



## Caledonian Credit Union Ltd.

## ANNUAL GENERAL MEETING

### BOARD OF DIRECTORS REPORT for the year ending 30<sup>th</sup> September 2024

It is my pleasure once again to welcome you to the 27th Annual General Meeting of Caledonian Credit Union (CCU). As in previous years, we have adopted a hybrid meeting, as we do for Board meetings, so that you can take part either in person or virtually. The Board is keen that as many members as possible attend the AGM, to hear of, not only of the previous year's successes and challenges (and how we have overcome the latter), but to hear of and vote on future developments. If you have any suggestions on how to increase the attendance, please let us know. I am very pleased to present to you all the annual report of the Board of Directors for the year ended 30<sup>th</sup> September 2024.

In May 2024, CCU appointed Siobhan Wright as Scottish Borders Development Officer with financial support from Scottish Borders Council (SBC). In August 2024, CCU was officially launched at SBC Headquarters in Newton St Boswell. The event was well attended with MSP, Elected Members, SBC officials, community organisations, and local church representatives. Membership is growing steadily in this area. We are pleased to report that SBC has become a CCU payroll deduction partner thereby offering SBC employees the benefits of credit union membership with savings and loan repayments taken directly from their salaries.

We are not complacent in business planning as many members are experiencing high energy costs, food and clothing bills, uncertainty about loss of work, zero hours contracts and pay rises not reflecting the increased cost-of-living. This is a time when the credit union can help the community with lower cost loans, referral to agencies to benefit check. If you do find that you are struggling to meet repayments, please contact our staff who are willing and able to help in many situations before it becomes critical, as budgeting assistance we can signpost to **no cost debt advisors** if required.

In this year, membership and lending is growing steadily and again and we see the trend of increasing use of online as the means of joining, applying for loans and contacting CCU. At the end of September 2024, CCU membership was 3,152 with a share balance of almost £2.9m. All new members joined online and all loan applications received were online. While many credit unions are reporting an aging membership, most new members are in the 25-49 age bracket, with overall membership mainly in 18-50 age bracket – a sound sign for the future sustainability of CCU especially considering loan volume and value remain healthy with many members considering CCU as their first point of contact for credit. Many of CCU's larger loans are for the purchase of **new cars, home improvements, holidays, weddings and other celebrations** as well as **debt consolidation**. Many loans are for **Christmas** but many of our members have a **Santa Saver Account** where they save and withdraw at end of November/beginning of December annually. If you are interested in opening a Santa Saver account, please contact office staff for further information.

However, we continue to seek an easier method of in person contact for those who do not have access to online, unfortunately this has again been delayed but we remain committed to providing



this service as soon as possible. As most of you are aware, we offer access to your account online and everything you require is done digitally – online access and telephone. It is only on a rare occasion that we need to see anyone face to face.

Juvenile Membership (Junior Squirrel) had a membership of 954 at September 2024 with savings of £155,315 and most saving through schools. This project is operated through Prior Communities, a charity who receive funding from The Roberston Trust and from CCU. As well as saving, the children receive appropriate financial education/awareness, linked to the curriculum from our Schools Co-ordinator. These are the financially savvy future members of the credit union. A list of current schools can be viewed on our website <https://www.caledoniancu.co.uk/services/youth-hub> Although most of our Junior Squirrels are saving through the schools, we do have others who have joined through their families, with parents, grandparents, aunts and uncles assisting them in teaching the children how to save as a necessary skill for their long term futures. If you wish any further information on this method, please contact the office.

This has been a good year with many positives. CCU is happy to report a surplus this year. Strong management of lending decisions and credit control results in bad debt provisioning being one of the lowest against comparable sized credit unions according to our Auditor. As our members continue to suffer from cost-of-living pressures, the Board of Directors remain vigilant ensuring that lending criteria and credit control are regularly monitored. We do not envisage a large rise in indebtedness and subsequent increases in impairment, but we are not complacent and remain attentive to loans that are not paid on time resulting in debt borne by credit union members. In saying this, if anyone is experiencing problems, please contact the office as further arrangements may be possible.

In the pack that is available, there are reports from the Anti-Money Laundering Officer, Internal Audit Officer as well as the Abbreviated Accounts and Treasurer's report.

Caledonian Credit Union has a very committed team of staff and volunteers and for that we thank each one of them. If you have experience in Human Resources, IT, Marketing, social media, Financial Services, Investment Management, Debt Management or Law, Administration, Cash Handling, Customer Service your input would be valued and valuable. The task need not be onerous and the satisfaction of helping the community is immense.

I would also like to take this opportunity to formally record thanks on your behalf, to my colleagues who serve as Board members. It should be noted that all Directors conduct their duties on a purely voluntary unpaid capacity. They commit significant amounts of time and effort in behind the scenes work that ensures the success of the credit union. But we are still looking for more! If anyone feels they have the skills necessary to sit on our Board, please do not hesitate to contact me or our manager.

Lastly but not least on behalf of the Board I thank you, the members, for your continued support.

Nancy MacGillivray  
Chairperson