

President's Report

On behalf of the Board welcome again to our Annual General Meeting and our annual report for the financial year ending September 2022,

We have just completed our first year in our new offices at Curborough Community Centre and have been made to feel very welcome. The move required a great deal of hard work by many people – many thanks to all concerned.

Richard Hobbs – Director and Treasurer- resigned during 2021 / 2022. The Board wishes to place on record our thanks for all his hard work. This included using his decorating skills during the move from Jigsaw!

The move to Curborough Community Centre has reduced our outgoings and enables us to interact with many community groups.

We continue to grow as can be seen by the Financial Statements, with a 20% increase in loans granted during the Financial Year. The interest from these loans is our main source of income.

Our colleagues at Hednesford continue to open on a weekly basis at their library. Offering their community an essential link to the credit union.

We constantly try to do the best for our members, which includes support during the 'Cost of Living' crisis, through Social Media and newsletters. The outcome is not necessarily offering a loan but includes referrals to the Foodbank, signposting to energy suppliers and other agencies.

As reported last year, there is still a lack of volunteers of the right calibre willing to give sufficient time. This puts a great deal of pressure on the present volunteers. We have to recognise that this will have a significant impact on the credit union going forward. If you are interested in joining us as a volunteer please have a chat with a member of the Board.

We need to continually keep our credit union up to date with changes within the Financial sector. This is very time consuming but essential work.

Finally, the Board wishes to thank all our volunteers for their continued hard work on behalf of the credit union.

Janet Bamber
President

Treasurer's Report

The 2021/22 was a year of change as we emerged from Covid restrictions but were faced with the challenge of a cost-of-living crisis. This has resulted in an increase in loan allocation. In addition, the Credit Union moved to its new premises in Curborough Community Centre which will provide cost savings to the credit union over the coming years.

The cost-of-living crisis has provided the Credit Union with extra income as a result of increasing interest rates and our bank interest was £6,020 an increase of £1,220 over the previous year.

It has been another good year for loans issued to our members. The loan value of £150K was £5K up on the previous year. The Loan interest received of £29.7K was up £7.7K on the previous year.

In April 22 the Credit Union moved from its premises in Dimbles Lane to our new offices in Curborough Community Centre. Although there were some one-off costs associated with the move in the longer-term payment of a lower rent which is inclusive of utility bills, cleaning expenses, building insurance, will certainly be financially advantageous for the Credit Union

As a credit union, we have been conscious that for previous years we have been overly reliant on drawing income from grants we have been fortunate enough to have been awarded. Therefore, this year we have been significantly reducing our draw down of grant monies as detailed below.

2018 year – grant income £18,752

2019 year – grant income £13,293

2020 year – grant income £12,103

2021 year – grant income £2,212

2022 year – grant income £2,692

The 2022 grant income includes extraordinary items associated with the office move and since 01/05/22 we have operated without drawing down on our grant money. This has been possible due mostly to the improvement in loan income over the past two years, (which is continuing this year)

The operating profit for 2021/2022 was £5,514 down £406 on last year (please note a dividend was paid from this year's profit and profit before this payment was £6,810).

The Board has recommended that we pay a 0.25% dividend in March 2023.

The Audited Accounts are circulated with this report. I do not propose to reiterate the detail of the Audited Accounts but have included a table below (in similar format to that discussed at our monthly Board Meetings) incorporating key financial metrics and the change to previous year.

	30 Sept 2021	30 th Sept 2022	£ Variance	% Variance
Shares	£646,225	£585,204	-£61,021	-9.5%
Loans Balance	£103,710	£135,772	+£32,062	+31%
Leverage	16.05%	23.2%		
Arrears	£14,492	£26,766	+£12,274	+84.6%
Bad debt Provisions	£23,777	£31,132	+£7,355	+30.9%
Loan Interest	£22,392	£29,727	+£7,335	+32.7%
Operating Expenses	£26,742	£32,264	+£5,522	+20.6%
Operating Surplus	5920	£5,514	-£406	-6.8%

February 2022 update

- Shares £614,019
- Loans balance £155,345
- Leverage 25.3%
- Loan interest (after deducting provisions) £10,214 (after 5 months) – similar period last year £8,902.
- Bank interest £4,981 (after 5 months) – similar period last year £2,004

David Farnworth

Treasurer

Credit Committee Report

606 loans were granted in the Financial year with a value of £177,000 compared with the previous year's total of £145,000. Therefore interest earned from these loans shows an increase to £29,727.

The trend in the loan book has followed from the previous year with 'word of mouth' being our main source of referrals.

Kevin O'Leary, our arrears officer, is continuing to chase our delinquent loans. An important function, given the rising number of loans.

Kevin's comments – those members who go into arrears have their loan account proactively managed. Regular contact by telephone, text, letter, email or home visit is made with members on the delinquency report. The aim, at an early stage, is to avoid members facing a worsening position if their loan repayments are not made.

Kevin's knowledge and hardwork are proving invaluable. Many thanks, Kevin.
 Also many thanks to the loan team for the many hours required to keep on top of the workload.

Tim Warner
 Credit Committee Chair

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Supervisory Committee Report- Year to September 2022

As reported at the previous Annual General Meeting we still need to recruit to the Supervisory Committee. Please contact a member of the Board if you are interested in joining.

The annual check on members' balances has been carried out with 656 statements sent out. 123 have been received back to confirm the balances. No differences recorded.

Our Compliance officer, Philip Skelton, states that 'we continue to independently check our finances against Bank of England regulatory limits, and by attending regular meetings of the West Midlands Credit Union Forum, and monitoring ABCUL bulletins we keep up to date with any proposed changes in policy and can call on best practice from other Credit Unions.'

Proposed Members' dividend and interest for Junior Savers

The Board of Directors proposes to the members that a dividend of 0.25% be paid to all qualifying active members, based on their shareholdings throughout the financial year to 30th September 2022.

The Board of Directors also proposes that interest at 0.25% be paid to all junior savers.

Subject to agreement by the membership these payments will be paid directly into the members' share accounts by 31st March 22.

Appointment of auditors

The Directors recommend that Lindley Adams Limited be appointed as auditors until the next Annual General Meeting.

Election of officers

Board of Directors

Tim Warner offers himself for re-election.

Janet Bamber offers herself for re-election.

Colin Booker offers himself for election.

Credit Committee

No re-elections

Supervisory Committee

Elections to the Board will be by a show of hands.

Elections to the Credit Committee by a show of hands.

All elections require a simple majority of members present.

Management Team

All directors are unpaid volunteers.

<u>Board of Directors</u>		<u>Remuneration</u>	<u>Board Meeting Attendance</u> (October 2021– September 2022)	
Janet Bamber	President	£0	12(12)	100%
Richard Hobbs	Treasurer	£0	7 (7)	100%
Tim Warner	Director	£0	10(12)	83 %
Ruth Gleeson	Secretary	£0	10(12)	83%
Amanda Best	Director	£0	9(12)	75%
David Farnworth	Director	£0	9(12)	75%
Julie Geer	Director	£0	3 (8)	37%
Colin Booker	Director	£0	4 (4)	100%

Credit Committee

Supervisory Committee

Tim Warner (Chair)
 Janet Bamber
 Kevin O'Leary
 Tracey Williams
 Anne Heywood
 David Farnworth

Compliance officer - Philip Skelton

Richard Hobbs and Julie Geer

Attended 12/12 Board meetings

- stepped down from the Board during 2021/22

Collection points

Curborough Community Centre, Reynolds Close
Lichfield WS13 7NY

Monday to Friday

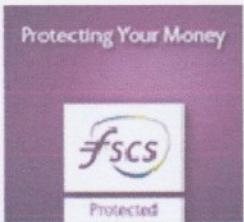
9.00 to 12.30

Hednesford Library

Wednesdays

11:00 to 1pm

Protecting Your Money



We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a credit union is unable to meet its financial obligations. Most depositors – including most individuals and small businesses – are covered by the scheme.

Your eligible deposits are protected up to £85,000 by the FSCS, the UK's deposit protection scheme. The £85,000 limit relates to the combined amount in all the eligible accounts with Fusion Credit Union and not to each separate account.

For further information about the scheme (including the amounts covered and eligibility to claim) please call us on 01543 415032, visit www.fscs.org.uk or call 0800 678 1100.