.

*(ii) Subordinated Loan*

This loan has no fixed maturity date, and is only repayable upon dissolution of a depositing Credit Union or five years after the credit union ceases to operate its Central Banking account. The loan ranks subsequent to all creditors, but prior to shares in the event of liquidation or winding up of the Association. The rate of interest payable on such loans is determined by the Board of CUSCAL from time to time.

*(iii) Contingency Fund*

These funds are held on deposit in accordance with the Financial Institutions Code and are not readily converted into liquid funds, except under the conditions set out in the Code.

**(e) Bad Debts Written Off**

Bad debts are written off from time to time as determined by management and the Board, when it is reasonable to expect that the recovery of the debt is unlikely.

**(f) Loans to Members**

Loan interest on term loans is calculated on a daily basis on the loan balance and brought to account at the end of each month.

Loan interest is not brought to account when the Credit Union is advised that the member is deceased, or generally if a loan has been transferred to a debt collection agency, or as determined by the Board.

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Member Savings**

Interest on savings is calculated on the daily balance and is brought to account on an accrual basis. Accrued interest payable to members is shown separately under current liabilities.

**(h) Comparative Figures**

Where necessary, comparative information has been reclassified to be consistent with the presentation adopted in the current year.

	1997 \$	1996 \$
<b>2. OPERATING PROFIT</b>		
Operating profit has been arrived at after including:		
<b>Operating Revenue</b>		
Interest on loans to members - non-commercial	2,536,595	2,482,660
Interest on loans to members - commercial (note 7(c))	19,815	28,205
	<u>2,556,410</u>	<u>2,510,865</u>
Interest on investments	683,184	704,980
Bad debts recovered	24,077	20,520
Commission	7,428	11,535
Other	17,357	10,683
	<u>3,288,456</u>	<u>3,258,583</u>
<b>Operating Expenses</b>		
Interest on members' deposits	1,848,398	2,027,583
Bad debts written off	11,874	25,293
Depreciation of furniture and equipment	22,979	7,086
Provision for doubtful debts	20,000	20,000
Provision for employee leave entitlements	1,915	17,996
Amounts received or due and receivable by the Auditors of the company for:		
Auditing the financial statements	17,915	17,500
Other services	8,085	10,911

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1997

3. ABNORMAL ITEM	1997 \$	1996 \$
Contingency Fund retained earnings distribution	52,286	-
Income tax effect	<u>(10,457)</u>	<u>-</u>
	<u>41,829</u>	<u>-</u>

During the year the New South Wales Financial Institutions Commission distributed \$10,000,000 from the retained earnings of the credit unions' Contingency Fund, of which, \$52,286 was distributed to R.T.A. Staff Credit Union Limited.

4. INCOME TAX

As a result of changes in income tax legislation, the Credit Union was liable to pay income tax at a transitional rate of 20% effective from 1 July 1995, increasing to the full company tax rates on 1 July 1997.

(a) Income Tax Expense

Prima facie income tax expense calculated at 20% on the operating profit	111,480	72,131
Increase in income tax expense due to non-tax deductible items:		
Sundry items	<u>144</u>	<u>160</u>
Income tax expense on operating profit before abnormal items	111,624	72,291
Abnormal tax items:		
Restatement of deferred tax balances due to change in tax rate	<u>(90,940)</u>	<u>-</u>
Income tax expense on operating profit	20,684	72,291
Add: Income tax under/(over) provided in prior year	<u>(4,014)</u>	<u>4,778</u>
Total income tax expense	<u>16,670</u>	<u>77,069</u>
Total income tax expense is made up of:		
Current income tax provision	110,574	81,905
Deferred income tax provision	4,642	2,068
Future income tax benefit	(96,391)	(11,682)
(Over)/under provision in prior year	<u>(2,155)</u>	<u>4,778</u>
Income tax expense on operating profit	<u>16,670</u>	<u>77,069</u>



	Note	1997 \$	1996 \$
<b>4. INCOME TAX (Continued)</b>			
<b>(b) Provision for Current Income Tax</b>			
Movements during the year were as follows:			
Balance at beginning of year		81,905	-
Income tax paid		(79,750)	(4,778)
Current year's income tax expense		110,574	81,905
(Over)/under provision in prior year		(2,155)	4,778
	12	<u>110,574</u>	<u>81,905</u>
<b>(c) Provision for Deferred Income Tax</b>			
Provision for deferred income tax comprises the estimated expense at 36% (1996: 20%) on the following items:			
Sundry items	13	<u>6,710</u>	<u>2,068</u>
<b>(d) Future Income Tax Benefit</b>			
Future income tax benefit comprises the estimated future benefit at 36% (1996: 20%) of the following items:			
Provisions and accrued employee entitlements not currently deductible		211,325	112,145
Difference in depreciation and amortisation of property, plant and equipment for accounting and tax purposes		-	2,789
	8	<u>211,325</u>	<u>114,934</u>

The potential future income tax benefit will only be obtained if:

- (i) the Credit Union derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised in accordance with Section 80G of the Income Tax Assessment Act 1936;
- (ii) the Credit Union continues to comply with the conditions for deductibility imposed by the law; and
- (iii) no changes in tax legislation adversely affect the Credit Union in realising the benefit.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1997

	Note	1997 \$	1996 \$
<b>5. CASH</b>			
Cash on hand	21(i)	34,678	26,000
Cash at bank - interest bearing, at call	21(i)	<u>267,514</u>	<u>70,290</u>
		<u>302,192</u>	<u>96,290</u>
<b>6. INVESTMENTS</b>			
<b>(a) Current</b>			
Investments at face value:			
Short term dealers deposit		1,000	1,000
OPL fixed term deposit - CUSCAL		2,700,000	1,200,000
OPL 11am call account - CUSCAL	21(i)	400,000	850,000
PLA fixed term deposit - CUSCAL		2,400,000	1,500,000
PLA - 11am call account - CUSCAL	21(i)	100,000	400,000
Colonial State Bank Bonds		241,000	524,000
Commonwealth Government Bonds		-	200,000
Primary Industry Bank of Australia Bonds		-	300,000
Bank of Queensland Bonds		100,000	100,000
Queensland Treasury Corporation Bonds		-	343,000
Sydney Water Corporation Bonds		-	74,800
NSW Treasury Corp		220,000	-
Department of Main Roads		19,000	-
Deposits with:			
Metway Bank		-	100,000
Primary Industry Bank of Australia		<u>100,000</u>	<u>400,000</u>
Total current investments		<u>6,281,000</u>	<u>5,992,800</u>
<b>(b) Non-Current</b>			
Bonds and debentures at face value:			
Department of Main Roads		-	19,000
Colonial State Bank Bonds		285,000	526,000
Queensland Treasury Corporation		52,000	52,000
Queensland Industry Development Corp		400,000	200,000
Primary Industry Bank of Australia		300,000	100,000
NSW Treasury Corporation		-	220,000
Bank SA		250,000	-
Premium/(discount) on purchase		<u>9,264</u>	<u>21,331</u>
		1,296,264	1,138,331

	Note	1997 \$	1996 \$
<b>6. INVESTMENTS (Continued)</b>			
<b>(b) Non-Current (Continued)</b>			
Brought forward		<u>1,296,264</u>	1,138,331
Deposits with:			
OPL fixed term deposit - CUSCAL		700,000	700,000
PLA fixed term deposit - CUSCAL		-	500,000
Primary Industry Bank of Australia		-	100,000
Primary shares - CUSCAL	1(d)(i)	17,847	17,847
Central Bank shares - CUSCAL	1(d)(i)	107,090	107,090
Central Bank subordinated loan - CUSCAL	1(d)(ii)	196,331	196,331
Central Bank reserve shares - CUSCAL	1(d)(i)	21,629	21,629
Contingency Fund	1(d)(iii)	42,237	40,849
Shares at face value:			
Co-Processing Pty Limited		<u>10,000</u>	10,000
Total non-current investments		<u><u>2,391,398</u></u>	<u><u>2,832,077</u></u>
<b>(c) Maturity of Investments</b>			
Up to three months		2,720,000	2,585,000
From three to twelve months		3,561,000	3,407,800
Later than one year but not later than five years		<u>2,391,398</u>	<u>2,832,077</u>
		<u><u>8,672,398</u></u>	<u><u>8,824,877</u></u>
<b>7. LOANS TO MEMBERS</b>			
<b>(a) Loans as Current Assets</b>			
Loans		3,530,460	3,467,038
Less: Provision for doubtful debts		<u>(121,077)</u>	<u>(147,600)</u>
		<u><u>3,409,383</u></u>	<u><u>3,319,438</u></u>
<b>(b) Loans as Non-Current Assets</b>			
Loans		23,977,000	23,566,933
Less: Provision for doubtful debts		<u>(308,923)</u>	<u>(262,400)</u>
		<u><u>23,668,077</u></u>	<u><u>23,304,533</u></u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1997

	1997 \$	1996 \$
<b>7. LOANS TO MEMBERS (Continued)</b>		
<b>(c) Loans by Purpose</b>		
Residential loans	15,732,305	14,207,124
Personal loans	11,520,362	12,514,055
Commercial loans/Rental properties	<u>254,793</u>	<u>312,792</u>
Total Loans	<u><u>27,507,460</u></u>	<u><u>27,033,971</u></u>
<b>(d) Loans by Security</b>		
Secured by Mortgage	21,684,530	20,984,240
Secured Other	3,208,322	3,605,320
Unsecured	<u>2,614,608</u>	<u>2,444,411</u>
Total Loans	<u><u>27,507,460</u></u>	<u><u>27,033,971</u></u>
<b>(e) Loans by Maturity</b>		
Up to three months	924,272	906,057
From three to twelve months	2,606,188	2,560,981
Later than one year by not later than five years	10,054,272	9,009,045
Over five years	<u>13,922,728</u>	<u>14,557,888</u>
	<u><u>27,507,460</u></u>	<u><u>27,033,971</u></u>
<b>(f) Loans by Interest Type</b>		
Non-interest earning	39,593	73,278
Interest earning - past due 90 days	358,626	151,096
Interest earning - other	<u>27,109,241</u>	<u>26,809,597</u>
	<u><u>27,507,460</u></u>	<u><u>27,033,971</u></u>
Non-interest earning	39,593	73,278
Variable weighted interest rate - 10.64% (1996: 11.10%)	15,315,505	12,107,138
Fixed weighted interest rate - 7.59% (1996: 8.77%)	<u>12,152,362</u>	<u>14,853,555</u>
	<u><u>27,507,460</u></u>	<u><u>27,033,971</u></u>



	1997 \$	1996 \$
<b>7. LOANS TO MEMBERS (Continued)</b>		
<b>(g) Provision for Doubtful Debts</b>		
<b>Movement in the Provision</b>		
Balance at the beginning of the year	410,000	390,000
Add: Transfers from profit and loss account	<u>20,000</u>	<u>20,000</u>
	<u>430,000</u>	<u>410,000</u>
Deduct: Bad debts written off	<u>-</u>	<u>-</u>
Balance at the end of the year	<u>430,000</u>	<u>410,000</u>
Provision required under the Prudential Standards	<u>99,484</u>	<u>104,924</u>
Bad debts written off other than through the provision	<u>11,874</u>	<u>25,293</u>
<b>8. OTHER ASSETS</b>		
<b>Current</b>		
Future income tax benefit (note 4(d))	211,325	114,934
Sundry debtors	1,308	1,935
Prepayments	18,638	10,342
Accrued interest on investments	<u>375,894</u>	<u>331,077</u>
	<u>607,165</u>	<u>458,288</u>
<b>9. FURNITURE AND EQUIPMENT</b>		
Office furniture, fittings and equipment - at cost	52,283	29,422
Less: Provision for depreciation	<u>(19,325)</u>	<u>(20,478)</u>
	<u>32,958</u>	<u>8,944</u>
Computer hardware/software - at cost	139,785	165,960
Less: Provision for depreciation	<u>(83,293)</u>	<u>(153,500)</u>
	<u>56,492</u>	<u>12,460</u>
Motor vehicle - at cost	29,091	-
Less: Provision for depreciation	<u>(3,879)</u>	<u>-</u>
	<u>25,212</u>	<u>-</u>
Total furniture and equipment - at net book value	<u>114,662</u>	<u>21,404</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 30 JUNE 1997*

	1997 \$	1996 \$
<b>10. MEMBERS' DEPOSITS</b>		
<b>(a) Current</b>		
Savings accounts - at call *	8,342,444	8,348,260
Redifund - at call	2,656,781	2,775,054
Term deposit investments	19,262,551	17,906,062
	<u>30,261,776</u>	<u>29,029,376</u>
* Includes Issued and Paid-up Capital of 25,105 shares (1996: 25,140) of \$2 each, fully paid	<u>50,210</u>	<u>50,280</u>
<b>(b) Non-Current</b>		
Term deposit investments	<u>2,067,970</u>	<u>3,157,606</u>
<b>(c) Members' deposits are repayable over the following terms:</b>		
On call	10,999,225	11,123,314
Up to three months, but not including those on call	8,767,241	7,500,786
From three to twelve months	10,495,310	10,405,276
From one to five years	<u>2,067,970</u>	<u>3,157,606</u>
	<u>32,329,746</u>	<u>32,186,982</u>
<b>11. CREDITORS</b>		
<b>Current</b>		
Sundry creditors	<u>98,594</u>	<u>21,719</u>
<b>12. PROVISIONS</b>		
<b>Current</b>		
Provision for income tax (note 4(b))	110,574	81,905
Employee leave entitlements	120,513	113,627
Provision for member services	<u>15,500</u>	<u>15,500</u>
	<u>246,587</u>	<u>211,032</u>

	1997 \$	1996 \$
<b>13. OTHER LIABILITIES</b>		
<b>Current</b>		
Provision for deferred income tax (note 4(c))	6,710	2,068
Accrued charges	43,017	60,445
Accrued interest on member deposits	234,673	268,761
	<u>284,400</u>	<u>331,274</u>
<b>14. RESERVES</b>		
General reserve	<u>-</u>	<u>786,554</u>
<b>Movements during the year</b>		
<i>General reserve</i>		
Balance at the beginning of the financial year	786,554	786,554
Transfer to retained profits	<u>(786,554)</u>	<u>-</u>
Balance at the end of the financial year	<u>-</u>	<u>786,554</u>

The statutory reserve previously maintained under the provisions of the Credit Union Act (1969) was transferred to the general reserve as the Act was repealed in 1992.

**15. EMERGENCY LIQUIDITY FACILITY DEED**

A deed is in place between R.T.A. Staff Credit Union Limited and Credit Union Services Corporation (Australia) Limited ("CUSCAL") whereby CUSCAL has access of up to 10% of R.T.A. Staff Credit Union Limited's total assets in accordance with the Financial Institutions Code 1992.

**16. SEGMENT REPORTING AND CONCENTRATION OF RISK**

The entity operates as a Credit Union in Australia.

There are no individual loans which represent 10% or more of the shareholders' equity of the Credit Union. There are no individual deposits which represent 10% or more of total liabilities.

The substantial majority of deposits and loans of the Credit Union are with employees and former employees of the New South Wales Roads and Traffic Authority and their families in accordance with the Rules of the Credit Union. The Board of Directors may, at its discretion, admit to membership a limited number of individuals who are not specified above.

The majority of members are residents of New South Wales.

**17. RELATED PARTY TRANSACTIONS**

**(a) Directors**

The names of each person who held the position of Director of R.T.A. Staff Credit Union Limited at any time during the year ended 30 June 1997 are as follows:

A D Cook	(resigned 28 November 1996)
R G Morgan	
P M Murphy	
R S Sinclair	(resigned 21 October 1996)
W H Randell	
P J Gallagher	
S M Sinclair	
N J Hancock	(appointed 21 October 1996)
W J Peachman	(appointed 28 November 1996)

	1997 \$	1996 \$
<b>(b) Directors' Remuneration</b>		
Aggregate remuneration of directors	<u>-</u>	<u>-</u>
The number of directors who received remuneration within the following bands were:		
\$Nil - \$10,000	9	7

There were no payments made to superannuation funds for the benefit of directors and interest earned on deposit is on the same terms and conditions as other members.

**(c) Loans to Directors**

(i) The aggregate loans (including interest) to all directors, their spouses and director-related entities amounted to:

	1997 \$	1996 \$
Mortgage loans	28,560	344,443
Personal loans	6,564	9,589
	<u>35,124</u>	<u>354,032</u>



**17. RELATED PARTY TRANSACTIONS (Continued)**

**(c) Loans to Directors (Continued)**

(ii) During the year loans disbursed to directors, their spouse and director related entities amounted to:

	1997 \$	1996 \$
Mortgage loans	-	10,000
Personal loans	-	24,000
	<u>-</u>	<u>34,000</u>

(iii) Repayments against loans to Directors, their spouse and director-related entities amounted to:

	1997 \$	1996 \$
Mortgage loans	304,951	50,373
Personal loans	<u>3,978</u>	<u>14,742</u>
	<u>308,929</u>	<u>65,115</u>

Directors concerned with the repayments were W H Randell, A D Cook, S M Sinclair and R G Morgan.

**(d) Executive Officers**

(i) The number of Executive Officers who have income in excess of \$100,000.

1997	1996
Nil	Nil

Income means remuneration by way of salary, allowances, bonuses or other benefits payable to the executive, but does not include out of pocket expenses for reimbursements incurred in connection with Credit Union business.

(ii) Payments in respect of retirement of executive officers amounted to \$Nil (1996: \$Nil).

**(e) Terms and Conditions**

All loans made to directors, their spouse and director-related entities have been made on the normal terms and conditions applicable to all Credit Union members.

**18. STANDBY BORROWING FACILITIES**

The Credit Union has a gross borrowing facility with CUSCAL of:

	1997	1996
	\$	\$
Pre approved loan facility	500,000	500,000
Overdraft facility (gross)	250,000	250,000
Less: Current borrowing	<u>-</u>	<u>-</u>
Net available facility	<u>750,000</u>	<u>750,000</u>

There are no restrictions as to the withdrawal of these funds. CUSCAL holds an equitable charge over the assets of the Credit Union as security against amounts drawn.

**19. COMMITMENTS AND CONTINGENT LIABILITIES**

Loans approved but not advanced at 30 June 1997 amount to \$286,734 (1996: \$2,466,606).

The payment of these loans is at the discretion of the Board and subject to available liquid funds.

	1997	1996
	\$	\$
<b>Operating Lease Commitment</b>		
Future operating lease rental of premises not provided for in the financial statements and payable:		
not later than one year	42,204	42,204
later than one year but not later than two years	35,143	42,204
later than two years but not later than five years	<u>-</u>	<u>35,170</u>
	<u>77,347</u>	<u>119,578</u>

**Superannuation**

The Credit Union contributes to the CUE Supplementary Super Plan for the purpose of Superannuation Guarantee payments and payment of other superannuation benefits on behalf of employees. The plan is separately administered by trustees which are appointed as follows:

- 50% elected by the members of the Plan;
- 50% appointed by the principal employer, Credit Union Services Corporation (Australia) Limited

The Credit Union has no interest in the superannuation plan, other than as a contributor, and is not liable for the performance of the plan nor the obligations of the plan.

The CUE Supplementary Super Plan is a contribution accumulation type plan.

**20. ECONOMIC DEPENDENCY**

The Credit Union has an economic dependency on the following suppliers of services.

**(a) Credit Union Services Corporation (Australia) Limited**

This entity provides the Credit Union with services in the form of settlement with bankers for ATM transactions and members' cheques, and the production of Redicards for use by members.

This entity also supplies central banking services to the Credit Union and is an approved Special Services Provider under the Financial Institutions Code for the provision of financial intermediation services. The Credit Union has invested its Prime Liquid and operating liquid assets with the entity to maximise return on funds, and to comply with the Emergency Liquidity Support requirements under the AFIC Prudential Standards.

**(b) Financial Computing Services of Australia Pty Limited ("FCS")**

This company is a wholly owned subsidiary of CUSCAL which provides and maintains the application software utilised by the Credit Union.

**(c) Co-Processing Pty Limited**

The Credit Union has purchased \$10,000 worth of shares in the abovenamed company, which provides an Integrated Data Processing Centre used by its shareholders. Shareholders include other credit unions and CUSCAL.

**(d) Service Contracts**

All service contracts are capable of being cancelled within twelve (12) months. There are no other service contracts which are considered material.

**(e) Roads and Traffic Authority (NSW)**

The trading activities of the Credit Union are dependent upon the membership which is largely restricted to employees of the above host authority and their families.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 30 JUNE 1997*

## 21. NOTES TO THE STATEMENT OF CASH FLOWS

### (i) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term deposits at call with other financial institutions, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:

	Note	1997 \$	1996 \$
Cash on hand	5	34,678	26,000
Cash at bank	5	267,514	70,290
Liquid assets - at call	6	<u>500,000</u>	<u>1,250,000</u>
		<u>802,192</u>	<u>1,346,290</u>

### (ii) Reconciliation of Operating Profit After Tax to Net Cash Provided by Operating Activities

Operating profit after income tax		540,727	283,584
Add/(less) non-cash items:			
Amounts set aside to provisions		21,915	37,996
Depreciation		22,979	7,086
Gain on sale of furniture and equipment		<u>(1,565)</u>	<u>-</u>
Net cash provided by operating activities before change in assets and liabilities		584,056	328,666
Change in assets and liabilities during the financial year:			
(Increase)/decrease in assets:			
prepayments		(8,296)	(485)
sundry debtors		627	22,297
accrued interest on investments		(44,817)	(144,563)
future income tax benefit		(96,391)	(11,682)
premium on bonds purchased		12,067	13,617
Increase/(decrease) in Liabilities:			
accrued charges		(17,428)	(27,999)
accrued interest on members' deposits		(34,088)	34,084
sundry creditors		76,875	16,395
provision for deferred tax		4,642	2,068
provision for income tax		<u>28,669</u>	<u>81,905</u>
Net cash provided by operating activities		<u>505,916</u>	<u>314,303</u>





# THE CREDIT UNION MISSION

The RTA Staff Credit Union was established for the sole purpose of improving the financial wellbeing of RTA employees, their families and friends.

## OUR SERVICES

### SAVINGS & INVESTMENT ACCOUNTS.

#### **BASIC SAVER ACCOUNT:**

A day to day savings account for over the counter transactions. Also ideal for bill paying.

#### **REDI-ACCESS ACCOUNT:**

A multi-purpose account with emphasis on easy access by cheque book or card.

#### **SPECIAL PURPOSE ACCOUNTS:**

- Christmas Club Account.
- Autopay Account: Takes the worry out of keeping up with your regular payments.

#### **REDIFUND CASH MANAGEMENT ACCOUNT:**

An account which pays an attractive interest rate based on daily balances for short term investors.

#### **TERM DEPOSITS:**

A range of term deposits from 3 months to 3 years offering competitive interest rates. Interest is set for the term of the deposit and can be paid on maturity or at regular intervals.

### ACCESS -

#### **Access to members' accounts is now even better than ever.**

- Automated Teller Machines - Credit Union Rediteller, National Australia Bank Flexiteller, ANZ Night & Day, Cashcard Teller, State Bank Greenmachine, St George Multicard, Westpac ATM's.
- Point of Sale (EFTPOS) outlets located in supermarkets, service stations and stores across Australia.
- Personal Cheque Book - interest earning, with no limit to the number of transactions. Members can also make deposits at any National Australia Bank branch.
- PhoneTeller - access to account details. transfer of funds and statement request is available by simply phoning the PhoneTeller Hotline number on (02) **9218 6604**.

### LOANS -

#### **Members can choose from a range of loans to suit their individual needs.**

- Personal loans for any worthwhile purpose.
- Home loans for owner occupiers with a choice of interest rate options - fixed or variable.
- Investment property loans, at home loan rates.
- Home Equity loans for any worthwhile purpose.
- Visa Credit Card.

Loan interest is calculated daily and posted monthly and members can make repayments by easy payroll deduction.

*WHOLE OF PAY & PAYROLL DEDUCTIONS - Wherever members work, they can arrange for all or part of their pay to be deposited direct to the Credit Union. Deposits can be split into any number of different savings and/or loan accounts.*