

## In This Issue:

- Chairman's Report  
Financial Year 2011 / 2012
- Products and Services
- Notice of AGM
- 10 ways to make the most  
of your LCU account
- How to avoid paying fees  
and charges
- Register for eStatements
- Community Noticeboard

Spring 2012

# LCU news

## Chairman's Report Financial Year 2011 / 2012

### Results

On behalf of the Board, I am pleased to present to Members the 2012 Annual Report for Laboratories Credit Union Limited.

In this tough environment, LCU returned a strong surplus of \$873,120 which was a 29% improvement over last year and achieved 12.9% growth in assets. LCU continues to offer competitive term deposit rates helping our members earn good returns in one of the safest banking environments in the world.

LCU's low operating costs and minimal impaired loan and fraud costs contributed to a strong capital adequacy of 17.96% as at June 30. Capital adequacy measures LCU's ability to meet its obligations relative to our low exposure to risk. LCU's capital adequacy is in excess of prudential requirements and well above that of all the big four banks.

### Wider economic landscape

The 2011/2012 financial year commenced with the continued volatility experienced in the previous two years, with no solution in sight. Europe and America were both teetering on a double dip recession. The Australian economy continued to grow, mainly as a

result of export income from the mining sector. However, in almost every other sector, including the home loan market, the economy remains low, particularly in NSW. During the year, the Reserve Bank reduced the cash rate by 125 basis points to stimulate consumer activity but it had little impact in our market, and loans growth remained at an all-time low.

LCU had to control its treasury operations carefully in order to manage the impact of the interest rate reduction on loans and investment income and continue to offer competitively priced Fixed Term Deposits. A perfect example of how LCU was affected is Loans growth of 3.28% and deposit growth of 13.72% for 2011/ 2012.

The positive side is that our members maintained their employment for the year and impaired loans remained at low levels.

*(continued page 3)*



# Love

# LCU

Try out our great products and services... we think you'll give them the thumbs up too!

- |                                |                       |                            |
|--------------------------------|-----------------------|----------------------------|
| • Personal Loans               | • Internet Banking    | • Car Loans                |
| • Phone Banking                | • Overdrafts          | • Refinance Loans          |
| • Foreign Currency             | • BPAY                | • Fixed Term Deposits      |
| • Home Loans                   | • Periodical Payments | • Loan Re-Draw Facilities  |
| • Visa Debit Card              | • Direct Debit        | • Payroll Deductions       |
| • Multi-Currency Cash Passport | • Cheque Books        | • On Call Savings Accounts |



## Notice of Annual General Meeting

The 58th Annual General Meeting and Dinner will be held on Thursday 1st November, 2012 commencing at 6.00pm. The venue is the North Ryde Golf Club, Twin Road, North Ryde.

### AGENDA

1. To confirm the minutes of the 57<sup>th</sup> Annual General Meeting held on 9th November 2011.
2. To receive, consider and adopt if thought appropriate; Directors' Report, Financial Statements and Balance Sheet and Auditor's Report.
3. To note the resignation of BDO Audit (NSW-VIC) Pty Ltd accepted by the directors due to the audit directors joining Grant Thornton Audit Pty Ltd.
4. To consider, and if thought fit, to pass the following as an ordinary resolution:  
*That the Laboratories Credit Union Ltd resolves to appoint Grant Thornton Audit Pty Ltd as auditors.*  
 The Board recommends that shareholders vote in favour of this resolution
5. To announce the Election of Directors
6. To determine the amount of Directors' Honoraria.
7. General Business.

In accordance with the Constitution the following Directors retire from the Board:

Mr Frank Benito De Valle  
 Mr Kieran Greene  
 Mr Alistair Martin

Who being eligible have nominated for re-election.

Members are hereby notified that as there is an equal number of nominations to vacancies and under the provisions of the LCU Constitution the election process is discontinued.

M Sinclair  
 Secretary  
 By Order of the Board

Notice of Nomination of Auditor  
 Grant Thornton Audit Pty Ltd.  
 ABN 94 269 609 023  
 21 September 2012

### Appointment of auditors

I wish to nominate Grant Thornton Audit Pty Ltd as auditor of Laboratories Credit Union Pty Ltd at the forthcoming annual general meeting.

I request that a copy of this nomination is sent to all persons entitled to receive notice of the AGM and Grant Thornton Audit Pty Ltd.



Following the 58th Annual General Meeting members are invited to join the Directors and Staff for the LCU Annual Dinner.

Please call LCU on 9859 0585 to reserve your place.

## 10 ways to make the most of your LCU account...

### Term deposits

- attractive rates- while other institutions may give the impression of offering better rates on term deposits, if you look carefully these are usually simply introductory rates that get reduced significantly after a few months.

### E\*Saver and Cash Management accounts

- competitive rates at call

### Easy access to your money

- Including all rediATM's
- Eftpos
- Visa Debit Card
- BPAY®

### 24/7 banking

- internet banking and telephone banking

### Home, Refinance & Investment loans

- loans tailored to suit your personal circumstances
- competitive interest rates

### Car & personal loans

- attractive rates
- different loans depending on your needs

### Travel money services

- multi-currency cash passports
- foreign currency

### Insurance Services

- home and contents, car, travel and loan repayment insurance - all provided by CGU

### International transactions

- international money transfers
- foreign currency deposits
- foreign currency - drafts

### Overdrafts

- extra money on stand-by

If you would like more information about any of our products or services, please call one of our Customer Service Officers on (02) 9859 0585 or drop into our North Ryde Branch.

® Registered to BPAY Pty Ltd ABN 69 079 137 518  
 Products are issued by LCU Limited ABN 77 087 650 217, AFSL/Australian Credit Licence 240807. Any advice contained in this newsletter is of a general nature only and has not taken your personal situation into account. You should refer to LCU's General information and Terms and Conditions brochures to decide if the product is right for you. Full details are available from LCU offices or our website [www.lcu.com.au](http://www.lcu.com.au)

(continued from page 1)

### Marketing and Member Services

2011/ 2012 was a busy year with many changes and improvements to member services. The new encoded BSB number on member cheque books, required the reissue of all personal cheque books to members. Changes in Commonwealth Legislation required LCU to introduce the Home Loan Key Fact Sheet (HLKFS) on the LCU website. LCU's internet banking product was upgraded, with increased security features (e.g. 2 factor authentication). LCU is currently working on developing the capacity for eStatements and mobile banking capability both of which are currently being tested with the introduction scheduled for late 2012.

### Scholarships

LCU, as a part of its commitments to the community and education, has been awarding Scholarships since 1991. Some 20 years ago Mr Don Pendergast initiated the awarding of scholarships to members, or children of members, who have completed the HSC and are progressing to a tertiary institution or who have completed a TAFE Associate Diploma or Certificate. This year each scholarship was worth \$850.

In February 2012, LCU hosted the annual luncheon to celebrate the achievements of our 2012 Tertiary Scholarship Winners. Dr Robert Steele, on behalf of the LCU community and the Board and Dr Phil Hendry, representing CSIRO, presented the winners with their awards and congratulated them on their 2011 HSC and TAFE results.

The scholarship winners for 2012 were; Alison Anderson, Robert Bernard, Michael Burley, Harry Day, Mitchell Frankland, Callum Johnson, Natalya Maley, Ryan McCaugherty, Jennifer Su and Lisa Yang.

### Staff and the Board

The 2011/ 2012 year was certainly a year of change in both staff and the Board. Terri Breen retired in July 2011 after some 24 years serving the Credit Union and its members. LCU was fortunate to be able to appoint Ashleigh Cassilles as a full time Marketing and Business Development Officer; Ashleigh has brought new ideas to our marketing drive.

The Board wishes to thank all our staff, Michael Sinclair (General Manager), Leanne Harris (Assistant General Manager), Eileen Thoms, Lyn Slatter, Kerrie Griffiths, Rhonda Hatton, Susanne Tran-Lowder, Jenny Vote,

Nalini Mannie, Ashleigh Cassilles and Elizabeth Sinclair for continuing to provide a friendly yet efficient banking services alternative.

There was some movement on the Board front as well during the year. Dr Bob Steele (Chairman until May 2012) and Dr Fiona Cameron (July 2012) both resigned during the year and we wish to thank them both for their valuable contributions to the Board over the years. The Board welcomes Dr Scott Martin to the table, following his appointment to the Board in August, after serving as an Associate Director.

I would like to thank my fellow Directors, Dr Anita Andrew, Ms Janine Clark, Mr Kieran Greene (Chair of the Board Risk Committee), Mr Ian McDonald, Dr Tony Murphy, Mr Peter Steele (Chair of Board Audit Committee) and Dr Scott Martin for their valuable contribution to the governance of LCU. I would also like to thank Ms Allison Smart, Associate Director, who attends Board meetings by invitation and provides invaluable service and views to the Board.

Frank Benito de Valle  
Chairman  
18 September 2012

## Easy steps to avoid fees & charges!

As a Credit Union, LCU is owned by you, our members therefore your financial wellbeing is very important to us. By making some simple changes to the way you manage your accounts, you can minimise and even avoid paying any excess transaction fees.

### 1. Use your Visa Debit card

*Tip:* Press 'CR' when paying for purchases or bills with your Visa Debit card.

*Tip:* Woolworths (and it's affiliated stores) now accept Visa Debit card payments using the "CR" function. With Visa Debit, all EFTPOS transactions at participating retailers are completely free as long as you press the Credit (CR) button. You can use Visa Debit in the same way as a credit card, such as shopping online and over the phone. However, instead of accessing a pre-approved credit limit, you only spend your own money.

### 2. ATM

*Tip:* Use RediATM or NAB ATM's when ever possible.

*Tip:* Make larger planned withdrawals rather than many small withdrawals.

When withdrawing cash, always try and use a RediATM or NAB ATM. You are entitled to 10 free cash withdrawals per calendar month at these ATM machines and you will avoid being directly charged a fee by other ATM network owners. For your convenience we are partnered with RediATM, one of Australia's largest ATM networks, with over 3,400 ATM nationwide. Find the location of your nearest RediATM at [www.rediatm.com.au](http://www.rediatm.com.au) or take advantage of RediATM's SMS service or iPhone app to locate ATM's on the go.

*Note:* All ATM fees are charged on a per transaction basis and not on the value of the transaction. Therefore, by simply budgeting, you can minimise the number of transactions and excess transaction fees.

### 3. EFTPOS

*Tip:* Take out extra cash when using EFTPOS instead of using ATM.

When you pay for a purchase using EFTPOS (SAV) or (CHQ) and you know you'll require additional cash for later, request additional cash-out as part of your EFTPOS transaction. This way you only make one EFTPOS transaction for many purchases.

*Note:* You are entitled to 10 free EFTPOS transactions (for SAV or CHQ) per calendar month. After this, you will be charged \$1.80 per transaction. Avoid this by pressing the CR option when ever possible.

### 4. Online and Phone Banking

*Tip:* Check account balances and pay bills for free with BPAY through NetTeller internet banking and LCUDirect Phone Banking. You can also transfer funds into another account at any Australian financial institution at no cost through internet and phone banking.

If you have any questions about fees and charges or require further information, please contact LCU.

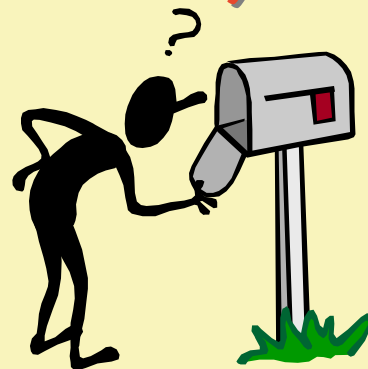


# Have you registered for Online statements yet?

Don't forget- there's now a simple, fast and environmentally friendly way to access your account statements from LCU!

Register for eStatements in three simple steps:

1. Visit [www.lcu.com.au](http://www.lcu.com.au) from a desktop computer and login to NetTeller Internet Banking
2. Select 'eStatements' from the left hand menu
3. Accept the terms and conditions to activate eStatements



If you have any questions about eStatements or are unsure how to register, simply call our friendly team on 9859 0585 and we will help you through the registration process. It's that easy!

## COMMUNITY NOTICE BOARD

### Thank you LCU for helping change my family's lives

LCU staff are the proud sponsors of Keo Si Lum, a CUFA Village Entrepreneur in Cambodia.

Like our readers, Keo is a member of her local credit union in Kampong Chhnang Province. She is a rice and pig farmer and has been part of the Village Entrepreneur program since September 2011. LCU's monthly contribution to Keo has helped her receive training and funding to improve her small pig and rice farm. The Village Entrepreneur program provides her with the support and skills needed to grow her business to be a sustainable and stable source of income for her and her family. It's all about giving a hand up and not a hand out.

Life has changed and improved dramatically for Keo and her family over the past year thanks to LCU Staff. Her message to us is "thank you for the good support and I will do my best to improve my business so my family will live better".

In your September statement you will see an insert giving you the opportunity to make a difference to the life of a villager like LCU staff have. LCU invite our members to do the same. If you'd like to learn more about the CUFA Village Entrepreneur program please visit [www.ve.org.au](http://www.ve.org.au).



### Join our online community!

Want to interact with other members and be the first to know about news and special offers?

LCU is active on Facebook and Twitter so please drop by and say hello:

[www.facebook.com](http://www.facebook.com) -  
search for Laboratories Credit Union  
[www.twitter.com/](http://www.twitter.com/LaboratoriesCU)  
LaboratoriesCU



Another big thank you to our LCU members and staff who purchased Daffodil Day merchandise. With all your kind donations we were able to raise \$225.05 to



help support the NSW Cancer Council fund their vital work in cancer research, prevention and support services. What a great effort!

(02) 9859 0585/0533 FAX (02) 9859 0555  
PO BOX 1967 MACQUARIE CENTRE 2113  
1 The Village, RIVERSIDE CORPORATE PARK  
JULIUS AVENUE, NORTH RYDE 2113

Email [info@lcu.com.au](mailto:info@lcu.com.au) - [www.lcu.com.au](http://www.lcu.com.au) - **LCUDirect** (02) 9859 0500

Laboratories Credit Union Ltd  
ABN 77 087 650 217 AFSL / Australian Credit Licence 240807