

Credit Union Newsletter Spring 2022

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**THIS YEAR WE'LL BE
CELEBRATING OUR**
Pearl Anniversary!

30 Years 1992-2022

Lewisham Plus Credit Union is celebrating 30 years serving our members, with our anniversary on 2nd March 2022, just after our AGM.

Some of the reasons we exist are remembered on the inside page. We still have 12 founder members with shares, and especially want to thank those who have supported us from the beginning and over all this time.

30 years in a marriage is known as the Pearl anniversary. CEO Ravi Ravindran gave us this suggestion:

- Personal Approach**
- Ethical Philosophy**
- Affordable Loans**
- Reliable Service**
- Local to You**

The Pearl of Great Price is a parable told by Jesus. By extension it means something of immense and lasting value. We hope the credit union can be of great value for our members.



Less need for cash

In December 2021 the Bank of England reported that:

“Transactional cash use has fallen from over 50% of payments in 2010 to only 17% of all payments in 2020, with the trend accelerating during the Covid-19 pandemic. But cash remains vital for many in society.

Over 5 million adults rely on cash in their day-to-day lives and cash remains the preferred payment method for 21% of the population.”

At Lewisham Plus we recognise that cash is still important for many of our members, but also that increasing numbers, especially young adults, are choosing not to use cash.

From January 2022 we have added an extra late-morning bank transfer, additional to 9am and 2pm. This means we can send more payments within the day, reducing the need for cash. We will still provide cash for those who need it, where we can.

We partner with Engage to provide payment tech for our members, and convenient access to cash through cash-back in stores and the ATMs.

Low 4.9% interest on Larger Loans

We announced reduced interest on larger Personal loans and Loyalty Saver loans in our last newsletter, and these are our best ever rates:

- **5.9% APR** on £5,000 to £9,999
- **4.9% APR** on £10,000 to £15,000 and on all Loyalty Saver loans fully secured by member savings

Use a larger loan to help with home improvements, a car, wedding or holiday or other large expense for modern living. These rates apply where affordable for our members and subject to our credit decisions.

Representative example:

- **£10,000 borrowed at 4.9%** will cost £187.80 per month over 60 months, total interest £1,267.83 and total repaid £11,267.83.

your money made easy

Credit Union members can use an Engage Visa debit Classic or Premium pre-paid card to make UK payments, transfers and to get in-store cash-back free. The Engage app can be downloaded from app stores or www.engageaccount.com



Key benefits include:

- Automatic load from funds paid into your Credit Union account
- Visa debit and online shopping with retailer cashback rewards
- Contactless payments
- Cash-back and ATM services
- Make payments with Google Pay, Samsung Pay and Apple Pay
- Pay bills and manage standing orders or direct debits in the app
- Simple budgeting tools to manage funds using envelopes
- Real time balance and transaction information
- Instant app notification when funds are received, bills paid, etc.

Monthly fee and other charges apply. See full Terms and Conditions for details.



Engage SmartCash is a unique junior digital account for 8-16s, available through Credit Unions. It is designed to provide safe financial education for junior members with great flexibility to save and spend, including **contactless payments**.

SmartCash is a parentally supervised account with a digital app and debit card. Features include controllable spending limits, very low usage fees and **no monthly fee**. £10 initial fee credited to account.

SmartCash provides young members with the ability to receive pocket money, gifts and wages digitally, then send money back to their Credit Union savings account without the need to visit a branch.

See www.pluscu.co.uk/smartcash and apply for SmartCash today.

AGM 24th Feb 2022

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

7.30pm on Thursday 24th February

At the AGM, we will provide an update on the activities of the Credit Union, and you will be able to ask questions and provide feedback. We will also be taking the opportunity to celebrate our 30th anniversary.

This year we will hold the AGM in a hybrid format. You will be able to attend either in person at the Grove Centre, Jews Walk, Sydenham SE26 6PL or online, via the Zoom videoconferencing system.

The full agenda for the meeting is on our website.

If you wish to join via Zoom, please email your full name, telephone number and member number to us at agm@pluscu.co.uk in order to register and receive a link to attend the meeting. You will also find details of how to register on the AGM page on our website.

Alternatively, please come to the AGM in person. There will be refreshments for all those who attend. Even if you register to participate online, you can still attend in person if you wish.

If you are interested in becoming a volunteer or officer for the Credit Union, please get in touch with a member of staff by visiting a branch, telephoning us on 020 8778 4738 or emailing us at ceo@pluscu.co.uk

Annual Report 2021

We are pleased to report that we have had another successful year, despite the ongoing impacts of the Covid-19 pandemic. Highlights are:

- Adult membership grew by 421 (3.4%) to 12,824 adults, plus 1,616 juniors and 45 corporate members. On average **138 adults joined each month**.
- Active adult membership reached 10,665 members (83.2%).
- **Savings grew by £1.7m (20%)** to £9.95m for adults, £399k for juniors and £46k for corporate members.

- Net loans (after provisions for doubtful debts) increased by £168k (4.1%) to £4.31m. **We issued 6,817 loans totalling £3.28m**, slightly up from 6,681 loans totalling £3.24m last year.
- Bad debt and provisions down to 4.4% of loans (6.1% last year)
- **Surplus** after tax and dividends of £220,905, capital ratio 10.7%
- Dividends (subject to AGM) are:
 - **0.75% for junior savers** (0.75% in 2020)
 - **0.25% for adult and corporate members** (0.25% in 2020)

Due to another large increase in assets, requiring more capital, and the continuing uncertainty caused by the pandemic, the board decided to recommend a modest dividend so that reserves can be strengthened.

Revenue Account for year ended 30th Sept 21

	2021	2020
Loan interest receivable	922,316	961,053
Interest payable	<u>(19,235)</u>	<u>(46,247)</u>
Net interest income	903,081	914,806
Fees receivable	29,814	33,541
Fees payable	<u>(42,600)</u>	<u>(39,531)</u>
Net fees and commission	(12,786)	(5,990)
Other operating income	176,846	288,816
Administrative expenses	(577,492)	(526,343)
Depreciation	(40,434)	(33,405)
Other operating expense	(106,552)	(106,176)
Impairment on loans for bad and doubtful debts	<u>(117,544)</u>	<u>(220,414)</u>
Surplus before tax	225,119	311,294
Corporation tax	<u>(4,214)</u>	<u>(4,947)</u>
Surplus for year	<u>220,905</u>	<u>306,347</u>
Comprehensive income	220,905	306,347

'Interest payable' means dividends paid to members.

Balance Sheet 30th Sept 21

	2021	2020
Assets		
Cash and central banks	28,988	26,590
Bank accounts	7,507,091	5,730,483
Loans to members	4,306,814	4,138,161
Tangible fixed assets	82,407	83,124
Prepaid/accrued income	<u>48,517</u>	<u>41,628</u>
Total Assets	<u>11,973,817</u>	<u>10,019,986</u>
Liabilities		
Customer accounts	10,393,507	8,664,617
Other liabilities	43,857	37,096
Accruals/deferred income	<u>234,144</u>	<u>236,871</u>
	10,671,508	8,938,584
Other reserves	486,948	469,680
General reserves	<u>815,361</u>	<u>611,722</u>
Total reserves	<u>1,302,309</u>	<u>1,081,402</u>
Total Liabilities	<u>11,973,817</u>	<u>10,019,986</u>

Paul Treece, Treasurer - extract from audited accts.

Our income in 2021 included a one-off £75k Covid-19 Community Led Organisations Recovery Scheme (CCLORS) grant and £22k from a Fair4All Finance Covid-19 financial support grant, and several others.

We are also grateful for support from Lewisham Homes, Lewisham Council, Clarion and Bromley Council. This included distributing Covid-19-related grants to support nearly 400 residents with utilities, winter clothing and household goods. Sadly the Lewisham Local Support crisis loan scheme had to end in 2021 due to reduced funding.

Our Annual Report and Accounts for the year to 30th Sept 2021 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.

President's Report for Year to 30 Sep 21

No one could have foreseen how deeply or for how long the Covid pandemic would affect so many people. Most have us have been touched in some way, whether from losing a loved one or knowing others who have lost family or friends, from seeing livelihoods destroyed, or from the more mundane changes in our lives of having to socialise and communicate in different ways or just learning to speak through facemasks. I have therefore been delighted to see how our credit union has risen to the challenge and has continued to support its members even more than ever throughout these difficult times.

This could not have been possible without the extraordinary dedication of our staff, CEO and our unpaid army of volunteers including the Board and Supervisory Committee, who all give so much of their time because they believe in our vision to support our members and the local community in which we all live. On behalf of all our members therefore, my sincere thanks to the whole team for simply being brilliant!

I also cannot let my comments pass without special thanks to Frank Whittle, who was our President until February 2021. Frank was one of the founding members of the credit union and has been a long and loyal supporter in many different guises. We wish him a speedy recovery back to full health. Thanks also to James Gardner, a former CEO of the credit union and a long-standing Board member, who retired at the end of September; and a warm welcome to our new Directors, Donna Davis, Bill Hackney, Jane Gregory, Fela Ajayi and Louisa Papadouri who all bring fresh talent and ideas to the Board.

Despite all the challenges of the last two years, Lewisham Plus Credit Union remains strong and is looking forward to supporting even more local people as we celebrate our Pearl (30th) Anniversary in March 2022. *Mark Plummer, President*



Photo of ACTS Credit Union launch at The Grove Centre on 8th May 1992 by Jim Dowd, then Mayor of Lewisham. Founder members on the picture left to right are Gail Birch, Elizabeth Ballaster, Barbara Coe, Liam Carlisle, Arthur Coe, Andy McKeown, Jim Dowd, Frank Whittle, Paul Treece, Lisa Treece, Tim Samuel and Alice Pollard.

30 Years On Credit Union Proposal July 1991

A credit union is a local financial co-operative which puts people first. It is owned, run by and controlled by its members, who pool savings to make them work for the community.

The credit union is being formed through the joint efforts of ten local churches, for the benefit of the whole community. The churches in Sydenham have been preparing to form a credit union since Feb 1990.

The idea was born out of community audits conducted during 1988-89, through a shared sense that many people locally were struggling financially and that this was something which could only be tackled by churches acting together.

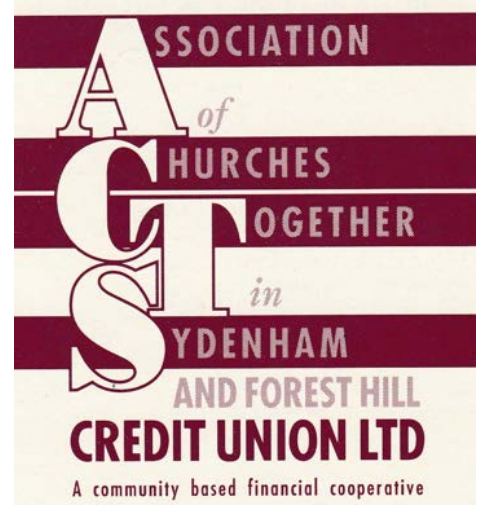
A credit union is a self-help organisation which allows members to support each other financially, through pooled savings being made available as low cost fixed rate loans. Reasons for seeking to form a credit union include:

- A practical preventative response to the suffering caused by debt.
- Based on principles of trust and equality endorsed by Christians.
- Credit union services are potentially of benefit to all members of the community, but especially to those who have low incomes and are normally denied access to reasonable credit.
- Proven scheme (250+ unions in the U.K.) which is self-financing.

- Builds upon and strengthens relationships between individuals within and beyond churches.
- Church involvement in something relevant to most people.
- Regulated by Act of Parliament (Credit Unions Act 1979) and run to ensure the safety of savings.

The Registrar of Friendly Societies, has recently indicated that we could form a credit union for anyone in "active and continuous association with a church affiliated to Churches Together In Sydenham and Forest Hill and resident within the boundary of the attached map."

The Association of Churches Together in Sydenham and Forest Hill (ACTS) Credit Union Limited was founded on 2 March 1992.



We became Lewisham Plus Credit Union in June 2006 and expanded to cover all of Lewisham, Bromley and SE19 in December 2009.

The rest, as they say, is history.

Christmas Hampers

Congratulations to the winners of our Christmas hampers. Follow us



on Facebook, Instagram, Twitter and LinkedIn to keep up to date, and to take part in fun stuff like competitions and draws. Please LIKE



Lewisham+ Bromley Credit Union on Facebook

then **SHARE** us with your friends.

Looking out for Youth Ambassadors

Does this describe you?

- **Socially conscientious:** You have ideas about how to improve the way young people live and use finance, and how to support them when they suffer hardship.
- **Passionate:** You're enthusiastic, keen to get your voice heard, and would feel comfortable talking about financial issues with other young people and adults.
- **Connected:** You're a social media user and you communicate often.
- **Encouraging:** You're supportive, respectful of people's opinions, and enjoy working with others.
- **Hopeful:** You believe change can happen and can show the way.

We are looking for four young people aged 13-23 to be youth ambassadors. You would gain financial and life skills and work experience to enhance your CV.

Please contact Ravi Ravindran ceo@pluscu.co.uk for more details.

We want to let young people take the lead and advise adults on how to improve the life of young people and their families.

Branch Contacts & Hours

262 Kirkdale, Sydenham,
London, SE26 4RS
Tel: 020 8778 4738
Email: admin@pluscu.co.uk

The Green Man at 355 Bromley
Road, Catford, SE6 2RP
Tel: 020 8461 4721
Email: greenman@pluscu.co.uk

Bromley Plus at 54 Cotmandene
Cres. St.Paul's Cray, BR5 2RG
Tel: 020 8302 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
Mon-Fri 9.30am to 4.30pm

Closed Bank holidays and as per
notices on our website.

PrizeSaver Account

Our instant access saving account with free prizes will continue to be available to members at least until September 2022.

Two lucky members have won main prizes of £5,000, and others have won £20 – all at no cost to them.

Save up to £200 in a PrizeSaver and you could win free prizes too.

Download CU App



Download our **Lewisham Plus Credit Union Mobile App**, the most convenient way to manage your Credit Union savings and loans.

Search for "**Lewisham Plus Credit Union**" on the Google Play or Apple App store. If you already have the Incuto app, you can use the exact same login details in our new app.

Our website also supports mobile access and has an online Members' area for account details.

You can apply for loans online, including top-ups, and your friends could join the credit union using our convenient online application form.

Grow your savings

Save up to £30,000, £4 joining fee for adults, no fee for young savers.

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 with no transactions for over 12 months).

You also need to keep at least £1 in your share account or savings at all times to remain a member of the credit union.

Corporate Accounts

Deposit account available for local associations, clubs and charities.

Free Life Insurance included

Members up to age 70 receive up to £1,000 in 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 £15,000 from 0.4% to 2%pm (4.9% to 26.8% APR).

Loyalty Saver Loan 0.4%pm/4.9% APR, loan fully secured by savings.

SAYB Loan 2% to 3%pm (26.8% to 42.6% APR), save as you borrow, with reduced rate on loans of £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, Classic £2 per month, no load fees.*

SmartCash electronic pocket money for 8-16s. £10 initial fee will be credited to the account as a £10 deposit available to spend. No monthly fee.*

Engage Premium 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.