**Caledonian Credit Union Ltd.**

**ANNUAL GENERAL MEETING**

**BOARD OF DIRECTORS REPORT for the year ending 30th September 2023**

It is my pleasure once again to welcome you to the 26thAnnual General Meeting of Caledonian Credit Union(formerly West Lothian Credit Union). Today is a very special day for our Credit Union as it is not only the first AGM under our new name Caledonian Credit Union but also we will be celebrating the last 25 years of the credit union service, under previous titles of North Livingston Credit Union, Livingston Credit Union trading as West Lothian Credit Union and now Caledonian Credit Union. I am very pleased to present to you all the annual report of the Board of Directors for the year ended 30th September 2023.

However, we are not complacent in business planning as many are experiencing high energy cost, 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, to no cost debt advisors if required. The staff are willing and able to help in many situations.

From October 2022, we have seen steady growth in both lending and new membership and this continues apace today.

Our new name, Caledonian Credit Union, came into being officially on 9th August 2023 after regulatory approval. You will notice that our website and mobile app have all been changed over to our new name with a new and exciting website in place.

Somethings haven’t changed though. The Credit Union continues to operate out of the Almondbank Centre in Craigshill. It is not ideal, and member access for face to face meetings with staff is quite restricted. We are actively seeking a more member friendly site within Livingston that can service all our needs and we will advise if and when we do. However, 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. A change from when we started but I admit I enjoyed meeting the members on a Saturday morning! However, we are in a different age now.

This has been a good year for us with many positives. We continue to report a surplus this year and the good news is that its substantially up on last year’s total. Also on a positive note, tight management on lending decisions and credit control has resulted in our 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.

Part of the business plan for Caledonian Credit Union was to work towards a Capital to Asset Ratio (CAR) of 10%. Last year, the CAR was reported as 8.51%. I am pleased to advise that we have achieved our goal and can report CAR of 10.53% and growing. This allows the Board to invest reserves at a potentially higher return, thereby increasing income and ensuring the long term viability of Caledonian Credit Union.

An exciting development is that we are very near to offering credit union services in the Scottish Borders, in a working relationship with the Local Authority, CAB and other agencies. We hope to appoint a Development Officer (with funding received from Scottish Borders Council) within the next two weeks. On a less positive note, prior to the Livingston Shopping Centre being sold, with the help of West Lothian Council, we were in negotiation on a 3 year lease on a unit at a zero rent with the credit union paying any business rates and service charge. We were really excited about this and had plans developed but, unfortunately, the new owners were unable to confirm this offer and we sadly had to refuse the unit, as over 3 years, the cost would have been over £60,000 + VAT+ service charge+ any business rates+ redevelopment costs; a sum that we could not justify to you our members as it would have depleted our reserves greatly.

Our charity arm, Prior Communities Ltd, continues to work in schools and with our junior members to increase financial awareness. Our Schools Co-ordinator is actively increasing junior membership within schools and increasingly are re- starting the collections process with many more existing and new schools to follow. A list of current schools can be viewed on our website <https://www.caledoniancu.co.uk/services/youth-hub>

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 and every 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. 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 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 the members for their continued support.

Nancy MacGillivray

Chairperson