



Rugby Credit Union

Your financial partner

Rugby Borough Credit Union Ltd

Minutes of Annual General Meeting held 11th March 2019 at 2.00 pm.

Held at the Overslade Community Centre, Buchanan Road, Rugby CV22 6AY

1. **Welcome and Quorum (15):** Chairman Laurie Bird welcomed the 18 members in attendance.
2. Apologies: Auditors, David Bradford, Iris Edwards, Pauline Masterman, Monica Cooper, Sue Berridge, Brenda Hunt, Betsy Turner, Fatima Sajid, Chris Cade.
3. **Minutes:** Minutes of the Annual General Meeting 16.03.18 were approved and duly signed.
4. **Matters Arising:** Item 11 (Motions) - Kevin Coyne reported that the FCA had approved the expansion of our Common Bond to cover all of Warwickshire.
5. **Board of Directors Report:**

The Chairman reported that 2017-18 had shown a continued growth in membership and in members' savings. However, the demand for loans had shown a downturn, reflecting the financial climate and the problems associated with Universal Credit where benefit payments had been delayed. The introduction of the Engage debit card was proceeding and we had made progress with Facebook and Twitter, thus addressing some of the complaints from our younger members who rely on social media as their main means of communication.

Using visual aids he demonstrated trends in performance since the credit union began in 2004. Of particular note was that accumulative loans granted had reached almost £1.3m, although the average loan was still below £1,000. The importance of the loan balance was emphasised, as loan interest is our main source of income. We were increasingly providing a service to members in receipt of Universal Credit as they were unable to open an account with high street banks, but in most cases their benefit payments were quickly withdrawn, resulting in this service providing no income to the credit union

6. **Treasurer's Report:**

Keith Ravenscroft summarised the financial position as at 30 September 2018. There had been a reduction in loan interest of £1,639 (6.8%). Admin costs were higher, but had been offset by other savings. Impairment losses, ie, the amount set aside through loan arrears and write-offs, had been reduced from £12,376 to £4,629. Members' savings (deposits) had increased by £14,427 to £388,382.

After taking account of grants released there was an operating loss of £607, consequently the board had little alternative to recommend a zero dividend. The meeting voted unanimously to endorse this decision.

A member questioned the audit fee of £2,076, suggesting this was excessive. It was pointed out that this is a complex process in the case of credit unions and our auditors were specialists in this regard. Nevertheless, the Treasurer agreed to look at other options and report back.
7. **Business Development Report:**

Crispin Palmer described recent efforts to offer new loan products and possible new developments. He went on to explain the challenge facing small credit unions and the possibility of sharing 'back office' functions with other credit unions. This could be achieved by mergers or joining co-operatives. No decisions had been made so far, but the priority would be to maintain a visible credit union facility within Rugby.

8. **Supervisory Committee Report:**

In the absence of David Bradford David Hayward-Bradley gave a brief explanation of the work of the Supervisory Committee. This included regular checks on accounting procedures, but also the committee had carried out some analysis of loan performance and arrears in order to enable the board to make informed decisions.

9. **Election of Officers:**

Board of Directors:

The following were re-elected for a 3-year term: Laurie Bird, Crispin Palmer, Keith Ravenscroft. Having been co-opted during the year Janet Hodgson was elected for a 3-year term.

Supervisory Committee:

Having been co-opted during the year Andrea Sime was elected for a 3-year term.

10. **Appointment of Auditor:**

It was agreed to re-appoint Lindley Adams Ltd. of 28 Prescott Street, Halifax, HX1 2LG.

11. **Motions:**

There is a significant cost in maintaining dormant accounts. To offset this the Board wishes to invoke Rule 18(2) for which AGM approval is required. The rule states:

“The Board shall be granted the discretion to charge an annual fee, not exceeding £5, to cover the administration costs of dormant accounts, ie those accounts without any transactions in the previous 12 months”.

The motion was carried 16-2.

12. **Any other Business:**

A member expressed concern as to the lack of publicity, since he felt there were still many people who were unaware of Rugby Credit Union. It was explained that this had been a consistent problem over the years, mainly because of the high cost involved. However, two suggestions emerged:

(i) To email regular newsletters to members. This had been done in the past, but constant change of email addresses had proved a problem. Also recent GDPR legislation had made this more difficult. Nevertheless it was agreed to revisit this.

(ii) To make publicity material available in public places by having a team of volunteers with each prepared to maintain a presence in a relatively small number of places (eg. notice boards). This will be investigated.

13. **Close of meeting:**

The Chairman thanked staff, volunteers and committee members for their valuable efforts through the year.

The meeting closed at 3.25 pm.

Signed:

Date: