



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 2023, families have continued to face financial difficulty and challenges. NE First Credit Union and its partners have together, been working tirelessly to respond to customer requirements, providing ethical financial services and building up financial resilience within its Northeast communities.

The longer-term financial outlook 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 over the past year. The impact from the flood at Gateshead in October 2022 is still being felt, as the business decisions undertaken at that time flow through into business as usual, particularly around our new Financial Management system. I would like to take the opportunity to thank our IT supplier SOAR for working so hard towards producing an efficient back office system and towards enabling improved service delivery to members. I would also like to thank the Chief Operating Officer everyone involved in the Credit Union, it is their commitment to our values that enable the Credit Union to continue.

The audited Financial Statements for the year ended 30th September 2023 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 2023, the following provides the main elements of importance to members:

Income and Expenditure Account:

	2023	2022	Movement
	£	£	£
Total Income	670,192	532,424	137,768
Main elements:			
Interest from Members Loans	412,072	368,490	43,582
Bank Interest	91,281	32,916	58,365
Grants and Funding	46,710	32,039	14,671
Total Expenditure	647,378	521,794	125,584
Main elements:			
Salaries	229,690	179,691	49,999
Rent and rates	23,921	42,670	-18,749
SOAR costs	87,901	53,053	34,848

Balance Sheet:

	2023	2022	Movement
	£	£	£
Net Surplus	22,814	10,630	12,184
Loan Accounts (net of provision)	1,964,244	1,813,513	150,731
Savings Accounts	5,746,141	6,042,107	-295,966
Capital Asset Ratio	6.20%	5.82%	0.38%
Proposed Dividend	0.10%	0.10%	0.00%
<i>Based on average value of ordinary member and junior member shares</i>	6,000	5,794	
General Reserve balance	94,962	78,148	16,814

The audited Financial Statements and Auditor's opinion 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