

**Minutes of**  
**Annual General Meeting**

**Held Monday 25th February 2019 at 7.00 pm.at Bishop Auckland Football Club, Heritage Park,**

**St Helen Auckland, Bishop Auckland DL14 9AE**

1. **Establishing a Quorum** – We established that 42 members were present and therefore we are quorate.
2. **Minutes of the last Annual General Meeting** held on 15<sup>th</sup> December 2017 were proposed as a true record by Peter Mackie and seconded by Cath Campbell. Agreed by those Present.

There were no matters arising from these minutes.

3. **Chairperson's Report** – The Chairperson outlined the work and development of the Credit Union over the past year. Notably:
  - (i) This year has been marked by the merger which I reported was being negotiated at our last AGM. Prince Bishops Community Bank, based in Stanley, Co. Durham joined us in June 2018.
  - (ii) Adult membership increased by 3,784. Part of this increase (1,735) was a result of the merger with Prince Bishops Community Bank. The balance of increase in new members of 2,049 (2017 – 2,145), was made up of 2,377 new members who joined offset by 328 members who have lapsed in the period.
  - (iii) The backbone of NEFirst continues to be our volunteers: some volunteers assist us in our offices, but the vast majority staff the 112 Service Points. Thanks to all volunteers and staff who have so magnificently dealt with the increase in loans, savings and new members. We need to upgrade our processes and need to attract new volunteers to help cope with the increased volume.
  - (iv) Not within the year we are reporting to you but zat the beginning of this financial year we have also welcomed the members of Northumberland Credit Union into NEFirst.
  - (v) We had an important successful regulatory visit from the Bank of England
4. **Treasurer's Report:** The Treasure spoke at length outlining our financial position. Copies of the Finance Report was available for members to consider. He particularly drew members attention to the following matters and invited questions from members :
  - (i) During the period 1 October 2017 to 30 September 2018, the share balances of adult members have increased to £4,263,056 from opening balances of £3,203,559. Part of this increase (£880,204) was as a result of the merger with Prince Bishops Community Bank, leaving a net increase in year of £179,293 (2017 - £348,931)

- (ii) Junior members' savings balances increased to £367,376 from £241,824. Part of this increase (£91,089) was as a result of the merger with Prince Bishops Community Bank, leaving a net increase in year of £34,463 (2017 - £29,277)
  - (iii) During the year new deposits of £2,981,477 were received offset by withdrawals of £2,775,480 (2017 - £1,964,101 deposits and withdrawals of £1,218,966).
  - (iv) Loan balances (net of provisions) have increased from £2,400,420 to £3,381,147. Part of this increase (£655,079) was a result of the merger with Prince Bishops Community Bank leaving a net increase of £325,648 (2017 – £640,128).
  - (v) During the year loans to the value of £2,131,609 were granted to members and repayments were made to the value of £2,063,295 (2017 – loans £1,990,132 repayments £1,539,648).
  - (vi) Income from investments is very disappointing reflecting the low interest rates available.
  - (vii) The Auditors have raised no queries over the state of the Credit Union accounts.
5. **Supervisory Report:** was received with thanks to the members of the committee for their dedicated hard work.
  6. **Recommended and Declaration of Dividend:** The surplus generated is £24,733 available for either paying a dividend to share-holders and making further transfers to reserves to increase / maintain our capital asset ratio. Even though the requirement to increase the capital – asset ratio as proposed by the FCA / PRA will be difficult (if their proposals are implemented) the Board of Directors, after very careful consideration have decided to recommend a dividend for 2017-18 at the same level as the previous year. i.e. 0.25%. The payment of this dividend will cost £7,759, compared to £6,920 the previous year, leaving a balance to transfer to reserves of £9,262. Proposed by Peter Mackie and seconded by Keith Greenwell. Agreed by those Present.
  7. **Appointment of Auditors:** A resolution to re-appoint Baldwins Audit Services Limited, Portland Terrace, Jesmond, Newcastle upon Tyne, was proposed under the provisions of Rules 140 and 141. Proposed by Mick Davison Seconded Sid Rooke was agreed unopposed.
  8. **Board members for election or re-election:**

Keith Blundy: Proposed Peter Mackie Seconded Sid Rooke - Elected

Brian Freeman: Proposed Mick Davison Seconded Peter Mackie - Elected

Kevan Jones: Proposed Mick Davison Seconded Sid Rooke - Elected

The Chair through the floor open for further questions and comments.

A large contingent was present for the first time from Northumberland. They expressed their concerns about the 3% interest rate on small loans. There was a very lively discussion about the difficulties and cost of lending small loans nevertheless, the Board agreed that they would review these matters as soon as possible.