



GOLDFIELDS CREDIT UNION

ANNUAL REPORT

Summary

2001

CHAIRMAN'S REPORT

It gives me great pleasure to present this report to GCU members for the 19th year of successful operations of your Credit Union.

Throughout the past financial year there was constant community dissatisfaction expressed about poor bank service and record bank profits, so it's good to know that GCU are here providing a real choice for the local communities within our region. We were very satisfied to see the increasing trend of our existing members, apart from new members, placing more of their business with GCU. The recognition within the community that GCU is providing real competition to the major banks with all the profits being invested back into the local economy is particularly pleasing from the Directors viewpoint.

The past year has been a particularly busy one. We faced the complexity of major legislative change and a new constitution as approved by members at our last AGM. We saw the introduction of the GST which increased our operating costs significantly and continued to face strong competition from all sectors of the financial services industry.

But through all of this GCU continued to develop even more ways to better service our members with improved access. The major developments in this area were the successful opening of our Boulder branch, which after one year of operation is promising now to deliver long term benefits to the local community, the successful launch of our website and internet banking service and the appointment of a dedicated lending and business development officer to our Esperance office.

Performance

For the financial year ended 30th June 2001, GCU achieved an overall profit after tax of \$108,313. This represents a reduction of \$64,688 from last year's result, a direct result of the investment that GCU has made into our Boulder Branch operation. GCU's total assets stand at \$27,919,823 representing a growth of 26% directly attributable to our new Boulder office and increased activity in our Esperance office.

Compliance

With our new Constitution approved at the last AGM, GCU was able to meet strict deadlines to comply with the Corporations Law and we have continued to meet all compliance and legal

requirements for an Australian financial institution. Formal training of our member service staff will be necessary next year as other new legislation, in particular the Financial Services Reform Act, impacts on the way we serve members and recommend products.

In the Community

Part of the success of GCU is its involvement in the local community. GCU supports many local community groups through direct sponsorships and support programs. We are justifiably proud of what has been achieved with our community banking branch at Boulder and our support in general to the Eastern Goldfields and Esperance region.

Our People

With so much innovation, change and hard work throughout a very busy year, we were fortunate to have such a dedicated team of enthusiastic staff to make such a successful year possible.

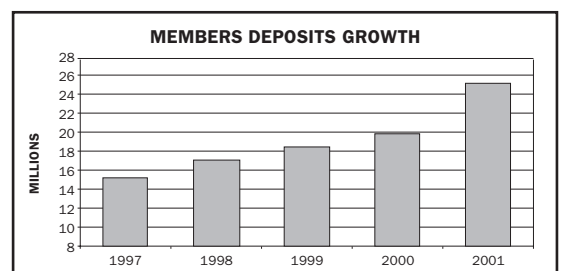
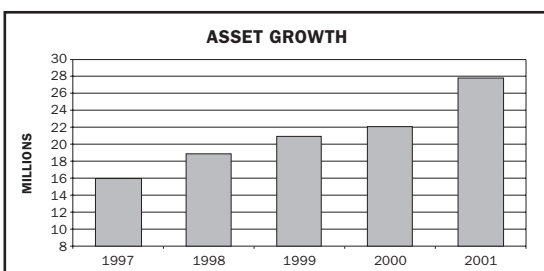
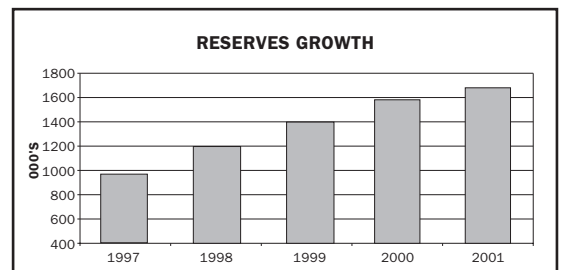
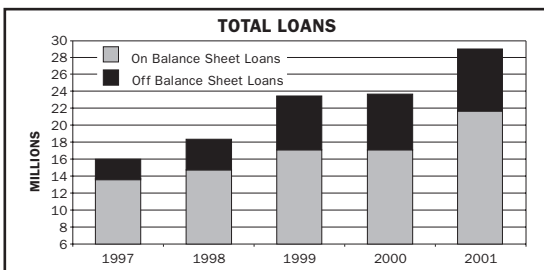
I would like to take this opportunity to thank and congratulate our General Manager, Allan Howe, and each of our great staff for a job extremely well done.

The Board of Directors

I extend thanks to my fellow directors for their hard work and contributions throughout the year. Their responsibilities in today's complex financial environment are considerable and I am proud to chair such a hard working board. During the year Leslie Smith a Director for 8 years retired, on behalf of everyone associated with GCU I would sincerely thank Leslie for her wonderful commitment and effort.

At GCU, we very much see our strength as being the close affinity we enjoy with our members, because they are also our owners, our success allows us to be totally dedicated to their needs whilst protecting their financial well being.

Jeff Murphy
Chairman



STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2001

	2001 \$	2000 \$
Interest revenue	1,976,874	1,744,346
Interest expense	<u>(1,050,101)</u>	<u>(790,970)</u>
Net interest revenue	926,773	953,376
Non-interest revenues	938,517	422,561
Bad and doubtful debts expense	(70,367)	(135,022)
Other expenses	<u>(1,624,518)</u>	<u>(962,601)</u>
OPERATING PROFIT BEFORE INCOME TAX	170,405	278,314
Income tax expense	<u>(62,092)</u>	<u>(105,313)</u>
OPERATING PROFIT AFTER INCOME TAX	108,313	173,001
Retained profits at the beginning of the year	-	-
Total available for appropriation	108,313	173,001
Aggregate of amounts transferred to reserves	<u>(108,313)</u>	<u>(173,001)</u>
RETAINED PROFITS AT THE END OF THE YEAR	-	-

STATEMENT OF FINANCIAL POSITION

As at 30 June 2001

	2001 \$	2000 \$
ASSETS		
Cash and liquid assets	980,613	238,731
Due from other financial institutions	3,600,000	3,900,000
Accrued receivable	17,009	32,877
Loans and advances	21,820,131	16,949,245
Other investments	246,079	235,298
Property, plant and equipment	956,722	732,128
Other assets	<u>299,269</u>	<u>80,234</u>
TOTAL ASSETS	<u>27,919,823</u>	<u>22,168,513</u>
LIABILITIES		
Deposits	25,356,211	19,549,546
Accounts payable and other liabilities	318,044	450,628
Borrowings	500,000	505,540
Provisions	66,303	94,315
Tax liability	<u>2,469</u>	-
TOTAL LIABILITIES	<u>26,243,027</u>	<u>20,600,029</u>
NET ASSETS	<u>1,676,796</u>	<u>1,568,484</u>
MEMBERS' FUNDS		
Reserves	<u>1,676,796</u>	<u>1,568,484</u>
TOTAL MEMBERS' FUNDS	<u>1,676,796</u>	<u>1,568,484</u>

Copies of the Financial Statements for the year ended 30 June 2001 are available from Goldfields Credit Union upon request or by phoning 9021 6444.



GOLDFIELDS CREDIT UNION

Your local Banking Choice!

- Cash Management Accounts
- Cheque Accounts • Children's Accounts
 - Christmas Club Accounts
 - Community Club Accounts
- Credit Card - MyCard Mastercard
- Financial Planning • Fixed Term Deposits
- Internet Banking • Redipos • Redicard
 - Pensioner Deeming Accounts
- Mortgage Saver Accounts • Leasing
 - Insurance - Home/Car/Caravan
 - Personal Income Protection
- Loans - Personal/Housing & Investment
- Business Accounts • Telephone Banking

CORPORATE DIRECTORY BOARD OF DIRECTORS

J. M. Murphy (Chairman)

L. Strachan (Deputy Chairman)

A. L. George

J. M. MacDonald

D. R. Willis

L. F. Jones

W. T. McKenzie

CHIEF EXECUTIVE: A. B. Howe

AFFILIATION

Credit Union Services Corporation (Australia) Ltd.

AUDITORS: RSM Bird Cameron Partners

REGISTERED OFFICE

120 Egan Street,
Kalgoorlie W.A. 6430
Ph: (08) 9021 6444

ESPERANCE

Dempster Street,
Esperance W.A. 6450
Ph: (08) 9071 3888

BOULDER

Burt Street,
Boulder W.A. 6432
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