

**Save and Borrow with
STROUD VALLEYS
CREDIT UNION**

www.svcu.org.uk

Annual General Meeting

Saturday 23 February 2019

**Old Town Hall
The Shambles
High Street
Stroud GL5 1AP**

Stroud Valleys Credit Union Limited is registered under the Co-operative and Community Benefit Societies Act 2014 Reg No IP00542C. It is authorised by the Prudential Regulation Authority (PRA) Ref No 213950 and regulated by the Financial Conduct Authority (FCA) and the PRA.

Stroud Valleys Credit Union

ANNUAL GENERAL MEETING

All members are invited to attend the 20th AGM. This will be held on Saturday 23 February 2019 in the Old Town hall, The Shambles, Stroud, commencing promptly at 12 noon.

AGENDA

1. Confirm that quorum is present
2. Approval of AGM minutes held on 24 February 2018
3. Annual report from the directors
4. Expanding the Common Bond Area
5. Treasurer's report
6. Auditor's report (copies are available at the meeting)
7. Credit Committee report
8. Internal Audit and Compliance Committee report
9. Declaration of dividend
10. Appointment of auditors
11. Election of directors
12. Close AGM

During the year the Credit Union received grants from:

Stroud District Council (www.stroud.gov.uk)

Gloucestershire Community Foundation

(<https://www.gloucestershirecf.org.uk/>)

Summerfield Charitable Trust (<http://www.summerfield.org.uk/>)

Mid Counties Co-operative

(<https://community.midcounties.coop/funding/>)

DIRECTOR'S REPORT

For the year 1 October 2017 to 30 September 2018

Membership continues to increase with total shares now approaching £500,000. Plenty of money available for borrowing! The loan book shows a healthy rise to around 25% of the shares, although not as high as we would have wished for. The best way that members may support us is by taking out a loan, as much of our funding relies on interest gained from these loans. We have recently reviewed and revised our rates of interest on loans that we offer, ensuring that these risks provide the best value for members, and continue to be low risk for the credit union.

Our new business plan, which covers the next three-year period, contains ambitious targets for growth and development that should gradually help make SVCU financially sustainable.

Unfortunately, due to a dearth of funding opportunities, as well as a great demand on those available, we have not been very successful this year in securing external grants to supplement our income.

We continue to have service points in Stroud, Nailsworth, Dursley, and Berkeley, although the point in Tetbury closed shortly after opening, and operation at Wotton is currently suspended, both due to lack of customers or new members.

This year emphasis has been on improving our IT capability to meet current modern-day activities. This has not been a simple exercise and has involved considerable expense. The money used came from grants won by Philip Davenport's dedicated efforts. We have invested in hardware and software and we are now in a position to offer on-line loan applications.

To take advantage of this we will be asking members to approve an expansion of our common bond area to cover the whole of Gloucestershire. This should increase our loan book substantially, enabling SVCU to become self-sustaining.

Our primary office in Stroud is in the Old Town Hall and we receive a generous 'waiver' for most of the rent and services from the Stroud District Council. The other service points are also graciously provided on a rent-free basis by Nailsworth and Berkeley Town Councils and Barnardo's at Dursley.

Our membership at present is over 800. The best way to increase this (and obtain more shares and give out more loans) is by word of mouth. If you are pleased with your credit union, then please tell your family, friends, and neighbours and see if we can grow substantially.

Graeme Watt, Chairman

TREASURY REPORT FOR YEAR 2017–2018

The page opposite is a summary of the revenue account and the balance sheet for the year ending 30 September 2018. In the report below figures for previous year, 2017, are shown in brackets.

As a result of investing in marketing and publicity by employing a part-time specialist in this area, the credit union has grown substantially this year; number of members, up from 658 to 732, members' shares, increase of 10%, and, most significantly loans, increase of 37%, and consequently a healthy increase of 50% in interest income received from loans. We are working towards maintaining steady growth in these three areas over the near future, whilst maintaining control of expenditure, in order to be self sustaining (paying our way without grant support) within two years.

However, because of much lower grant income this year, the result for the year is a deficit of £3,349 (surplus £2,693). Grants released this year to cover certain expenses, £14,066, are £7,195 less than last year. We have continued to receive grants to cover most of the rent of our premises, but only for a quarter of our cost of wages. Administrative expenses, £17,019 (£13,687), are higher than last year, as we now have two part-time employees.

In view of the deficit for the year, the Board declares that no dividend will be payable.

The loan interest receivable and similar income, totalling £19,687, is made up of interest income from loans to members of £15,014 (£10,004), and bank interest from deposits of £4,673 (£3,802).

Loans to members, at £110,597 (£80,888), show an increase of 37% from last year.

Members' shares (including Juniors'), at £529,031 (£479,640), have increased by 10%.

Copies of the full audited financial statements for 2018 will be available at the AGM.

Lena Homer, Treasurer

REVENUE ACCOUNT

	2018	2017
Loan interest receivable and similar income	19,687	13,806
Interest payable (dividend paid for prior year)	(1,014)	(1,186)
Net interest income	18,673	12,620
Fees receivable (member fees)	845	711
Fees payable	(100)	(69)
Net fees receivable	745	642
Other income (grants)	14,066	21,261
Administrative expenses	(17,580)	(13,687)
Depreciation	(832)	0
Other operating expenses	(16,822)	(15,467)
Impairment losses on loans	(711)	(1,935)
Surplus (deficit) before taxation	(2,461)	3,434
Taxation	(888)	(741)
Surplus (deficit) for the FINANCIAL YEAR	(3,349)	2,693

BALANCE SHEET

	2018	2017
Assets		
Loans and advances to banks	461,239	449,805
Loans to members	110,567	80,888
Tangible fixed assets	1,660	0
Other receivables	0	2,802
Prepayments and accrued income	3,467	924
Total assets	577,143	534,419
LIABILITIES		
Subscribed capital - repayable on demand	529,031	479,640
Other payables	6,329	9,647
Retained earnings	41,783	45,132
Total liabilities	577,143	534,419

CREDIT COMMITTEE REPORT 2018

The Credit Committee, formed of at least three members, meets on Monday mornings to process loan applications.

During the calendar year of 2018, a total of £116,057 was lent out, consisting of:

- £18,528 in Standard (1%) loans
- £33,718 in Ready (2%) loans
- £6,216 in Ready (3%) loans
- £32,461 in Advantage (0.65%) loans

Arrears monitoring is carried out by Jacqui Burford on a weekly basis.

Des Fforde, Credit Committee Chairman

INTERNAL AUDIT & COMPLIANCE REPORT 2017–2018

Credit Unions are required to comply with the rules and regulations set out by the Financial Conduct Authority and the Prudential Regulation Authority. These include: submitting regular financial reports, applying strict loan procedures and ensuring sufficient bad debt provision whilst maintaining adequate reserves. They also require the directors to be vetted before appointment and those directors with crucial functions in the organisation are held individually responsible to the FCA and PRA. All these requirements have been met.

Internal Audit have checked records of customer service points, and from meetings and discussions throughout the year, and from examination of accounting and management policies and procedures and the commitment to those policies and procedures, the Credit Union is satisfied that the business of SVCU has been properly conducted and all financial transactions have been appropriately accounted for.

John Appleton

Board of Directors

From March 2018

Graeme Watt: Chairman, Marketing, Risk Management, Health & Safety

John Appleton: Cashier, Marketing, MLRO

Lena Homer: Acting Treasurer, Cashier

Des Fforde: Credit Committee Chairman, Cashier

Jane Bethell: IT Manager

Paul Severs: Supervisory Committee Chair

Co-opted during 2017-18

Andy Moy: Vice-chair, Training, Marketing

James Vandenberg-Harwood: Cashier, Investments

Dan McCloskey: Treasurer

John Hole: Credit Committee

Resigned from the Board

David Winch Colin Keegan

Chris Farthing Paul Fegan

Philip Davenport Chas Townley

Other Volunteers

David Griffiths: Cashier

Heulwen Griffiths: Cashier

Kim Richardson: Cashier

Patsy Burns: Cashier

Keith Patterson: Cashier Rota Manager, Cashier

Stephen Moore: Cashier

Neil McLaughlin: Internal Audit, Cashier

Adam Boucher: Internal Audit

Maxine Whitehead: Twitter Account Manager

Michelle Newbold: Marketing designer

Colin Keegan: Cashier

Brian Phillips: IT support

Jim Thomson: Cashier

Judith Silverwood: Board Minutes Secretary, Cashier

Tom Clarkson: Cashier

Jacqui Burford: Arrears Officer

Andrea Flack: Cashier

Lois Dudley: Cashier

Glynys Keogh: Treasury

Liz Baldwin: IT

Mykola Druziakin: IT

Katrina Thompson

Berkeley Cashiers

Liz Ashton:

Bob Morris:

Alice Kilby:

Margaret Glover:

Wotton Cashiers

Roger Wyse

Philip Green

David Barter

Margaret Barter

Lesley Chase

Audrey Horder

Can you help?

All the credit union volunteers are unpaid and make valuable contributions in many ways. We need more volunteers to enable us to expand and improve services.

Staff (part-time)

Sarah Walker: Office Manager

Caroline Aistrop: Marketing Co-ordinator

STROUD VALLEYS CREDIT UNION

We are a community co-operative organisation that offers a range of financial services to people living or working in the Stroud District or Tetbury areas. We offer an affordable way to borrow money, as well as a safe and secure place to save it.

OUR CUSTOMER SERVICE POINTS

Berkeley @ the Town Hall, on Tuesdays from 9:30 to 11 am.

Dursley @ Barnardo's Children's Centre, Highfields Estate, on Fridays from 2:30 to 4 pm.

Forest Green, Nailsworth @ the Arkell Community Centre, on Wednesdays from 2:30 to 4 pm.

Wotton under Edge – currently closed

Stroud @ Old Town Hall, on Mondays, Wednesdays, Thursdays, Fridays and Saturdays from 11 am to 1 pm.

HOW TO CONTACT US

Telephone: 01453 298785 (will usually be answered during the Stroud customer service point opening hours; otherwise answerphone service)

Email: admin@svcu.org.uk

Website: www.svcu.org.uk

Facebook: www.facebook.com/svcu1001

Twitter: SValleysCU

Post: Stroud Valleys Credit Union, Old Town Hall, The Shambles, Stroud GL5 2BL

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