

## West Lothian Credit Union

### MINUTES of ANNUAL GENERAL MEETING

Held on Tuesday 31<sup>st</sup> January 2023

The Chair(13) opened the meeting at 06.30pm and welcomed all of the Members to the 25th AGM of West Lothian Credit Union – a very important AGM as it is our 25<sup>th</sup> anniversary. She advised how the credit union was born in 1998 and how it has developed to what it is present day.

1. The Credit Union Prayer was recited.

The Chair welcomed all members present, including our local MP, Hannah Bardell(80045). She also welcomed David Adams from Lindley Adams Ltd, our external Auditor and Bill Hudson from ACE.

The Chair asked all directors present to introduce themselves to the membership.

2. Attendance

- a. Present were 16 members set out in the attached attendance sheet.
- b. Apologies were received from the following:  
Angela Constance MSP  
Billy Thomson  
Margaret Thomson  
Julianne Smith  
Cllr Andrew McGuire  
Nahid Hanif

3. Minutes of previous AGM

- a. The Minutes of the previous AGM held remotely via zoom on 27<sup>th</sup> January 2022 were discussed for accuracy. They were held to be a true and accurate record of proceedings. Ross Campbell (80180) proposed and David Melrose (5033) seconded the approval of the AGM Minutes.
- b. Matters Arising  
None

4. Report from the Committee (Chair – Nancy MacGillivray)

The Chair highlighted the 25<sup>th</sup> year of operation of the credit union starting out as North Livingston Credit Union before becoming Livingston Credit Union and finally West Lothian Credit Union. She asked all present that if they had any influence in any company to encourage them to offer Payroll Savings to their employees, saving directly from their earnings.

The Chair also advised that with the lifting of pandemic restrictions in early 2022, lending and new membership has gradually grown. She informed all that for the most recent period over £230,000 worth of loans were issued in the lead up to Christmas. The Chair also advised those present that we could still not take cash deposits in the current premises.

She informed the meeting that longstanding Board member, Julieanne Smith(5081) had decided, due to work and personal commitments, not to stand for re-election this year and she thanked Julieanne for all the work she had put in over the years.

The Chair also advised that a copy of the Directors Report and all other reports could be found in the members area of the website.

The Chair ended by thanking all staff, Board and especially members for attending this year's AGM either in person or via zoom.

## 5. Report from the Treasury

- a. John McClay (18048) presented the report and accounts on behalf of the Treasurer and Board. A copy of the abbreviated accounts and full Treasurer's Report can be found in the members area of the website. JM discussed financial performance in the year. He advised that the business had again reported a reasonable surplus this year albeit down from 2021 of £18,504 after tax. He also advised members that the capital to asset ratio had once again showed a steady increase from 7.69% to 8.51%. Last year due to Covid, there was a concern over the share to loan ratio, however, this year has shown an improvement rising from 37% to over 40%, so going in the right direction. Finally, liquidity was within reasonable levels at 14% against PRA minimum of 10%.

The Treasurers Report was proposed by Peter Gavin (3510) and seconded by Hannah Bardell MP.

## b. Report From Auditor

The Chair invited David Adams of Lindley Adams to provide an overview of the accounts from the Auditors perspective.

David advised that new rules on auditing of accounts meant that there was more explanations and descriptions on what the Auditors now had to ensure is included in the accounts. He advised that the overall reserve was £305,808 but there was also a very healthy £160,000 in development funding which could be added to the reserve total which would imply it was a financially robust credit union. He advised that a credit union of our size only needs to have a capital asset ratio of 3%. WLCU was well above that level. All in all, he stated that WLCU has had a solid performance and was a very well run credit union.

c. Vote to accept proposed Dividend

The Chair advised members present that the Board discussed the issue of a dividend but felt it more prudent once again to re-invest any surplus into the business as we look to move to a more visible and improved premises in the coming year.

The Chair asked the members if there were any objections to this decision. None were forthcoming.

d. Appointment of Auditor for the new financial year

The Board proposed to continue with the current auditor, Lindley Adams Ltd. There were no objections from the members.

e. Report from Money Laundering Officer

The Chair advised that the money laundering officer's report was in the pack for all to read. We run a tight ship on money laundering and all staff are experienced and raise any issue with the MLRO where required. There were no questions from the membership. The report can also be found in the members area of the website.

f. Report From Internal Audit

Ian McGowan(80309) presented the Internal Audit Report. He advised that the Internal Audit function was a 2<sup>nd</sup> eye on processes and procedures within the credit union. Any issues are raised with staff and reported to the Board. He thanked the team for their hard work and dedication. The credit union concentrates on basic lending principles and although there are challenges, he considers WLCU to be a very robust credit union.

6. Election of the Board

- a. The Chair advised that Julieanne Smith was resigning from the Board and no other Board members were due to stand for re-election. The Chair thank Julieanne for her work on the Board.
- b. There was one new appointment to the Board and one re-appointment to the Board. Peter Gavin has re-joined the Board after work commitments meant that he could not remain on the Board last year. There were no objections to Peter re-joining the Board and his election was approved.

Iain Sibbald has joined the Board this year. Iain comes from a chartered surveyor background and has been involved in business for many years and will be able to provide his wealth of experience to the Credit Union. There were no objections to Iain joining the Board and his election was approved.

Both new directors pen portraits were included in the pack.

7. Annual Administration Fee

The Chair advised those in attendance that the £5 annual membership fee, which was in place for the upkeep of the credit union, was being proposed again for the coming year. The Chair asked if there were any objections to this. None were forthcoming. This fee would be deducted as usual at the beginning of October 2023. She advised that the credit union has removed all entrance fee charges for new members both in person and online and this has helped to increase applications for membership.

8. Regulatory Compliance

- a Depositor Protection – John McClay advised that this was the Financial Services Compensation Scheme where members’ savings were secure up to £85,000 if the credit union became insolvent.
- b He also advised members that under regulation the credit union does have a Policy of Insurance that covers members’ funds from any loss suffered from fraud or dishonesty on the part of any employees or volunteers.  
John McClay confirmed that WLCU was compliant on both.

9. AOCB

Hannah Bardell MP advised that she had discussed the possibility with two prospective candidates of joining the Board. Both had extensive experience and knowledge in the business and finance field and both were willing to assist the credit union at any time and in any way. She would arrange for both to meet up with the Board in the next few weeks.

Bill Hudson gave a brief outline of the work undertaken by ACE trade body. He personally was retiring from the post this year although would remain on the Board of ACE to impart his experience and knowledge. He would also arrange to meet with Hannah Bardell to discuss Treasury issues at UK level. Bill mentioned the new opportunities open to credit unions – credit cards, hire purchase and insurance products – these were mainly pushed by the large credit unions and he did not expect any of ACE members to undertake any of these options at this time. He also mentioned Consumer Duty which the FCA is hoping to roll out in July 2023 and some work will be needed to implement this for credit unions.

With no other business, the Chair thanked everyone for attending and brought AGM 2023 to a close at 07:16pm.