

INTEREST

QUEENSLAND PROFESSIONAL CREDIT UNION LTD MEMBERSHIP INFORMATION – OCTOBER 2008

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Notice of Annual General Meeting



The 41st Annual General Meeting of Members of the Queensland Professional Credit Union Ltd will be held on Thursday 6th November 2008 at 6.00pm at the Theodore Club, 1st Floor, 333 Adelaide Street, Brisbane.

ORDINARY BUSINESS

- 1 Receipt and Adoption of the Minutes of the 40th Annual General Meeting held on 1st November 2007.
- 2 Presentation of Report of Board of Directors
- 3 Presentation of Directors Report, Statement by Directors, Audited Accounts and the Auditor's Report.
- 4 Declaration of the election.
- 5 ()
- 6 General Business of which due notice has been given.

Dated the 30th day of September 2008

By Order of the BOARD
Paul McGrath, Secretary

NOTE: The Annual Financial Report is available on our website www.qldprofcu.com.au. A printed copy will be available on request from 13 October 2008.

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A member who is entitled to vote at the meeting may request the Credit Union to give the member personal ()

() Floor, 85 () not later than 4.00pm on 5 November 2008.

Chairman's Report

OPERATIONAL PERFORMANCE

Over the year we maintained our hallmark operational performance in Australia. Two important measures of this overall business performance are the regulatory capital adequacy ratio and the cost to income ratio. Our results were:

Capital Adequacy Ratio	30%
<i>Minimum Requirement</i>	8%
Underlying Cost to Income Ratio	64%
<i>Industry Average</i>	75%

Our capital adequacy ratio of 30% is very sound and consistent with previous years. A disappointment however, was the impairment loss of \$2 million relating to a treasury loan to a company for which Receivers and Managers were appointed. This was frustrating as our treasury loan placements have performed strongly over many years. We will continue to pursue collection of these amounts owed through available channels.

After taking this impairment into account our underlying cost to income ratio was 64% for the year, which is a significant improvement on the industry average of 75%.

Whilst we are disappointed with the impact this impairment has had to this year's result, we need to be realistic and remember the prior 40 years consistent performance.



Most importantly from an organisational perspective, there will be no adverse impact on our membership and there are absolutely no implications to the membership in terms of service and the financial strength of the company is very sound and this augurs well for the new year.

DEPOSITS AND LOANS

Retail deposits have been volatile but we have maintained a strong position. A notable achievement was the award of the 2008 Best On-Line Savings Account (non-bank) by Money Magazine. This is the second year in a row that the product has won this award, which further enhances its appeal to our members. During the year we introduced an online pension account which we call our S60. This account produces greater returns than other pension accounts and is a significant addition to our product range.

Loan balances have increased steadily. All borrowers should be congratulated on their conduct as no member loans had to be written off. Total of \$1,850 related to Visa fraud.

We are very proud of the credit union's "Friendly Home Loan" which continues to be very well regarded by members. Industry... issued during the year.

... during the year. This product is available to all home loan borrowers and can be used to... thousands of dollars in repayments. You can then also use these early repayments to fund future new borrowings if required.

ACKNOWLEDGEMENTS

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My thanks to Mr Rutherford and indeed all our... as shareholders. We couldn't progress without...

My Fellow Directors

Last year we reduced director numbers from... worked particularly well. I am grateful to all directors for their continued focus throughout the year.

You, Our Members.

Thank you for your loyal support. We cannot continue without active members. Both... appreciate your continued engagement with the credit union. I encourage you to tell others about your credit union, to use our market leading products and customer service which is second to none.

We all look forward to serving you more...

JC Strachan
Chairman

contact us

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