

## Minutes of the Annual General Meeting of NEFirst Credit Union

Held as a webinar on 18 February 2021 with the assistance of the Association of British Credit Unions Ltd.

### Agenda

- 1 The Chairman, Peter Mackie, welcomed members and identified that the meeting was quorate with 41 members. Apologies had been received from Keith Blundy (Director), and Azets, the Auditor. ABCUL explained to members how to ask questions and to vote.
- 2 Minutes of the AGM held on 25 February 2019 were accepted.
- 3 The chairman had tabled his report, but brought out the following points:
  - He expressed his admiration for how well the Chief Operating Officer and Company Secretary had quickly arranged for the business to continue with our staff working from home within a week of lockdown.
  - Lockdown for COVID has wrecked our volunteer-led services, we would love to hear from volunteer groups who intend to start-up again.
  - Perhaps unexpectedly, over lockdown savings soared to £5.8 million while demand for loans dropped greatly, our loan book is £1million smaller than before lockdown.
  - He thanked our volunteers, staff and directors for all of their work.
  - In response to questions from members:
    - Our SOAR app is due to be implemented from April onwards; all members will be contacted.
    - We hold as little cash as we can; it is on deposit with approved banks and building societies to maximise interest received by the credit Union
    - Subordinated loans from Durham County Council and Gateshead Council were explained; the credit union is putting money into reserves so that we can afford to repay them when they become due.
- 4 Lorraine Holmes, Interim Treasurer gave her report:
  - She thanked staff and volunteers for their work.
  - After two very difficult years we have made a tiny profit £446.
  - Christmas loans 2019 were at an almost normal level
  - We brought forward the launch of Family Loans – repaid from Child Benefit – these have proved very popular
  - Debt recovery stopped over lockdown; over 120 members were given a 3 month payment holiday.
  - Provision for bad and doubtful debt required has reduced

- The Board will not be recommending a dividend this year.
- She answered members' questions on the credit union's deposits with other financial institutions.

Audited accounts for the year ended 31 September 2020 were accepted by the members.

- 5 The Board are not recommending a dividend this year; this was approved by members.
- 6 The members approved the re-appointment of Azets (formerly Baldwins) as auditors for the coming year.
- 7 The Supervisory Committee reported that they had been unable to do much because of the pandemic. They have been unable to carry out their conventional role but reported that they continued to be consulted on appropriate matters over lockdown. They look forward to re-starting their programme as soon as practicable. They thanked John Lavery for his work and look forward to the election of a new member later in the meeting.

- 8 The following new directors were appointed:

Paul Darby

Alison Dunn

Joanne McMahon

Mike Smith

Angela Surtees

The following directors had their appointments extended for one further year:

Peter Mackie (Chair); Lorraine Holmes (Company Secretary); Sid Rooke (Development); Keith Greenwell (Compliance); Cath Campbell (Collection Points); Gary Haley (Gateshead Council); Mary Foy MP.

- 9 Jean Ramshaw was elected to the Supervisory Committee

- 10 Any Other Business:

The meeting was shown a short video about the SOAR app

Questions from the members were answered by the Chief Operating Officer and members of the board, including:

How we find out what members want, new products? Scanning the market, facebook etc.

Can local groups apply for local grants? - yes please!

Will there be a dividend next year? – we hope so...we want to.

Three greatest risks to the Credit Union? Negative interest rates, members unable to repay loans and stagnant demand.

Does the supervisory committee look at systems as well as finance? Yes. And the Supervisory committee is very powerful and not controlled by the board.

Do we have any directors based in Northumberland? No

How has Covid affected loans for funeral costs? Our standard loans are available and are used for funeral costs.

What is percentage of bad debt? 17.6% down 5% on the start of the year

Are you considering any further mergers with other credit Unions? Not actively, but we will look carefully at any approaches.

Members expressed their thanks to the board and for their work and for the format of the AGM which had allowed a greater attendance than usual for these meetings.

The meeting was closed by the chair with thanks for all involved.