

**Minutes of Lewisham Plus Credit Union Annual General Meeting  
held at 7.00pm at The Grove Centre, 2 Jews Walk,  
Sydenham, London SE26 6PL  
on 27 February 2020**

**1. Welcome and introduction**

Frank Whittle (President) opened the meeting and thanked everyone for attending. There were a number of apologies from members, including James Gardner (Director), Barney Wanstall (Chair of the Supervisory Committee) and Rev Dr Catherine Shelley (former Supervisory Committee member). Frank thanked the members of staff and Donna Davis (Supervisory Committee) for the effort they had gone to in making all of the food for the meeting. Frank then led everyone in a recitation of the Credit Union invocation.

**2. Presentation on the Just Finance Foundation and the Lifesavers Schools Programme**

Ravi Ravindran (CEO) introduced the guest speakers, who were Jacob Fenwick-Reed, a pupil from Keston Church of England Primary School, and Sarah Wallace and Keir Lewis from the Just Finance Foundation (JFF).

Jacob then spoke about his work as a bank clerk for the Keston school bank. He explained that there are currently 35 pupils who are saving, and they are aiming to increase this number. There are 5 individuals who save regularly every week, Jacob and his fellow pupils had organised competitions to design posters and other items for campaigns, including a campaign against loan sharks. Jacob explained that learning to save is an important life lesson, and brings real benefits for the individuals. Acting as a bank clerk has helped him to better understand money, and he was enjoying the responsibility. The members present at the meeting were impressed by what he and his fellow pupils had achieved, and thanked him for an excellent presentation.

Sarah then spoke about the work of JFF. The charity operated a number of different programmes, including schemes to promote financial wellbeing. However the largest programme was the Lifesavers programme operating in schools. Sarah noted that across the UK, there were 11 million people with savings of less than £100, who were therefore at risk of needing to borrow to meet unexpected expenses, and needed access to affordable loans. JFF is keen to see credit unions grow relative to pay day lenders in particular. They are also supportive of the new Prizesavers initiative, as research in the US and South Africa has shown that this is a successful way to get people to start saving for the first time.

Keir then went on to explain in more detail how the Lifesavers programme works, which is currently the only programme promoting savings within primary schools. Research has shown that around the age of 7 to 8 is a critical time for children to form habits, and therefore the Lifesavers programme runs both savings clubs, and also wider educational activities (providing materials for assemblies etc). The savings club itself is run like a bank, and supported by credit unions such as LPCU. 120 schools are involved overall, with 14 in Lewisham using the online system, and a number of others operating in a more traditional, cash and paper based way. The Lewisham programme has close to 600 individual savers, with an average balance of £29,

generated by more than 2,500 individual deposits. This suggests that pupils are saving little and often which is the habit that Lifesavers wish to encourage.

Keir expressed his appreciation for the support from LPCU and other credit unions, as the programme cannot function without that. One significant benefit of the programme is that it builds awareness of credit unions both for pupils and for their parents, and there is anecdotal evidence that this has encouraged better financial outcomes for parents as well as for the children.

In response to questions, Sarah explained that JFF has fourteen members and a lot of time is spent fundraising to enable them to expand their operations. Their ultimate goal is to make this kind of activity part of the national curriculum for primary schools.

One of LPCU's members, Michael Williams, gave his own personal experience, explaining how he had benefitted from learning to save, and receiving financial education at an early age.

### **3. Approval of the minutes of the 2019 Annual General Meeting**

Barney Hearnden (Secretary) referred the meeting to the minutes of the last annual general meeting which had been published on the credit union website, and distributed to each of the members present. The meeting resolved to approve the minutes.

### **4. Report from the LPCU Board of Directors**

Frank Whittle began by welcoming Gareth Hall as a new director of the credit union. He explained that LPCU is continuing to recruit new board members and aiming to increase diversity. This initiative is being led by HR director Tim Pagan.

As always, it had been a busy year, and Frank expressed particular thanks to Paul Treece (Treasurer) for the time that he had dedicated to the credit union over the year. By Frank's estimation, this amounted to approximately one and a half months of full time equivalent work, which was an enormous commitment in addition to Paul's own full time job and other charitable commitments. Frank noted that much of this effort had been devoted to IT improvements, some of which was "behind the scenes" and therefore not apparent to members but critical to keeping the credit union functioning effectively. There was further IT work ongoing at present, some of which had been generated by factors outside our control.

The Just Borrow initiative had been taking off in the past 12 months, with approximately 50 loans made so far, reducing the need for members to utilise expensive pay day lending.

Frank expressed his view that the past year had been a very successful one, owing primarily to the dedication of the individuals involved with the credit union, with their professionalism and sense of service. He gave, as an example, the tremendous expertise on the Supervisory Committee which was useful in helping the credit union to steer an appropriate course. Frank concluded by saying that he felt future success would be achievable if the credit union could maintain that culture across all of its people.

### **5. Report from the Treasurer**

Paul Treece (Treasurer) opened by thanking Frank for his commitment over the past year as President. Paul noted that it had been a successful year financially, owing to good policies, strong leadership from Ravi Ravindran as CEO, and excellent execution by staff and volunteers. The past financial year had been the first time that the credit union's income from lending was sufficient to cover all costs and generate a surplus. He explained how in previous years the credit union had benefitted from the legacy of a government grant, which was now expiring. The margin between profit and loss was small, and therefore the future was not guaranteed, but it was heartening to be in this positive position at present. Broadly the trends over the past five years showed consistent, steady growth, but the board of directors did not take this for granted, and was aware that active work was required to maintain it.

Paul noted in particular that the credit union had been successful with two competitive tender processes during the year, first to be accepted as one of the credit unions participating in the government's Prizesavers programme, which had already generated a prize for one of our members; and second an application for a second grant from the credit union foundation funded by Lloyds Bank. The latter application had been successful despite the fact that the credit union had received £100,000 from the same programme five years before, and this second grant of another £100,000 would provide capital to keep the credit union on a sound financial footing, and provide support for future growth.

## **6. Declaration of dividend**

Paul Treece explained that whilst the board alone decided on the dividend payable to junior members, the dividend payable to adult members was a decision for the members. The board had resolved to pay a dividend of 1.5% to junior members, and was proposing an adult member dividend of 0.75% (up from 0.5% from the previous year). The members were entitled to approve that proposal, or to resolve to pay a lower dividend. On a vote, the meeting resolved unanimously to approve the proposed dividend to adult members.

## **7. Appointment of Auditors**

Paul Treece explained that the board was recommending the reappointment of Alexander Sloan, whose experience of auditing a number of credit unions was valuable in allowing them to scrutinise the credit union's activity, and raise appropriate questions/provide appropriate advice. Paul felt that they had done a thorough job again in the past year. The meeting resolved unanimously to approve the reappointment of Alexander Sloan.

## **8. Report from the LPCU Supervisory Committee**

Donna Davis presented the report of the Supervisory Committee. She explained that the committee looks at all aspects of the operations and activities of the credit union. During the year, Catherine Shelley had stepped down as a member and had been replaced by Ash Saluja. They had also engaged a paid member of staff to act as internal auditor, reporting to the committee. Overall, the committee was concerned that the growth of the credit union, and the steps it was taking to innovate, presented a risk to the credit union. The Supervisory Committee had therefore been focused in particular on whether the board of directors had been properly considering those risks

and managing the implementation of change. The Supervisory Committee's current verdict was that they were happy with the way that the board was operating and therefore confident in the credit union's current plans.

#### **9. Election of Officers**

Barney Hearnden (Secretary) explained the process under the Rules for appointment of board members and members of the Supervisory Committee, and introduced those who were standing for re-election. As the number of candidates did not exceed the number of positions to be filled, he proposed one resolution to appoint each of the relevant officers, and that resolution was passed unanimously.

#### **10. Any other business**

Frank Whittle took the opportunity to explain to the meeting that John McCarthy, one of the founding members of the credit union, a long serving director, and President from 2003 to 2018, was standing down from the board for health reasons. John was an architect and had contributed to the design of credit union premises and the management of those premises, as well as working as a volunteer and providing his invaluable input as a director and President. Over the years, John had put his heart and soul into the credit union, and intended to continue to participate as a volunteer. Frank presented John with a book of appreciation from all those involved with the credit union, along with a small gift. John then spoke about how much the credit union has meant to him over the years and his desire to see it continue to thrive and fulfil its purpose.

The members present expressed their warm appreciation for everything that John had done over the years.

#### **11. Close of the Meeting**

Frank Whittle brought the meeting to a close at 8.05pm, and it was followed by a buffet for all members and guests.