

Bute and Cowal Credit Union Ltd.

Twenty-fourth Annual General Meeting,

2pm on Wednesday 7th February 2018

Directors' Report

The report covers the year October 2016 – September 2017

We thank the officers of St. Paul's Church for once again offering us hospitality for our Annual General Meeting. It is greatly appreciated.

The Directors are pleased to report that the past year has been one of steady growth in all areas. This is not withstanding responding to the demands of regulatory changes. Last year we reported that one of those regulatory changes was that the Directors were to report on staff training/how they are kept up to date. Over the year staff have attended the two Scottish League of Credit Union conferences and workshop weekends, as well as attending in-house training events, such as that run by our specialist software provider. Also, one Director has completed the new Credit Union Course run by the Chartered Banking Institute.

Our Trade body, The Scottish League of Credit Unions, is a tremendous support to the Board and staff in these times of change and through the League inter-credit union peer support is available. Within the credit union movement developments such as variable interest rates, electronic banking, "walk-in loans" and "automation" have been introduced. Their adoption very often depends on the size and resources of the credit union but despite our small size the Board considers it is worthwhile exploring the possibilities.

The number of members making deposits by Standing Order has grown to such an extent that the greatly reduced deposits being made at the office has led to the Board deciding to reduce the Rothesay hours of opening on a Tuesday by one hour. This was done following consultation with the Manager and members.

We have begun to make more extensive use of email communication with members. This is virtually cost free and speedy and we would like to make much more use of this method and urge our members who are happy for us to communicate in this way to keep us up to date with their email addresses.

Our credit union is a unitary organisation with two offices each with its own manager. This ensures regulatory requirements, standards and services are set for the organisation as a whole while allowing flexibility in how each office responds to the particular needs of the members in their area (Bute/ Cowal).

At the end of September membership stood at:
Full members 404 (Bute 293; Cowal 104; Other 7) and 11 junior members (Bute 6; Cowal 5). There were 67 new members in the year, 6 deaths, and 20 members left, mainly leaving the island or area.

The Board: from June the Board membership stood at six with Mick Common having received at that time Approved Person status from the Regulator. Mick was appointed Treasurer by the Board and acted in that capacity in the latter part of the year.

Staff: unfortunately, we lost Sarah Surgener due to her work commitments. Although with us for only a short period of time her work and enthusiasm were greatly appreciated. The Board's grateful thanks go to our managers and staff for their commitment and quality of work. Their ability to "rise to the occasion" has been fully tested during a period of rapid and extensive regulatory change.

It is vitally important for members to realise that their credit union is run by volunteers – Board and Staff - and that our credit union must recruit continuously to ensure its sustainability. Please think about volunteering. Staff work commitment time would be only what you are able to give; and many tasks are able to be done out- with office opening hours or at home.

We have continued to receive great support from our auditors, Sharles Auditors Ltd. Their advice and encouragement is much appreciated and the Board will be proposing their re-engagement.

Our financial computer programme, Custom, and our internal computer network are essential for the functioning of the credit union. Our grateful thanks go to George and Elaine Weir, our Programme providers, and to Paul Welsh, our IT advisor for their always prompt and effective response to emergencies and requests for advice.

We must also thank Alison Cross, our very patient webmaster for keeping our website up to date and linked in with our Facebook site. These sites provide credit union news and updates and we urge members to make use of them.

We have continued with more traditional publicity methods – ads in the Buteman and Dunoon Standard, posters and leaflets for recruitment of volunteers, loan campaigns, talks to various groups and even to the ether via local radio.

As with all credit unions a primary function of our credit union is the provision of access to affordable loans. Minimising the risk factor of loans is essential and particular thanks are due to the Credit Committees whose quality of work has been essential in achieving this.

Our Loan Policy is fundamental in the efforts to minimise risk. The Policy is kept under regular review. During 2017/18 we will be looking at the possibilities of adjusting the Policy to offer wider choices to members while keeping risk factors in mind. This will involve dialogue with members which will include seeking suggestions from them.

The Board intends to take a longer view of the future during 2017/18. There will be in-depth exploration of both the challenges facing us in our efforts to ensure that our credit union will be able to continue to offer affordable and accessible finance in Bute and Cowal and of the possibilities available to meet these challenges.

Addendum to Director's report for 2016-7 AGM

In the 5 months since our financial year ended we have had a few changes.

All the office computers are now accessible only with encrypted passwords. This is part of the upgrading of our data protection procedures required by the new regulations coming into force this year.

Sadly, Kim Findlay had to step down from the Board through pressure of other commitments. She will be greatly missed and we thank her for her contribution to the work of the Board.

In the Rothesay office, following a recruitment drive, we have welcomed 3 new volunteers – David Jenkins, Geoff Webb and Evelyn Smithies – they are fulfilling a range of duties.

It's hard to believe that the BCCU has existed for virtually 25 years and has developed to also cover Cowal. So what will the next 25 years bring? We have no crystal ball but we will always need office staff and Board members. Please think of supporting your credit union by volunteering.

Bute and Cowal Credit Union

Board / Staff list at 30th January 2018

BOARD

Janet O'Sullivan (President)

Brian Balmain (Secretary)

Mick Common (Treasurer)

Michael Boyce (Dunoon)

Avril Walker (Admin. Secretary)

SUPERVISOR: Andrew Swift

STAFF

Financial Administrator : Neil Owen David Jenkins(Assistant)

Managers

Doreen Weir (Rothesay)

Peter Flanagan (Dunoon)

Rothesay Credit Committee

Doreen Weir (Chair) Billy Sprowl (Secretary) Avril Walker (Board representative)

Dunoon Credit Committee

Peter Flanagan (Chair) Anne Cameron (Secretary) Shirley Robbins

Michael Boyce (Board Rep.)

Credit Control Officers Rothesay – Doreen Weir Dunoon – Shirley Robbins

General Duties

Rothesay: Ruby Cowie Basia Ligeza-Craig Billy Sprowl

Dunoon: Anne Cameron Jamie Collings Eileen Cowley Shirley Robins