

TREASURERS REPORT

As Treasurer, I am again pleased and proud to say that the NE First Credit Union's Accounts show that its financial standing over the past year has been maintained with financial management procedures and processes continuing to improve along the way.

NE First Credit Union remains committed to the delivery of its vision and priorities which have been developed in consultation our partners and stakeholders. The Credit Union has continued to effectively manage its resources during a period of increasing uncertainty.

During the financial year to the 30 September 2022, families have continued to face financial difficulty and challenges. NE First and its partners have together, been working tirelessly to respond to customer requirements, putting products and plans in place to provide ethical financial services and build up financial resilience within its Northeast communities.

The longer-term financial outlook beyond 2021/22 remains challenging at this stage. NE First Credit Union will, however, continue to support its members, seeking also to increase its reach and social impact by promoting responsible and affordable credit, further reducing financial exclusion, minimising the influence of loan sharks, increasing social cohesion, and reducing poverty and the issues which arise from these.

In addition, the Credit Union has faced its own challenges more recently, particularly as a result of the Gateshead office flood. It is difficult to fully reflect the effort and commitment of all of the staff, volunteers and partners (particularly our IT provider SOAR) to enable the continued service delivery to members during this time. I would like to thank all those involved. It is clear that throughout this, priority has been on the members of NE First Credit Union

The audited Financial Statements for the year ended 30th September 2022 are presented to the AGM with assurance that:

- They provide a true and fair view of the NE First Credit Union's affairs and of its income and expenditure for the year then ended,
- They have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and with the Co-operative and Community Benefit Societies Act 2014,
- The use of the Going Concern basis of accounting is appropriate

In summary of the Audited Accounts for the year ended 30 September 2022, the following provides the main elements of importance to members:

• Net Surplus £10,630 (£39,321 20/21)

Loan Accounts (net of provision) £1,813,513 (£1,722,496 20/21)
Net increase of £91,017

• Savings Accounts £6,042,107 (£6,159,690 20/21) Net reduction of £117,583

• Capital Asset Ratio 5.82% (5.84% 20/21)

Proposed Dividend £5,794 (£5,700 20/21)
The dividend proposed is 0.10% for 2021/22

 The general reserve has increased slightly from £73,312 in 2020/21 to £78,148 in 2021/22. This transfer included £2,116 compulsory transfer (20% of net profit within year, plus an addition £2,711 transfer.

The Financial Statements give the members of the NE First Credit Union and all other interested parties including partners and other stakeholders' information about the money that the Credit Union has received and spent, that it has been accounted for properly, that its financial standing continues to be safe and secure, and products services are being delivered using value for money principles at all times.

Jo McMahon CPFA – Treasurer to the NE First Credit Union