

**MINUTES OF: HOOT CREDIT UNION LTD
ANNUAL GENERAL MEETING**

**HELD ON: Monday 17 June 2024 6pm
Zoom**

PRESENT: 18 members of the credit union were present, Rob Andrews in the chair.

The Chair welcomed everyone to the AGM and confirmed that this was AGM for the year to September 2023.

It was confirmed that a quorum was present.

1. APOLOGIES

- 1.1. Apologies were received from four members

2. MINUTES

- 2.1. The minutes from the Annual General Meeting for the year to September 2022 held on Monday 27 March 2023 were APPROVED by the meeting.

3. BOARD OF DIRECTORS REPORT

- 3.1. The Chair presented the Annual Report for year ended 30 September 2023
- 3.2. The Chair highlighted that, despite the challenges faced by members in the year, including the cost of living crisis the credit union had continued to grow both loans and savings, bringing it closer to our strategic goal of sustainability
- 3.3. He informed the meeting loan book dipped slightly by 15% (net of impairment), which is not unexpected given the economic environment we have been facing. However, we continue to grow in our level of lending and have an active strategy to bring in new borrowers.
- 3.4. Savings however were up by 16.6%, which demonstrates that our save whilst you borrow policy is proving to be a benefit to members in building up a savings buffer.
- 3.5. The Chair then highlighted the fact that in the year we estimate that £1.6 million in loan interest was saved by members by getting their loan from us rather than high-cost and doorstep lenders.
- 3.6. Hoot had worked hard in improving digital services and this had helped enormously in attracting a younger demographic. 96% of members now transact online or via the App, support is maintained for those who prefer the telephone or face to face route a requirement of Consumer Duty.
- 3.7. The Chair thanked Hoot staff for their work in providing services.
- 3.8. Thanks were also given to directors, partners and members for their continuing collaboration and support, including retiring directors.
- 3.9. The Chair then presented highlights in the year.

- 3.10. He informed the meeting of 1,182 new members – many saving for the first time, reaching a savings total of £2.7 million.
- 3.11. The Loan book (gross of impairment) continues to grow and stood at £1.3 million at Sep 23 and in the year having issued just under 3,000 loans totalling £1.9m
- 3.12. He highlighted the fact that for every £1 you save with the credit union, you are saving another member £5.29 in loan interest by borrowing from Hoot.
- 3.13. A key feature of improved member service is the Faster Payments service allowing members to withdraw Regular savings at any time day or night. In the financial year members withdrew over £4.5 million via Faster Payments and the feedback for the services has been phenomenal.
- 3.14. The chair then summarised the financial highlights, including key ratios demonstrating the financial position and stability of the credit union.
- 3.15. Moving onto governance, the Chair informed the meeting that the Board works very hard in steering the strategic direction of the credit union and we are all committed to its obligation of protecting our members' assets and working with the CEO to make sure the credit union is run correctly and efficiently.
- 3.16. The Board welcomed new directors Malcolm Ngouala Ken Gilkes and John Martindale to the Board. During the year Andy Pearson and Robert Morrissey were co-opted to the Board during the year. He thanked Des Grogan who had left the Board during the year, and Peter Latham who stood down from the Board at the previous AGM under the rule of a maximum of two terms.
- 3.17. The Chair urged members who may be interested in joining the Board to come forward.
- 3.18. The Chair moved onto Consumer Duty by outlining the credit union's obligations and requirement to implement. These are standards prescribed by the Regulator, and we have embraced these wholly, as they do not really differ from our own values and social goals.
- 3.19. Moving onto The Own Effect the Chair highlighted the key features of the updated report and informed the meeting that a Community Engagement Manager had been appointed.
- 3.20. Andy Pearson presented the Audit Committee report to the meeting and highlighted some of the key controls, in particular bank reconciliation, financial management and loans administration.
- 3.21. He noted that the credit union once again has been assessed at low risk in all compliance areas with additional checks and balances in place to mitigate against the risk of money-laundering and financial fraud, thus ensuring the safety of the credit union.
- 3.22. He referred members to the end of year audit report given by the internal auditor and informed the meeting that the Board was very proud of the fact that Hoot is seen as a beacon amongst credit unions for the strength and tenacity of our compliance and control programme.
- 3.23. The Chair invited questions but no questions asked at this point in the meeting.

4. FINANCIAL STATEMENTS FOR THE YEAR TO 30 SEPTEMBER 2023

- 4.1. The financial highlights and financial statements were presented by the CEO.
- 4.2. The CEO informed the meeting that the external auditor was satisfied with the accounts and with credit union compliance
- 4.3. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and in accordance with FRS102.
- 4.4. The loan book had increased to £1.9m and savings to £2.7m. Net Assets stand at £3.31m.
- 4.5. Reserves were sufficient to meet nine months of gross expenditure.
- 4.6. Interest on loans was up by 6.8% and reliance on grant income down by 10.0%
- 4.7. The CEO reported that delinquency remains a challenge for the credit union, but further resource had been dedicated to credit control to combat this challenge. Provision for doubtful debt is in place to meet the expectation that some members would not repay their loan. He pointed out that Hoot's level of delinquency was below industry average at this time of economic crisis.
- 4.8. The Board declared a surplus in the year of £2172
- 4.9. There being no questions, the Financial Statements to September 2023 were ACCEPTED by the meeting.

5. DECLARATION OF DIVIDEND

- 5.1. The recommendation put by the Board of Directors that a dividend of 0.25% be paid on savings to all adult members; and 0.25% interest on junior savings for the year ended 30 September 2023 was APPROVED by the meeting.

6. MOTION FOR AMENDMENT OF RULES

- 6.1. Three Motions were proposed by the Board of Directors.

- 6.2. Motion 1: *New rule 3e:*

"To carry on one or more of the financial activities specified in s1ZA(1) for the benefit of the members of the society."

The *Chairperson* moved to the vote and the motion was Unanimously by the meeting

- 6.3. Motion 2: Additions to Rule 7

Add to Rule 7b:

- x. *Six Town Housing*
- xi. *Adullam Housing*

- xii. The Equality Trust*
- xiii. Carrs Pasties*
- xiv. JD Sports Fashion Plc*
- xv. SpaMedica Ltd*

Add to Rule 7b:

- iii. Six Town Housing*
- iv. Adullam Housing*
- v. The Calico Group*
- vi. SpaMedica Ltd*

The Chairperson moved to the vote and the motion was Unanimously by the meeting.

6.4 Motion 3: Amendment to Rule 108

108. Individual members or Designated Representatives or Corporate Representatives of Corporate Members may be elected as a Director. The Board shall be made up of:

a. *Up to* two Designated Representatives nominated by the Board of Directors and ratified by members at the annual general meeting (*added 'Up to' – removed Corporate Member*)

b. Individual members or Corporate Representatives of Corporate Members and elected directly from the membership (*removed 'The remaining places' and Designated Representatives*)

At no time will the percentage of Corporate Members elected to the Board of Directors exceed 33% of the total number of Directors declared by the members according to rule 107 of these rules.

The Chairperson moved to the vote and the motion was Unanimously by the meeting.

7. ELECTION OF DIRECTORS

- 7.1. The Chair reported that there were three vacancies.
- 7.2. Nominations had been received from three candidates and the Chair proposed that these nominees be elected unopposed.
- 7.3. Following a vote by members, Rob Andrews Andrew Pearson and Robert Morrissey were duly elected by unanimous vote.

8. APPOINTMENT OF AUDITOR FOR THE YEAR 2023/2024

- 8.1. The motion to appoint Alexander Sloan as auditors for the year 2023/2024 was APPROVED unanimously.

9. ANY OTHER BUSINESS

The Chair wished to place on record the thanks of the Board to David Batten who was retiring as Chief Executive. He further announced Chris Canham would be taking on the role.

The meeting gave a vote of thanks for David's work and commitment during his time as CE.

There being no further business the meeting closed at 18.50 pm

Signed: _____ Chair

Date: _____