

Registered Office: 10-12 Albert Street,
Rugby CV21 2RS

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Website: www.rugbycreditunion.co.uk

Company registration: IP 00706C

FCA Licence: FRN 228814

BANK 24/7 Online

Office Open :

Monday

Tuesday

Wednesday

Thursday

10.00 am – 3.00 pm

OUR VISA DEBIT CARD HAS CASH BACK

**Contactless. Cannot be
overdrawn. Your own sort code
and account number.**

**Manage your account on-line or on
the mobile app.**

**Cash Back, up to 7%, from many
stores in Rugby like ASDA, M&S,
Sainsbury, Argos, Halfords.
Only available to Credit Union
members.**



New Benefit Loan

Claiming Benefits?

**Have your benefits paid direct to your Credit Union Account
and you can apply for a £500 Instant Loan!**

LOANS AVAILABLE from £200-£5,000

We lend responsibly and ethically.

All Loan Interest is reinvested in the Community

Annual Report for Year 2018-19



Rugby Credit Union
Your financial partner

**The Annual General Meeting of Rugby Borough Credit Union Ltd
will be held Monday 23rd March 2020, 2.00pm**

Overslade Community Centre, Buchanan Road, Rugby CV22 6AY

AGENDA

1. Quorum – 15 Members
2. Apologies for absence
3. Minutes of Annual General Meeting 11th March 2019
4. Matters Arising
5. Board of Directors Report
6. Treasurer's & Auditor's Report
7. Business Development Report
8. Supervisory Committee Report.
9. Election of Officers:
 - Board of Directors (max 15)
 - Supervisory Committee (max 5)
10. Motions: Appointment of Auditor
11. Any Other Business.
12. Close of Meeting

Copies of previous minutes are available at the meeting, or on our website

Refreshments will be available

Report of the Directors :

After the AGM last year, Laurie Bird retired as Chair of the Credit Union. Laurie and his late wife Lin, were involved with Rugby Credit Union from the very beginning, over 15 years ago and it is because of their hard work and dedication that we are still growing today. The Board was very pleased that Laurie decided to remain a Director and wish to express their thanks for all he has done for us over many years.

When I was elected Chair, to replace Laurie, we decided to continue the drive to expand our membership across Warwickshire. For a long time we have been entirely dependent on grants from local councils or benefactors like Rugby Group Benevolent Fund. Now we realise we must grow and develop a sustainable business model that is self-financing. Yet this is proving difficult because many of those who might come to rely on our services are the financially excluded or homeless who provide very little income to cover the cost of providing services to them. But since we are Warwickshire's main Community Bank we feel duty bound to help those in need. Until we resolve this conundrum sustainability is almost impossible.

To make the Credit Union more relevant and useful to members we have had the website updated so that Warwickshire residents are able to join, save, borrow and bank with us, on-line. To grow awareness we are promoting our services on social media and our hard-working volunteers have been out twice this year distributing leaflets door-to-door and putting posters up in various outlets. We continue to work with local Councils to increase the number of their employees joining the Credit Union through our payroll membership scheme. We want all local employers to consider the improvement in mental and physical health their employees can enjoy as a result of the help, support and financial stability that membership of a Credit Union offers.

We have an amazing team of volunteers, a very active Board and a strong Supervisory team. Our efforts are producing record results. During the year we had 101 new members, Savings grew by 7% and Loans granted by 20%. I would like to thank our office manager Ami and assistant manager Di for all their hard work and also all those special people who give up their time to volunteer for us. RCU would not exist without you.

Janet Hodgson Chair

Board of Directors

Directors are all volunteers elected by Members for a three year term. The current Board of Directors, their attendance record and year of Election to the Board are as follows:

Director	Year Last Elected	Maximum Attendance	Actual Attendance
Janet Hodgson	2019	11	8
Kevin Coyne	2017	11	11
Keith Ravenscroft	2019	11	8
Sue Leary	2017	11	10
Jayne Knight	Resigned 9/19	10	7
Crispin Palmer	2019	11	9
Maggie O'Rourke	2018	11	3
Laurie Bird	2019	11	11
Sue Barton	Co-opted 5/19	5	5

Election of Officers

The following Directors are seeking re-election at the 2020 AGM; Sue Leary; Sue Barton; Kevin Coyne



Loans, Bad Debts and Write-offs

Another record year for the Credit Union means we have now helped Members with over £1.3 million of loans since we started out 15 years ago. And the better news is that our careful management of arrears and bad debts has meant we wrote-off just 1% of loans last year. The hard work done by our Treasurer and Credit Team has made break-even a realistic goal this year.

If a loan is not repaid within the agreed time-frame the Board of Directors may pursue the debt by whatever means is appropriate, including legal action. All loans are funded from Members' savings and we are required to continue to chase and recover bad debts even though they may have been outstanding for several years and 'written-off' as a practical accounting procedure.

Year	Loans Granted	Written-off	Percentage
2007-8	£55,035	£5,985	10.9%
2008-9	£76,499	£616	0.8%
2009-10	£79,730	£1,975	2.5%
2010-11	£74,080	£3,574	4.8%
2011-12	£85,347	£3,493	4.1%
2012-13	£93,666	£360	0.4%
2013-14	£101,120	£2,121	2.1%
2014-15	£117,293	£1,145	1.0%
2015-16	£153,621	£1,762	1.1%
2016-17	£142,769	£12,376	8.7%
2017-18	£129,129	£4,630	3.6%
2018-19	£162,364	£1,669	1.0%

The main reasons given by Members when applying for loans continues to be holidays (25%), buying or repairing a car (20%) and home improvements/ boiler repairs (17%). This year we are also seeing significant growth in small business loans / start-up loans (7%).

MOTIONS

This year there are no motions to be voted on at the AGM apart from the re-appointment of the Auditors. We have sought and compared alternative quotes for audit services and recommend we remain with the incumbents.

Business Development & Marketing Report

At last year's AGM we reported that your credit union was exploring options with regard to the sustainability of the business on behalf of members. In the early part of the year the Board decided to explore the option of merging or co-operating with a neighbouring credit union to share expertise and resources.

After much discussion, research and analysis, it was found that this proposal was not a viable option at this time. The effect of this was your board decided to redouble its efforts to grow our business with the aim of making us financially viable for the long term. We reviewed our loan interest rates to bring them into line with other credit unions for new loans whilst still offering attractive terms for established and loyal members. This improved our cash flow marginally which meant that we could undertake some planned marketing.

New leaflets were designed and created to meet seasonal themes, these were distributed in bulk to community hubs throughout the town and surrounding areas. Volunteers distributed leaflets door to door in designated areas, and in key areas of the borough we used a professional tracked distributor to make other distributions.

Whilst it is always difficult to measure the effectiveness of this approach, we are confident that it has been responsible for an increase of business, generating probably about 30% of new loans.

As our Treasurer has reported, our financial position has improved. However we are mindful that we operate in the area of high-risk lending with a growing risk of fraudulent activities, so to mitigate this we have introduced new anti-fraud processes and controls to provide members with peace of mind when banking with us.

Also, responding to members requests to make banking with us more convenient, we have just launched our new fully interactive website. This allows members to join, access their accounts, make transactions, apply for loans and contact us without the need to come to our offices. We expect this to widen the appeal of our credit union across the Warwickshire community. Please take the opportunity to explore our new website.

Crispin Palmer (Business Development Director)