



Credit Union Newsletter Spring 2020

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PrizeSaver

The credit union savings account with monthly prizes

PrizeSaver is a brand new type of savings account in the UK. It is only available to Lewisham Plus and 14 other participating credit unions. We were selected by HM Treasury as one of the winning credit unions through a competition in May 2019.

Only available for a limited time

PrizeSaver is an instant access savings account that can also win prizes each month. HM Treasury has agreed to provide a prize draw, on a trial basis, until March 2021.

How much can I save?

£1 will give you one chance to win each month. Every extra £1 will give you a further chance to win, up to a maximum of £200. You can save more than £200 in your account, but you only get 200 chances to win.

You can save regularly, by asking us to transfer some of your incoming funds into the PrizeSaver, or you can transfer savings from another account.

Your savings may also qualify for an annual dividend, if this is approved at our AGM.

What can I win?

HM Treasury will operate a free monthly prize draw, with a **main prize of not less than £5,000 and at least twenty smaller prizes of not less than £20 each**. HM Treasury may

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm 213588.



increase the amount or number of the prizes in a monthly prize draw, and may arrange additional draws.

What happens if I win?

Winners will be selected via a randomised computer process from all valid entries from all the participating credit unions.

If you win a headline prize, we will contact you and you will then need to let us know where to pay the prize. Smaller prizes will be paid into your PrizeSaver account directly.

How can I apply?

There is a downloadable application form and full T&Cs on our website www.pluscu.co.uk/prizesaver-account Check from time to time to read notices and for any changes to the account terms and conditions.

Is there a catch?

There are no catches. You just need to be over 18 and resident in England, Wales or Scotland to be able to apply.

On termination or expiry of the pilot scheme, the prize draws will cease.

When this happens, we will transfer the savings balance into your main Share1 account.

Are there winners yet?

Nine savvy members opened PrizeSaver accounts as soon as they were launched in November 2019.



We had a £20 winner in the first draw in December, pictured above in our Bromley branch. Well done!

You could win up to £5,000 each month with our PrizeSaver account

Success with Lloyds Banking Grant

Lewisham Plus has been awarded a £100,000 capital grant from the Lloyds Banking Group Credit Union Development Fund, administered by the Credit Union Foundation.

Applications for a fund of £1m closed in June, and over 60 credit unions applied for more than £5m.

Our successful grant bid focussed on:

- Growth to 13,600 members in 2020 and 15,000 in 2021
- Increasing lending to £5.23m by 2021
- Opening New Cross Learning as a sub branch for at least 20 hours per week.

We are upgrading our New Cross Learning outreach to achieve this by June 2020.





AGM 27th Feb 2020

We invite and encourage all our members to attend our Annual General Meeting, to be held at:

7pm on **Thursday 27th February 2020** at **The Grove Centre, 2 Jews Walk, Sydenham, SE26 6PL**

The AGM is free for Credit Union members and includes light refreshments. The Grove Centre is just off Kirkdale, five minutes from Sydenham station and on the 122, 176, 197, 202 and 356 bus routes. There is free parking outside.

If you are interested in being elected as an officer, see Rules 98-99 of the Rules of the Credit Union, on our website under About Us, Terms & Conditions. Nominations are due by Thursday 13th February 2020.

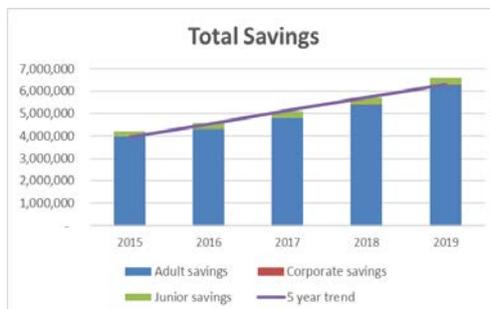
Annual Report 2019

Lewisham Plus Credit Union had a very successful year in 2019. Highlights for members are:

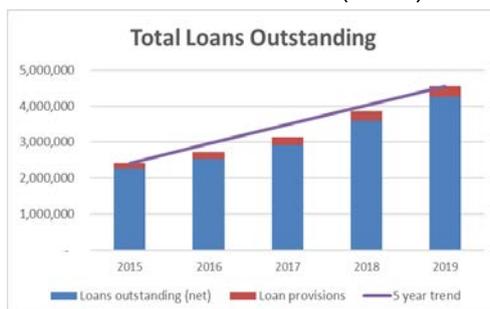
- Adult membership grew by 758 (6.6%) to 12,268 adults, plus 1,774 juniors and 38 corporate members. On average **nearly 170 adults joined the credit union each month**. We also closed 994 adult dormant and 280 bad debtor accounts.
- Active adult membership reached 10,122 members (82.5%).



- Savings grew strongly, by £886k (16.5%) to **£6.26m** for adults, **£297k** for juniors and **£36k** for corporate members.



- Net loans increased by £657k (18.2%) to **£4.26m**, exceeding our target of £4.17m. We issued **6,724 loans** totalling £3.74m, up from 6,462 loans/£3.63m in 2018
- Bad debt and provisions 5.7% at a similar level to 2018 (5.5%)



Revenue Account for year ended 30th Sept 19

	2019	2018
Loan interest receivable	870,484	742,860
Interest payable	(27,269)	(14,240)
Net interest income	843,215	728,620
Fees receivable	34,268	16,366
Fees payable	(39,741)	(35,180)
Net fees and commission	(5,473)	(18,814)
Other operating income	124,768	115,171
Administrative expenses	(477,848)	(453,719)
Depreciation	(32,459)	(28,321)
Other operating expenses	(99,865)	(96,856)
Impairment on loans for bad and doubtful debts	(196,997)	(164,146)
Surplus before tax	155,341	81,935
Corporation tax	(3,256)	(2,549)
Surplus for year	<u>152,085</u>	<u>79,386</u>
Comprehensive income	152,085	79,386

'Interest payable' means dividends paid to members.

Balance Sheet 30th Sept 19

	2019	2018
Assets		
Cash and central banks	37,913	51,328
Bank accounts	3,228,462	2,688,477
Loans to members	4,256,279	3,599,151
Tangible fixed assets	107,982	100,836
Prepaid/accrued income	32,451	38,280
Total Assets	7,663,087	6,478,072
Liabilities		
Customer accounts	6,589,085	5,701,379
Other liabilities	31,337	21,056
Accruals/deferred income	<u>267,610</u>	<u>118,343</u>
	6,888,032	5,855,102
Other reserves	383,900	341,965
General reserves	<u>391,155</u>	<u>295,329</u>
Total reserves	<u>775,055</u>	<u>637,294</u>
Total Liabilities	7,663,087	6,478,072

Paul Treece, Treasurer - extract from audited accts.

- **Best ever earned surplus** after tax and dividends of £152,085, increasing the key capital ratio to 9.51%. The Prudential Regulation Authority requires a 5% capital ratio,

rising to 10% for credit unions with over 15,000 members or over £10m in assets.

- Dividends for 31st March 2020, subject to AGM, increased to:
 - **1.50% for junior savers** (1.25% in 2018)
 - **0.75% for adult and corporate members** (0.50% in 2018)

Our Annual Report and Accounts for the year to 30th Sept 2019 are now available on our website (under the "About Us" section). The report will be presented at our AGM, and is available at branches on request.

Our Vision

To promote financial inclusion and be the trusted and preferred provider of local financial services in Lewisham & Bromley

Our Values

- Placing members' mutual interests first
- Operating in an ethical way in accordance with the Co-operative Principles
- Being at the forefront of financial inclusion and embracing the diversity of our community
- Working with integrity, respect and equality of opportunity
- Supporting, valuing, training, engaging and encouraging staff and volunteers, who will always strive to exceed expectations.

Our Objectives

- To increase membership and grow our organisation sustainably
- To support and serve the financial needs of the people of Lewisham and Bromley
- For the members, staff and Board to reflect the diversity of the community we serve
- To embrace innovation and technology, while maintaining face-to-face services through our branches
- To ensure good governance, oversight, management and regulatory compliance
- To develop partnerships with key stakeholders who support our vision.

Directors' Report for Year to 30 Sep 2019

Nine directors, all unpaid volunteers, served on the board in 2018/19. At the end of the year, Gareth Hall, a solicitor with extensive experience of commercial law and housing associations, joined the board and agreed to take responsibility for business and strategic planning and health and safety matters.

The directors met every month in the year, and also held three weekend strategy meetings to cover long-term planning and other strategic matters. Four board committees covering Loans & Credit Control, Operations, Finance & Development, and Governance & Compliance have continued to operate, providing a forum to develop initiatives and address issues. A new Nominations Committee will concentrate on succession planning for board and Supervisory Committee members, as well as for senior staff.

Our CEO, Ravi Ravindran, has continued to lead the executive team, and they have collectively overseen another positive year of operation. Our initiatives and achievements this year, in addition to a successful year of financial growth, include improvements to our risk management framework; new loan agreements, permitting (among other things) remote top ups to increase efficiency; the introduction of our Just Borrow online loan product; a new app for members; a new partnership with Lewisham Homes to support some of their residents; expansion of the number of schools in our saving programme; a major upgrade to our IT infrastructure; and the adoption of new Rules and new HR policies.

The directors would like to express their appreciation for the exceptional dedication and enthusiasm of all of our staff, who make such an enormous contribution to the successful operation of the credit union.

(Shortened version from Annual Report)

Support Loans for Lewisham & Bromley

Lewisham Plus Credit Union has continued to provide homelessness prevention services for Lewisham and Bromley councils. We are very pleased to support local people facing eviction through this highly valued service to residents, strictly by referral only.

In 2019 we issued:

- 40 homeless prevention or rent deposit loans, totalling £72,343, for Lewisham. We have issued more than 230 loans since 2010.
- 43 homeless prevention loans, totalling £111,688, for Bromley. We have issued more than 220 loans since 2011.

For Lewisham Council, we also provide an emergency local support and return to work loan service. This has been in operation since DWP crisis loans were replaced by local services in 2013. In 2019 we issued:

- 143 local support loans, totalling £18,820. We have issued more than 700 loans since 2013.

Important Note: *Only residents who have been referred by support services at Lewisham or Bromley can be helped by these services. Tenants must go to their local council or advice services first if they are under threat of eviction.*

Christmas Fun and Hamper Winners

Congratulations to all our Christmas hamper winners, some pictured below:



We had some extra visitors too – that's Olaf the Frozen Snowman,



and the Loan Shark awareness character. Lewisham Plus is working with the Illegal Money Lending

Team to stop illegal loan sharks.

Juniors join at Bromley Halloween special

Our Bromley branch team ran a special Halloween competition, with the branch open for an hour in the afternoon on the 31st October.

As well as some great costumes and fun, a terrific 31 juniors opened savings accounts at the branch on the day, more than joined in-branch in the whole of 2018.

Fantastic result!



Credit Union Services



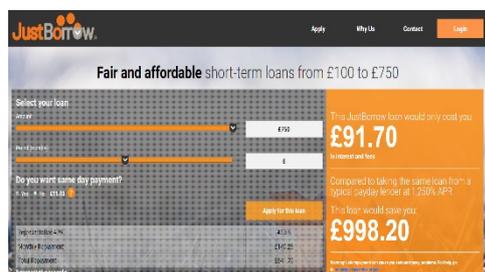
Our affordable, ethical alternative to Payday loans was launched in 2019, and we have now granted over 50 **JustBorrow** loans. Our £750 loan over 6 months would cost **£998 less** than a Payday loan at 1250%.

(Representative example: £750 over 6 months, £140.28 monthly repayment, £841.70 total repayment. APR 42.6%)

Successful applicants can borrow from £100 to £750 for between three and nine months. The online-only application process is quick and involves completing a short form, following which an instant decision is made where possible. There is an option to request a fast payment and have the money paid in a few hours.

Monthly payments are automatically set up and collected via a debit card on the chosen day of the month. For more information please visit:

<https://www.justborrow.co.uk/cu/lewishamplus>



Existing members may apply for a Just Borrow loan if they don't have other current loans with Lewisham Plus Credit Union. *To qualify you need to receive a regular income and have a reasonable credit rating.*

Social Media update

LPCU's Facebook page (**Lewisham + Bromley**) continues to go from strength to strength with over 750 followers still enjoying daily posts covering everything from serious articles about financial inclusion, competitions, local community events, offers and education to things that are just plain fun.

You can help us get to our target of 1000 likes if you **LIKE Lewisham + Bromley Credit Union** on Facebook then **SHARE** with your friends.



Branch Contacts & Hours

262 Kirkdale, Sydenham,
London, SE26 4RS
Tel: 0208 778 4738

Email: admin@pluscu.co.uk

The Green Man at 355 Bromley
Road, Catford, SE6 2RP
Tel: 0208 461 4721

Email: greenman@pluscu.co.uk

Bromley Plus at 54 Cotmandene
Cres. St.Paul's Cray, BR5 2RG
Tel: 0208 302 1541

Email: bromley@pluscu.co.uk

All open 9.30am-1pm Mon-Fri.
Sydenham only 6.30-8pm Friday
and 10am-noon Saturday.

New Cross Learning, 283-5
New Cross Road, SE14 6AS
(Tue & Wed 10am to 3pm)

Closed Bank holidays and as per
notices on our website.

Use our App

Our Incuto app will allow you to look up saving and loans transactions, request transfers or to send funds to your designated bank account. If you make your request by 1pm the money will be in your bank by 5pm on the same business day. You can also send us secure messages and manage your personal details.

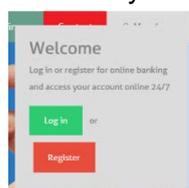
Search for **Incuto** on the Apple or Android store and select **Lewisham Plus Credit Union** to sign-up.

Or manage your account online

View recent transactions online in our Members' area and approve money transfers (Web PIN required)

Haven't registered for our web site yet? This is quick and easy, and gives you secure access to your account balances, transaction details, and also to make online payments.

Click on 'Members' to register your web PIN, for a next working day confirmation.



Grow your savings

Save up to £30,000, £3 joining fee for adults, no fee for young savers. PrizeSaver account with free prizes.

To protect your funds, we require proof of ID for all withdrawals.

Dormant accounts under £10 balance - annual £2.50 fee (adult and junior accounts)

Corporate Accounts

Deposit account available for local associations, clubs and charities.

Free Life Insurance included

Members up to age 70 receive £1,000 life insurance on savings at no charge. Loans are also covered up to a £5,000 limit, for members up to age 79.**
**All insurances subject to policy limits

Loans for members

Personal Loans up to £10,000 from 0.75% to 2%pm (9.4% to 26.8% APR).

Loyalty Saver Loan 0.5%pm/6.2% APR, for members who can secure the whole loan against their savings.

SAYB Loan 2% to 3%pm (26.8% to 42.6% APR), save as you borrow, with reduced APR if you qualify for an SAYB level 2 loan over £800.

Household Goods Loan up to £500 extra for existing borrowers, at the same APR rate as SAYB loans.

Engage Ethical Card Services

Low cost prepaid Visa debit card, £2 per month, no load fees.*

Smartcash electronic pocket money for 8-16s. £10 one off (may be waived under our offer), no monthly fee.*

Engage Current Account Card service £5.95 per month*

*See full Terms and Conditions for details.

Balance Enquiries

Text **Balance** to **07537 410334**

The text will cost your standard network rate for an SMS. If you don't get a response, email admin@pluscu.co.uk with your name, member number and mobile phone number.

We strive to promote financial inclusion and to be the trusted and preferred provider of local financial services in Lewisham and Bromley.

Our individual and approachable service is volunteer led but professionally managed.

We exist for you and because of you.