

**Minutes of the Annual General Meeting held on Wednesday 5 March 2024 at 12:30 pm****Attendance and apologies for absence**

- Members:* Doug Veitch (Chair/meeting chair), Phil Rowsby (CU Secretary/meeting clerk).  
Carol Bendall, Morag Cherry, Allan Gray, Marta Grosman, Stephen Isa, Rob Kemmer, June Maxwell, John McDermott, Khadidja Merakchi, Luke McGilvray, Derek Penman, Michelle Ritchie, Louie Robertson, Billy Rosendale, Phil Tobin
- In attendance:* Jackie Littlewood (Operations Support Manager, ABCUL), Johnathan Leach (Lindley Adams, Auditor), Luke McGilvray (Chief Executive Officer).
- Apologies:* Linda Safely.

**1. Quorum**

D Veitch welcomed members to the meeting and advised he was pleased to Chair one of the most diverse Boards in the sector.

It was confirmed that the quorum of over 15 members had been reached. Members were encouraged to type questions into the chat function which would be answered by the Board following the meeting. It was noted that two questions submitted in advance of the meeting would be answered at relevant parts of the agenda.

It was noted a substantial number of questions had been submitted on 4.3.2025, answers to which had been provided by the Board and would be answered by the CEO under any other business.

The apologies for absence were **noted**.

**2. Approval of Minutes of Annual General Meeting 2023**

The minutes of the Annual General Meeting held on 20 March 2024 were received.

The meeting **approved** the minutes with no objections.

**3. Report of the Board of Directors**

D Veitch presented the report for the preceding year. The main issues raised included: it had been a busy year and, at times, challenging; membership of the Board had changed along with the staff team, as outlined at the previous AGM a part-time CEO had been appointed; the outdated Credit Committee had been had disbanded and the staff empowered to approve loans in a more efficient manner within Board agreed parameters; a new Finance Committee, reporting to the Board, had been established; the Business Plan had been refreshed; communication with members had increased; increased dialogue with our existing partner universities and potential new ones beyond our traditional Edinburgh base; the CEO had been tasked with driving new business including new products.

In response to a question submitted in advance of the meeting concerning the introduction of an ISA or similar, it was noted this would be considered by the Board and CEO.

The interest received from loans, investment and other income covered the running costs and paid the dividend. Membership and the number of loans had increased over the last financial year. It was noted that this must continue to keep up with rising costs. A range of options would be considered to increase business, reduce costs and introduce efficiencies. It was noted the new Custom IT-system should reduce administrative tasks by a minimum of a third. The business remained solvent, all members savings were protected and secure, but growth was required to further advance the organisation.

Phil Tobin, a longstanding member of the Credit Committee, was thanked for his contribution.

D Veitch proposed that the meeting should accept the report, which was **approved** with no objections.

**4. Consideration of accounts in place of Treasurer's Report**

In the absence of a Treasurer, J Leach introduced the report. It was noted that a surplus of £2K had been achieved due to investment income; an increased loan book; the Scottish Government grant would be used for a further two years and on the current trajectory the credit union should generate a surplus after that time as surplus funds continued to be invested.

D Veitch commended the Report to the meeting, which **approved** it with no objections.

## 5. Report from the Auditor

J Leach reported that the audit had been clear with no fraud or errors in paperwork and that the Credit Union remained a going concern.

D Veitch proposed that the Auditor's Report should be accepted, which the meeting **approved** with no objections.

## 6. Declaration of Dividend

In response to a question asked in advance, D Veitch explained the dividend was the credit union equivalent to interest paid by high-street banks on savings.

D Veitch reported that the Board had proposed a dividend of 0.25% to be paid into members' share accounts.

D Veitch proposed that the meeting should approve the proposed dividend of 0.25% which the meeting **approved** with no objections.

## 7. Appointment of Auditors

D Veitch reported that the Board recommended Lindley Adams were re-appointed due to the good level of service received and competitive pricing.

D Veitch proposed the re-appointment of Lindley Adams as the auditors for the year 2025/26, which was **approved** with no objections.

## 8. Report of Supervisory Committee

In the absence of L Safely (Convener of the Supervisory Committee), D Veitch presented the report and asked for any questions to be posted into the chat function.

D Veitch proposed that the meeting should accept the report, which was **approved** with no objections.

## 9. Election of Directors

D Veith reported that the present directors had indicated they were happy to remain in place for the coming year. The present board members were noted as Khadidja Merachi, Rose Olurenfemi, Derek Penman, Phil Rowsby and Doug Veitch.

D Veitch presented the report of the Nominating Committee. The two proposed new Directors had been recruited using the formal recruitment process.

D Veitch proposed that the meeting should approve the appointment of Stephen Isa.

The appointment was **approved** with no objections.

D Veitch proposed that the meeting should approve the appointment of Morag Cherry.

The appointment was unanimously **approved**.

## 10. Any Other Business

L McGilvray thanked members for submitting questions in advance of the meeting and provided the following answers.

*Post meeting note: the questions were recorded as submitted, except for Q16 which was edited as it would have identified the member who had submitted the question.*

- Q1. Can you confirm which bank you are using. Papers say Bank of Scotland address say it the Royal Bank of Scotland
- *Bank of Scotland.*
- Q2. Board Report, Is it 87 or 93 new members this year as papers say membership is now 1218 and 1224
- 93.
- Q3. Loans: This is only an increase in 19 new loans, How is the CU planning to increase these.
- *While there was a small increase in the number of loans, the value of the credit unions loan book touched on by the auditors, is something we were incredibly proud of. We plan to increase loans through marketing, altering our products and communication.*

- Q4. You say in your report the main source of income to run the CU, Is interest on members loans this year it was only up £7,744
- *Interest earned on member loans is the main source of income for the credit union, with a higher percentage of income arriving from this source compared to any other. We would always like this to be higher. We also need to consider affordability for our members when lending, rather than our income.*
- Q5. You say the Board/Staff are aware of the importance of growing to Financial Stability to continue Viability. How are you planning to achieve this when other CU's are now in Universities , Capital, Castle and more.
- *We believe competition is healthy in all markets especially financial services. While other credit unions have partnered with universities this is not new. 14 of the 19 universities in Scotland have a credit union partner. We are planning to grow the number of universities we are officially partnered with while recruiting members from any Scottish university.*
- Q6. On your Web page, Join Here All the forms have no Address to return, The phone number and email is wrong. Fix these and this might help membership grow
- *Thank you for pointing that out. We will address this.*
- Q7. Will the 2 part time staff ever return the office pre covid other than working from home this would save £2,047 phone bill
- *No, they will not return full time. We are a hybrid working employer.*
  - *The cost relates to our office phone line as well as broadband.*
- Q8. Planning for the future, what are these, how do you get more Members/Loans, If you fail to get an up take on these, Would you consider a merger with another CU the
- *Our plans for the future growth are operational and strategic which will not be discussed publicly during the meeting. We are not looking to merge with a credit union right now. The credit union would consider merging with a smaller credit union should that opportunity arise.*
- Q9. You say you benefit from ABCUL training, Have the staff ever attended/network with other CU at these events
- *Our staff and directors attend ABUL events regularly and network with attendees.*
- Q10. Supervisory. You say you check files of all officers and volunteers do you ever check their family members.
- *Yes - they do check family members.*
- Q11. Page 12 : Legal & Professional £1,065 What were these cost for. You also had 2 external Legal consultants investigating staff and advising where are these costs staff
- *This paid for HR consultancy throughout the year relating to several issues. No legal consultants were used in the last financial year.*
  - *This was not mentioned in any of the reporting. If you want to point it out to us, we will be happy to address it.*
- Q12. Scottish Government Grant £29,214. This money was to pay wages, as this will not cover the wage bill how do you plan to pay when this runs out
- *The Scottish Government Grant is a flexible grant and can be used to cover costs the credit union sees fit. Each year a value is drawn down to cover expenditure, this incorporates wages.*
  - *We are carrying out financial planning to improve sustainability.*
- Q13. 6b £898 fee for debt recovery and credit checks, How many loans were written off and what were recovered
- *The credit union choose to write off no loans in the last financial year and did not track debts recovered at that time.*
- Q14. 7b Employment cost are £58,036. For two part time staff this is really good That was a pay increase of £8,385 Can the CU afford this kind of rise, Short Term Employment was £42,232 an increase of £13,501. Can you explain what short time employment is (Am thinking its temp work) and how long it was for. As this seems really high.

- *The short-term employment line relates to the salary for the operational team, not temporary work. While staff costs have risen so has the credit union's income, we are working on an annual budget to ensure the credit union can cope with any future increases.*
- *The increase is not linked to the same two members of staff.*

Q15. For next years AGM will there be more time to submit questions after receiving the papers, Also a chance to respond to the answers to the question asked.

- *Yes, we will prepare the papers with more time for members to submit questions.*

Q16. I'd like to be considered for the Board?

- *This will be followed up after the meeting.*

## **11. Close**

D Veitch thanked his fellow Directors, volunteers and the staff for their input and hard work in ensuring the viability of the Credit Union during the preceding year.

D Veitch thanked ABCUL, our trade body, for setting up the AGM and to J Littlewood for supporting the meeting.

The meeting closed at 1:00 pm.

## **12. Date of next meeting**

Date in 2026 to be confirmed.