

CHAIRMAN'S REPORT

Membership and Financial Performance

Membership continued to increase steadily throughout the year to 4,889. The merger with Post-Tel Credit Union accounted for 1200 of this number. Normal growth resulted in an additional 261 members, an increase 5.6% over last year.

Assets increased by \$9.757M to \$45.191M , \$7.08M of which was as a result of the merger with Post-Tel Credit Union. Normal asset growth was \$2.68M an increase of 7.6% over last year.

A gross surplus of \$609,982 was achieved for the year, which was reduced to \$429,150 after paying tax of \$180,832. This is a return on average assets for the second year running of over 1%.

Coupled with the fact that we have virtually no fees or charges, this result puts our credit union in the top few credit unions in Australia for financial management and returns to members.

I invite you to read in more detail in the Manager's Report, the amount of money saved by members of our credit union by not having to pay the fees and charges levied by most other financial institutions. It makes interesting reading, as well as underlining the great value our members obtain just by belonging to our credit union.

Merger with Post-Tel Credit Union

Following overwhelming agreement by members of both Macquarie and Post-Tel Credit Unions, a merger of these two credit unions took effect from 1st November 2003. Macquarie Credit Union Limited holds the licence to operate as an Approved Deposit Taking Institution, and Post-Tel Credit Union operates as a division of Macquarie, along with Country Energy Credit Union.

An enormous amount of hard work was put in by the directors and particularly the staff of both credit unions to achieve the merger in a record time and with virtually no problems.

We received many compliments from outside agencies who have been involved in other credit unions mergers to the effect that ours was the most trouble free and best managed they had seen. I would like to publicly congratulate all those personnel involved for the long hours and extra effort put in to achieve such a magnificent result.

As a result of the merger, all Post-Tel staff were retained, and three directors, John Moss, Paul Nolan and Tony Bacon have joined the board of Macquarie. We are extremely pleased to welcome such experienced and dedicated staff and directors to our credit union. Their contributions already have shown that together we have a truly exciting future ahead of us.

Already many savings and economies of scale have been achieved, along with the provision of extra products and services. The take-up of services such as Telephone and Internet Banking by a large number of Post-Tel members shows that they have enthusiastically embraced the benefits the merger delivered.

Country Energy Credit Union

Membership of Country Energy Credit Union continues to grow as more and more Country Energy staff throughout the state discover the enormous benefits to be gained by belonging to their own credit union.

A demonstration of the commitment by the Board to this area of the credit union, was the appointment of a Business Development Officer, Maree Wilson, to service the Port Macquarie and surrounding areas. Maree commenced duties in July 2004, and will be based in the Country Energy complex in Hindman Street, Port Macquarie.

New Web Site

We have been working for some time to improve our web site for the benefit of members. A completely revamped site was officially launched at the end of July 2004. It is a state of the art web site designed specifically for our credit union, and provides the most up to date information on every single product and service we provide. Couple that with the very popular Internet Banking link, as well as a do-it-yourself section that allows members to complete any form on-line, calculators and many more innovations, and we are tipping this site to be recognised as one of the best financial web sites in Australia.

A Team Effort

As usual I would like to thank the many people and organisations that combine to help us serve our members throughout the state. Without the help and support of these people, we would not be able to deliver the level of service that our members have come to expect. To all those volunteers who help in any way at all, I say thank you very much for your time and effort. It is this sense of co-operation that distinguishes us from most other financial institutions, and ultimately provides our members with a superior service at a fraction of the cost of that available elsewhere.

I would also like to thank our General Manager Terry Scolari, his deputy Elayne O'Dea and their great team of enthusiastic staff for the continued delivery of friendly and efficient service to all our members, especially during the merger of Macquarie and Post-Tel.

To my fellow directors, especially the three very experienced ones who have joined us from Post-Tel, I also say thank you for a magnificent team effort in ensuring that the merger was as seamless as it could possibly be. The outstanding co-operation and dedication of all directors augers well for a most exciting future for our credit union.

Chris Shepherd
CHAIRMAN