



CELEBRATING 50 YEARS



YEAR IN REVIEW 2015 - 16

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KEY FINANCIAL HIGHLIGHTS

Net Assets

(6.51% growth)

2016 32.1M

2015 30.1M

Total Assets

(10.80% growth)

2016 390.9M

2015 352.8M

Gross Loans Balances

(14.31% growth)

2016 329.3M

2015 288M

Capital Adequacy

2016 14.74%

2015 15.20%

Total Deposits

(11.13% growth)

2016 334.8M

2015 301.3M

Net Profit Before Tax

(3.45% growth)

2016 2.8M

2015 2.7M



Board of Directors (from left)

Tony Ferris, Jennifer Pike, Matthew Ryan, Peter Townsend, David Bevan,
Vanessa McNeilly, Allan Hudson

CHAIRMAN'S REPORT



Allan Hudson
Chairman

The 2015/2016 was a year of strong results for Coastline as we continue to focus on our future direction. We are passionate about the financial well-being of our members and this is reflected in the growth and profitability of the organisation. Our net profit before tax was \$2.768 million and represents operating growth of 3.4% from the previous financial year. Our total assets grew by 10.8% to \$391 million with the loan book growing by 14.3% to \$329 million. Deposits increased by 11.1% to \$335 million which reflects the confidence members have in doing business with Coastline. We are in a prudentially sound position with strong capital and low levels of loan arrears.

Following the successful rollout of our shopping centre concept store in Taree we took the opportunity in Port Macquarie to move to Settlement City Shopping Centre. The new store is open and welcoming and strongly reflects Coastline's brand. Featuring an open plan layout with service booths, technology bar, member lounge, coin deposit machine and staff utilise a cash recycling dispenser. The inviting fit-out is a departure from the traditional looking bank branch. Our next branch to be refurbished is West Kempsey.

During the year our Credit Card, eSaver Account, Business Rewards and Personal Loan were awarded coveted Canstar Cannex 5 Star Ratings. Canstar Cannex is a leading financial research and ratings agency operating in Australia and New Zealand. Only the top 5% of all products analysed receive the prestigious Canstar Cannex 5 Star Rating.

Our website has continued to provide members with information on our products, services, rates, campaigns and corporate activities and we continue to refine and adapt the content for the benefit of our members. With our online calculators, the website has proven to be a very easy and accessible tool for mobile and pc web users. Locally and across Australia members enjoy unlimited fee-free ATM transactions at Westpac, St George, Bank SA, Coastline and BCU. Our Bpay, Direct Debit & Credit, Internet and Phone Banking services are also fee-free. Plus, our generous Rewards Program ensures that the more members use Coastline's comprehensive range of banking, loans and investment services - the less they will pay in fees and charges.

Since the inauguration of the Coastline Community Foundation in 2002, Coastline has provided grants of over \$850,000 to over 240 worthy local causes. The Foundation gives financial support to organisations that provide benefits to local communities. Each year Coastline provides 5% of its operating profit to the Coastline Community Foundation as a way of showing our tangible support to the community.

We anticipate business conditions will again be challenging over the next 12 months. Despite this we are confident solid growth will continue in the year ahead. At the same time, we will develop our business and invest in the things that make us different - our people, our products and our technology - and we believe we can continue to grow above industry benchmarks. We will continue to build on our niche mortgage broking business and invest in our people.

Every year the Board of Directors undergoes a renewal process and continues to review the skill mix of Directors to ensure that it is well positioned to deal with the regulatory and competitive challenges of the future. The Board also undertakes annual appraisals of its own performance and each individual Director.

In closing, I would like to thank my fellow Board members for their co-operation, teamwork and support throughout the year. My thanks also go to our General Manager Peter Townsend, his leadership team and all staff for their efforts in achieving the trading performance and providing professional, friendly and efficient banking services to our members.

PROFIT AND LOSS STATEMENT

	2016	2015
	\$'000	\$'000
Interest Revenue	16,869	16,807
Interest Expense	(7,980)	(8,699)
Net Interest Income	8,889	8,108
Other Revenue and Income	2,237	2,067
Impairment Losses on Loans and Advances	(200)	(72)
Operating Expenses	(8,158)	(7,427)
Profit Before Income Tax	2,768	2,676
Income Tax Expense	(805)	(785)
Profit for the Year	1,963	1,891

	2015/16	2014/15	2013/14	2012/13	2011/12
	\$'000	\$'000	\$'000	\$'000	\$'000
Net Interest Income	8,889	8,108	7,376	6,760	7,237
Profit (after tax)	1,963	1,891	1,514	1,068	1,901

BALANCE SHEET

	2016	2015
	\$'000	\$'000
Cash and Investments	53,760	56,905
Property, Plant and Equipment	3,557	3,347
Loans and Advances (net of provision)	329,261	288,032
Other Assets	4,356	4,529
Total Assets	390,934	352,813
Deposits from Other Financial Institutions	20,450	16,900
Deposits from Members	334,822	301,297
Payables and Provisions	3,561	4,478
Total Liabilities	358,833	322,675
Net Assets	32,101	30,138

	2015/16	2014/15	2013/14	2012/13	2011/12
	\$'000	\$'000	\$'000	\$'000	\$'000
Gross Loans and Advances	329,901	288,512	269,644	256,793	238,613
Deposits from Members	355,272	318,197	295,504	289,075	260,989
Total Assets	390,934	352,813	327,431	320,325	290,461
Net Assets	32,101	30,138	28,247	26,731	25,663
Capital Adequacy	14.74%	15.20%	16.21%	15.18%	15.21%

A woman with blonde hair, wearing a blue button-down shirt, is sitting at a white desk in an office. She is smiling and looking at a computer monitor. Her hands are on a mouse. To her right is a large green plant in a white pot. In the background, there is a blue wall with the 'COAST' logo and the tagline 'Where your g...'. A black lamp is hanging above the desk.

COAST
Where your g...



COASTLINE CREDIT UNION 50th ANNIVERSARY

Coastline Credit Union was formed on October 25, 1966 at a meeting held at the Macleay River County Council Chambers. Coastline was originally named the Macleay River County Council Employees Credit Union Ltd. The original statement presented to the formation meeting of the Credit Union was signed by meeting Chairman Mr James Salter and the Secretary Mr L (Max) Robinson. It said:



The purpose of this meeting is to provide the members and employees of the Macleay River County Council an attractive savings scheme, an avenue for obtaining personal loans at low cost in time of need and thereby provide an opportunity for members to solve personal economic problems through mutual co-operation.



During the first year of operation the employees of the Municipal Council and Shire Council were invited to join and the name was changed to Macleay River Combined Councils Credit Union Limited. In the Credit Union's first year of trading in 1967 it produced a gross profit of \$21.82 and had \$8,068.58 in Assets with membership rising to 54. The interest rate charged on loans (.09c in the dollar) was one of the lowest in the Credit Union movement in NSW. The interest rate paid on savings accounts was 5%. In 1969 employees of the Hospital, Macleay Co-op and Macleay Argus were allowed to join and the name changed to Macleay Mutual Credit Union Ltd. The Credit Union's first loan of \$500 was approved on 1 December 1966.

50 YEARS

October 25

Coastline Credit Union was formed at a meeting held at the Macleay River County Council Chambers. It was called Macleay River County Council Employees Credit Union Ltd

Employees of the Municipal Council and Shire Council were invited to join. Now known as Macleay River Combined Councils Credit Union Limited

Our first loan of \$500 was approved on 1 December 1966.

1966

1969

Employees of the Hospital, Macleay Co-op and Macleay Argus were invited to join. Our name changed to Macleay Mutual Credit Union Ltd.



Assets
Members

\$8,068.58
54 Members

\$120,711
285 Members



1967

We produced a gross profit of \$21.82.

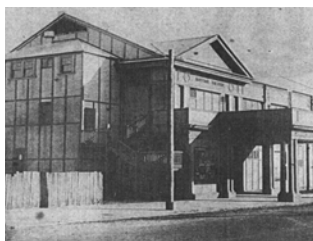
Loan interest rate 0.09c in the dollar - one of the lowest in NSW

Savings interest rate was 5%

1970

Our name was changed to Macleay Mutual Credit Union and Barry Martin was appointed as the first full time Secretary Manager





1973

We purchased our first building at 39 Smith Street, Kempsey for \$66,000

1979

Allan Algie took over from Barry Martin as General Manager

South West Rocks branch moved as new premises were purchased at Prince of Wales Avenue.



\$3 million
4000 Members

1975

Our South West Rocks Branch was opened

1981

We employed 17 staff, with an annual payroll in excess of \$200,000.





1985

Mayfair Plaza was purchased, which became known as the Credit Union Plaza. Slim Dusty commemorated the site (which was also the venue of his earliest public appearance) by unveiling a plaque.



1990

Our first Automatic Teller Machine (ATM) was installed in Smith Street Kempsey

Redi-Access cards were introduced providing members 24 hour access to funds

Credit Union Plaza building was sold and the Credit Union stayed on as a tenant



1982

Our first computer system purchased for \$120,000 – capable of running up to 30 terminals and provided current financial records for members



1987

We celebrated our 21st Anniversary. The original membership of 40 had grown to 10,000

Member Chequing was introduced and we engaged Bridges Personal Investment Services offering our Members financial planning services

\$6 million
6000 Members

\$15 million
10,000 Members

1984

The Kempsey Shire Council President Stuart McIntyre officially opens our West Kempsey Branch and Administration Centre.



1986

Allan Algie took up a position with Uni Credit Union and David Bevan was appointed General Manager



1989

The rules were changed to allow lending to corporate members

Our Credit Union Agency was opened at Crescent Head



1996

We opened a new branch in Port Macquarie

We changed special service provider (Wholesale Banking) to CreditLink which saw Redicards change to Cuecards and member chequing change from the NAB to Westpac

In October we welcomed Peter Townsend to the role of General Manager

The major Banks deserted small county towns by closing branches and reducing the services they provided to customers. Coastline continued to remain focused on providing members with a first class competitive financial service whereby members could operate accounts without incurring fees

1999

We are ranked in the top 10 Credit Unions in Australia for performance and efficiency measures by KPMG's Annual Financial Institutions Performance Survey.



\$30 million
12,000 Members

1995

We extended our bond area to include the Shire of Hastings

We changed our name and became Coastline Credit Union Ltd.

We introduced automated telephone, providing members with 24 hour access to account information



1998

Our Member Rewards Program is launched

A new Cash Management Account was introduced paying term deposit interest on saving account funds

Loan redraw facilities are introduced

Telephone Call Centre hours are extended from 8.00 am to 6.00 pm

The Keith Henry Community Endowment was awarded to the Mid North Coast Trucking Club. The Kempsey based club had staged an annual truck show which raised over \$100,000 for local charities during the previous 20 years



2001

Flooding causes extensive damage to Credit Union Plaza and three ATMs. Our West Kempsey Branch and ATM stayed high and dry, providing members with ongoing financial services during repairs.

BPay was introduced

Our Port Macquarie Branch was moved to larger premises in Horton Street

Internet Banking was introduced

2005

Coastline became a Foundation Donor of the Slim Dusty Centre in Kempsey

Our eSaver account was introduced providing free Phone and Internet Banking access with high interest rates



2007

We are recognised by Money Magazine in their prestigious Best of the Best Awards, with our Business Access Account competing in the Best Business Deposit Account – Nonbank Category



\$100 million
13,000 Members

\$250 million
14,000 Members



2002

Our Coastline Community Foundation was established as a way for Coastline to show its tangible support for the communities in which it operates

We open a new branch in Taree – expanding our network to service residents of the Manning Valley



2006

Our new South West Rocks Branch was officially opened by Philip Elliott the CEO of the National Credit Union Association

We celebrated 40 years, supporting the local community.

2008

The Prime Minister announced a new scheme to guarantee all deposits held in credit unions, building societies and banks in Australia

2010

Over \$420,000 in Coastline Community Foundation grants awarded to community groups

Our Central Kempsey Branch is relocated to 65 Smith Street



2012

Our new concept branch is opened in the Manning Mall Taree

2013

We are awarded the Money Magazine's Best Everyday (Non-Bank) Account for our Pay-as-you-go Visa Debit Account



2011

Our Mobile Banking App – MyCOAST is launched



October 25

Coastline Credit Union celebrates 50 years of service to its members and the basic principle of mutuality still applies today.

2016

\$400m
15,000 Members



2009

Coastline members are given fee-free access to over 2800 ATMs across Australia, following an agreement which allows members to have unlimited fee-free access to Westpac, St George, Bank SA and BCU ATMs in addition to Coastline ATMs.

We are awarded the Canstar Cannex 5 star rating for our Visa Rewarder Credit Card

EStatements are introduced giving members the choice to receive and view their statements online



2014

We launch a new website with improved functionality and navigation

2016

Port Macquarie branch moves from Horton Street to Settlement City

We renovate our West Kempsey branch.

Community Foundation has raised \$850,000.
We now employ 50 staff.

Assets \$400m |
15,000 members
| 50 staff |
\$800,000+ raised
in our community
foundation.



Number

COASTLINE CREDIT UNION LTD

FOUNDED AS

**Macleay River County Council Employees Credit Union Ltd on
25 October 1966**

OFFICE HOLDERS

CHAIRMAN

L M Robinson 1966-1967 | R A Landers 1967-1968 | C F Lowe 1968-1969 |
G J Faulks 1969-1970 | H J Mackerras 1970-1973, 1983-1987 |
F K Henry 1973-1977, 1980-1981, 1991-1992 | T Hunt 1977-1980 | D Bevan 1981-1983 |
P Hinchcliffe 1987-1991 | K Petterson 1991-1996 | B Cooper 1996-2001, 2001-2010 | Browne 2001-2002 |
A Hudson 2010 -

DIRECTORS

L M Robinson 1966-1968	M Quinn 1976-1977	J Harriott 1998-2001	R French 1977
R A Landers 1966-1974	G Harriott 1976-1977	C Mowle 2000-2009	B R Dodds 1978-1982
J P Clancy 1966-1968	W Chapman 1977-1980	A Hudson 2007	C King 1979-1981
C W Hall 1966-1971	K McCallum 1979-1982	M Ryan 2008	R Baker 1979-1983
W V Silcock 1966-1973, 1974-1978	P Scott 1981-1982	D Bevan 2010	D Bevan 1980-1986
C E Lowe 1967-1972	B Cooper 1982-2012	A H Ward 1968-1970	C King 1979-1981
G Faulks 1967-1970	S Leary 1982-1986	M P Henry 1970-1974	J Cavanagh 1986-2012
H J Mackerras 1967-1993	D Sherwood 1982-1983	K W Bainbridge 1970-1975	P Hinchcliffe 1985-1991, 1999-2014
B Presland 1967-1971	M Clinch 1983-1986	B J Dodds 1970-1971	A Smith 1986-1987
L P Ennis 1968-1970	R W Charlton 1983-1984	R P F Chambers 1971-1972	I Bradshaw 1988-1989
H R McLeod 1972-1976	C Hassett 1983-1987	F K Henry 1971-2007	I Browne 1989-2010
B J Reinhard 1973-1978	B Schirmer 1986-1991	W H Thompson 1971-1973	K Petterson 1989-1998
O Elford 1973-1974	D Clark 1986-1989	R H McLeod 1972-1976	R Hancock 1992-1994
M Crotty 1974-1979	B Woods 1993	J Griffin 1972-1976	A Delaforce 1992
R Edwards 1974-1976	R Hamparsum 1994-2009	L Clarke 1978	C Brennan 1992-1996
T Hunt 1975-1994	K Wright 1993-2011	R A Davies 1977-1979	V McNeilly 2011
R French 1976-77	P Johnson 1994-2009	R Deas 1977-1981	T Ferris 2012
	N Hoy 1996-2000		J Pike 2012

SECRETARY - TREASURER

R E Hinchcliffe (Secretary) 1967 | G Hollis (Treasurer) 1967 |
D W Neil (Secretary/Treasurer) 1968-1970

MANAGERS

B Martin (Secretary Manager) 1970-1979 | A Algie (General Manager) 1979-1986 |
D Bevan (General Manager) 1986-1996 | P Townsend (General Manager) 1996-

Honour Roll Formation Meeting 25 October 1966

L M Robinson (Chairman)
R A Landers (Deputy Chairman)
J P Clancy
C W Hall
W V Silcock

10 November 1966

L M Robinson (Chairman)
R A Landers (Deputy Chairman)
R E Hinchcliffe (Secretary)
G Hollis (Treasurer)
C W Hall
W V Silcock

List of MRCC Employees Present at Formation Meeting

L M Robinson	G V Burnett
J C Slater	G E Walker
C W Hall	K Williams
K E Smith	R Thurgood
R Hinchcliffe	K Graham
R Pearce	R Elford
J Chapman	K Bainbridge
W Manning	A C Anderson
F Eakin	R H Field
P Hinchcliffe	W V Silcock
A Delaforce	R Dodds
K Smith	P Bannon
N A Hanson	R Browning
G A Pring	R A Landers
E G Dening	D Neil
J L Gray	J A Nash
K Barnes	B Francis
N Shelton	N Long
P Dillon	G Hollis
J Bannon	J P Clancy

Original Shareholders 24 November 1966

A C Anderson	R A Landers
K B Bainbridge	N G A Long
J Bannon	R J Lyttle
P Bannon	W B Manning
P J Bridge	J A Nash
R Browning	D W Neil
G V Burnett	R W Pearce
J P Clancy	G A Pring
A B Delaforce	L G Rawlings
P W Dillon	L M Robinson
R H Field	J C Slater
B W Francis	J C Saul
E G Gilligan	W V Silcock
J L Gray	K E Smith
C W Hall	K F Smith
P Hinchcliffe	G E Walker
R E Hinchcliffe	A H Ward
G C Hollis	P E Young
R D Johnson	



COASTLINE CREDIT UNION LIMITED ABN 88 087 649 910

REGISTERED OFFICE

64 Elbow Street West Kempsey NSW 2440. Telephone: 02 65621066. Fax 02 65628940.

CORRESPONDENCE

PO Box 3119 West Kempsey NSW 2440. mail@coastline.com.au

ALL TELEPHONE ENQUIRIES

1300 36 1066

WEBSITE & INTERNET BANKING

www.coastline.com.au

BRANCHES

64 Elbow Street West Kempsey.
65 Smith Street Kempsey.
2 Prince of Wales Avenue South West Rocks.
Shop 16A Settlement City Shopping Centre Port Macquarie.
Shop 22 Manning Mall Taree.

AGENCY

2-4 Rankine Street Crescent Head.

ATMs

64 Elbow Street West Kempsey.
65 Smith Street Kempsey.
2 Prince of Wales Avenue South West Rocks.
Settlement City Shopping Centre Port Macquarie.
Growers Market Gordon Street Port Macquarie.
Port Macquarie Base Hospital Port Macquarie.
Manning Mall Taree.
Manning Base Hospital Taree.
Plus all Westpac, St George (except those in BP Service Stations), Bank SA, and BCU ATM's



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