

Annual Report for 2016

Annual General Meeting

10th May 2017

6 pm

Nottingham Mechanics

North Sherwood Street NG1 4EZ

The logo for Nottingham Credit Union is displayed on a teal rectangular background. It features a white stylized 'U' shape above the word 'nottingham' in a lowercase, bold, sans-serif font. Below 'nottingham' is the word 'CREDITUNION' in a smaller, uppercase, bold, sans-serif font.

nottingham
CREDITUNION

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1. Minutes of the 2016 Annual General Meeting

Liz Blackman welcomed everyone to the meeting and no apologies were received:

The minutes from the previous AGM were approved

Chair's report

- The organisation was less dependent on grant funding as its products and services attracted more members and made more profit. Our online facility and improved marketing strategy helped make this possible.
- A great success was the opening of the Mansfield Loan Shop in November
- Over the year NCU welcomed Philip Elliott and Paddy Emmerson to the Board
- I am very confident that Nottingham Credit Union will continue to make significant progress in 2016.

Treasurer's Report

- Total assets increased from £2.40 million to £2.64 million, 10.3%, in 2015.
- Income from loans increased by 23%,
- Other income reduced including grants and Current Account income
- The net financial result was a surplus of £6,600 – some £4,000 lower than 2014 but an excellent result in the circumstances.

Decisions

1. The minutes of the last meeting were approved
2. The annual Accounts and reports were approved
3. The dividend of 0.25% was approved
4. PWH were approved for the following year.
5. The following changes were approved to Nottingham Credit Union rules 23,63,83,87,90,91,99,122,123,129,130,131,132,133,134 and 146 to remove references to the Supervisory Committee and reallocate it's duties to an Internal Auditor. The Board will appoint external experts PWH to carry out the Internal Audit function.

Money Laundering Report

- The General Manager stated that everything went smoothly and training resources have been updated
- All Directors have had Anti-Money Laundering Training this year

Motions

- Election of Officers – Philip Elliott, Elizabeth Farrands and Sam Webster were standing for election and this was approved unanimously.

2. Chair's Report

Nottingham Credit Union continued to make solid progress in 2016. (See Treasurer's Report).

The Board has a great deal of expertise: - accountancy and finance, housing, business, local government, community, HR and IT. Board Member Jo Dowson left to take up a position as a Finance Manager and Fraser Mcnish joined us from the Diocese of Southwell and Nottingham. Directors had Anti Money Laundering training and ABCUL training on Governance.

The staff also had monthly training to enhance their practice and 1 to 1 appraisal. Also many staff and Board members attended the regular East Midlands Credit Union Forums where presentations were given by local and national experts on issues affecting the movement.

Our advertising with the support of Nottingham City Council and Nottingham City Transport appeared on buses and other areas of the City. A new mobile App was launched which allowed Members to view their balances and request withdrawals. A website blog made understanding of its use simpler and gave better information on money management.

The Co-op withdrew its Current Account so NCU mostly migrated these Members to our Pre-paid Card. This seems to be working well. Our Mansfield branch continued to widen membership and build business.

A Special Meeting was held which agreed we could extend our Common Bond to include Boots UK staff to save with us for their Christmas expenses. They will offer this through their Benefits Box.

At the last AGM we agreed to move from a Supervisory Committee to appointing an Internal Auditor to ensure our processes are sound. In 2016 they carried out 3 visits re. New Members, loan applications, dormant accounts and deceased Members. They concluded NCU, in general, had good internal systems and procedures, and the staff undertook their duties in accordance with written policies. They made some recommendations in respect of each. A number of these were implemented.

As a movement we exchanged knowledge and support between local Credit Unions and especially Clockwise (Leicestershire) and Erewash (now Derbyshire Community Bank) and Commsave. They were all incredibly helpful.

Crucially leadership and teamwork have been central to our progress and I would again like to place on record my thanks to both the staff and the Board for their skill, commitment and hard work. I would particularly like to mention by name Ella Ferris the General Manager, Paul Worsnop the Vice-Chair and Clive Rix the Treasurer.

I should also like to pay tribute to our many partners (see list) who continue to be absolutely invaluable in their support and advice.

Liz Blackman

Chair

Our Partners

Nottingham City Council Nottinghamshire County Council Nottingham Community Housing Association Ashfield District Council Broxtowe Borough Council Diocese of Southwell & Nottingham Gedling Borough Council Lloyds Banking Group Mansfield District Council Newark & Sherwood District Council Nottingham City Homes Nottingham Energy Partnership Rushcliffe Borough Council Scape Group

3. Treasurer's Report

Treasurer's Report 2016

In 2016 our credit union experienced further progress on our path to financial sustainability without grant funding, and further significant growth. The loan book ended the year at £1.65 million an increase over the year of nearly 10% (note that under new accounting rules we now report this net of bad debt provisions, and not the full value of loans as we used to). Deposits increased by 4.5%, lower than previous years because of the closure of the current account and the consequent loss of £70k of current account balances. Total assets ended the year at £2.8 million, 6.0% up on the year.

We are required by our regulators to hold minimum levels of capital to ensure that our members and our credit union are protected against a rainy day. Capital was boosted in the year by £30,000 of deferred shares (a special type of share that, unlike ordinary members' shares, are not redeemable on demand and can therefore count as capital) for the Scape Group and £25,000 for Nottingham Community Housing Association. As a result, our Capital to Assets Ratio (CAR, the key measure of capital requirements) ended

the year at 7.1% against a minimum regulatory requirement of 5%. We are very grateful to both Scape and NCHA for this support. We would like to reach 10% as soon as we can because it gives us flexibility in the maximum size of loans we can make and deposits we can accept, and in investments.

The financial outcome was again satisfactory, with a surplus after tax of £7,769– slightly higher than last year. Loan interest, at £353,075, was 18.2% higher than last year, because of the increase in the loan book and as the full effects of the change in regulations to allow us to charge 3% a month loan interest fed through. Our policy is to charge the lowest interest rate we can but previously smaller loans were actually costing us money, as the interest received did not fully cover the costs involved. We now make a much healthier return on our loan book, and there is no cross subsidy between different types of loan. There were also substantial reductions from running our current account, as this closed down during the year, and there will be no further costs from this source. The overall effect was that income increased by 12.4% to £447,431 but if grants and EHS funding are excluded income increased by 21.6%.

Operating costs were again held firmly under control but there was a sharp increase in bad debt, which was £42,000 higher than the previous year. This had been expected – 2015 was an exceptionally good year for bad debt and the loan book had increased substantially. In addition, we have deliberately been taking more risks on loans in order to generate faster growth in the loan book, as evidence demonstrated that the additional income from a slightly higher level of risk would more than offset the higher bad debt. This was, indeed the case, but we continue to monitor and control arrears in order to keep the cost as low as possible.

Total membership (excluding corporate accounts) fell by 1,100, to 8,121, as we took major steps to address the issue of dormancy. We did not to remove dormant members from the books in 2015, for technical reasons, so there were more dormant accounts in 2016 than previously. Active adult membership continues to grow, albeit slowly, as we concentrate on financial, rather than member, growth so that we can become financially sustainable without grant funding. At the end of the year, it stood at 6,661. Much of the growth has been in Mansfield, where our new branch office is proving very successful.

Clive Rix

Treasurer

4. Annual Accounts 2016

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF NOTTINGHAM CREDIT UNION LIMITED

We have audited the financial statements of Nottingham Credit Union Limited for the year 31 December 2016 which comprise the Statement of Financial Position, the Statement of Income and Expenditure, Statement of Changes in Equity and the related notes.

Significant accounting policies

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 FRS 102 which is the Financial Reporting Standard applicable to United Kingdom and Republic of Ireland.

Information and judgements

Information and judgements that the Credit Union has applied in preparing these accounts are based on the carrying amounts of all income, expenses, assets and liabilities as at the end of the financial year subject to any adjustments mentioned in the accounts and in the notes and disclosures to the accounts

Estimation Techniques

Except for Note 1(d) on Provision for Impaired Loans and Note 5 on Impaired Loans Written Off, there were no assumptions made concerning the future or estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Apart from this, there is nothing to report under FRS 102 section 8.7.

This report is made solely to the Credit Union's members, as a body, in accordance with the Industrial and Provident Societies Acts 1965 to 2002 and the Credit Unions Act 1979. Our audit work has been undertaken so that we might state to the Credit Union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Credit Union and the Credit Union's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The directors are responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). These standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion

In our opinion the financial statements

- give a true and fair view of the state of the Credit Unions affairs as at 31 December 2016 and of its income and expenditure for the year ended; and

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and in particular in accordance with FRS 102 and also in accordance with the Industrial and Provident Societies Acts 1965 to 2002 and the Credit Unions Act 1979.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Friendly and Industrial Provident Societies Act 1965 to 2002 requires us to report to you if, in our opinion:

- proper books of account have not been kept by the Credit Union in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the Credit Union in accordance with the requirements of legislation;
- the revenue account or the other accounts (if any) to which the report relates, and the balance sheet are not in agreement with the books of account of the Credit Union;
- we have not obtained all the information and explanations necessary for the purpose of our audit.

Antony E Humphreys
Statutory Auditor
For and on behalf of
PWH Accountancy Ltd
Statutory Auditors
The Counting House
High Street
Lutterworth
Leics LE17 4AY

As part of the Credits Union Sourcebook (CREDS) Issued by the Prudential Regulation Authority (PRA)

We are also required to confirm that we are

- *Complying with the Financial Services Compensation Schemes (FSCS) requirements for Single Customer View*
- *Maintaining adequate insurance including both General and Fidelity Bond Insurance*
- *Carrying out Additional Activities, as described by CREDS, as we provide Transactional Accounts in the form of Credit Union Current Accounts, Pre-paid Engage Card and Rent Payment Accounts and are in compliance with the regulations regarding operation of these accounts.*
- *Are maintaining the required capital to asset ratio required in order to issue Interest-Bearing Shares.*

NOTTINGHAM CREDIT UNION LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	2016		2015	
	£	£	£	£
Assets				
<i>Tangible Fixed Assets</i>				
IT server and software		0		0
Total Tangible assets		0		0
<i>Cash, cash equivalents and liquid deposits</i>				
Cash, loans and advances to banks:				
Bank current accounts - ordinary	178,857		117,112	
Bank current accounts - CUCA	0		69,215	
Bank deposit accounts - ordinary	905,487		908,224	
Total cash, cash equivalents and liquid assets		1,084,345		1,094,551
<i>Loans and advances to members:</i>				
Standard loans	2,403,171		2,191,082	
MARS loans	2,785		5,361	
EHS loans	27,505		22,169	
Less impaired loans	(778,812)		(710,156)	
Total loans and advances to members		1,654,650		1,508,455
<i>Other Receivables</i>				
Other receivables	14,833		910	
Total other receivables		14,833		910
<i>Prepayments and accrued income</i>				
Prepayments	21,767		23,196	
Accrued income	25,888		14,430	
Total prepayments and accrued income		47,655		37,626
Total assets		2,801,483		2,641,542

Liabilities		2016		2015
	£	£	£	£
<i>Subscribed capital - repayable on demand</i>				
Ordinary members shares	2,310,369		2,154,603	
Corporate members shares	83,818		79,008	
CUCA members balance	0		69,544	
Junior members shares	102,641		92,992	
ISA Accounts	9,211		1,400	
Dividends proposed but not paid	5,863		5,282	
Total subscribed capital - repayable on demand		2,511,902		2,402,829
<i>Other payables</i>				
Deferred income	27,533		9,388	
MARS	1,367		3,053	
Holiday Pay Accrual	175		1,256	
Tax payable	1,026		725	
All other payables	60,892		63,610	
Total other payables		90,993		78,031
<i>Retained earnings</i>				
General reserve	21,492		19,938	
Growth Fund Reserve	81,287		81,287	
Special reserve	40,809		40,457	
Subordinated Loan	0		19,000	
Deferred Shares	55,000		0	
Total retained earnings		198,588		160,682
Total liabilities		2,801,483		2,641,542

STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31.12.2016

	2016		2015
Income	£	£	£
<i>Loan interest receivable & similar income</i>			
Interest on loans to members	353,075	298,688	
<i>Interest payable</i>			
Interest payable to bank & other lenders	(225)	(285)	
Interest payable to members	(71)	(10)	
Net interest income	352,779		298,393
<i>Fees and commission receivable and payable</i>			
EHS fees received	25,000	43,429	
CUCA fees received	4,790	35,296	
Other fees and commission receivable	19,300	8,982	
CUCA fees payable	(17,227)	(54,066)	
Other fees and commission payable	(28,924)	(27,647)	
Net fees and commission receivable	2,939		5,995
<i>Other income</i>			
Bank interest	5,130	3,650	
Impaired loans recovered	18,968	25,083	
Grant Income	66,565	62,110	
All other income	1,050	2,933	
Total other income	91,713		93,776
Total income	447,431		398,163

ANNUAL GENERAL MEETING 2016

Expenditure	2016		2015	
	£	£	£	£
<i>Administration expenses</i>				
Salaries and wages (including volunteer cost)	203,328		204,281	
Educational and social cost	2,786		2,709	
Property cost	33,890		33,091	
Office running cost	56,850		50,500	
Insurance cost	8,862		7,098	
Total administration cost	305,715		297,678	
<i>Depreciation and amortisation</i>				
Depreciation	0		0	
Total depreciation and amortisation	0		0	
<i>Other operating expenses</i>				
National affiliation cost	7,392		7,374	
Holiday pay accrual	(1,080)		430	
Other operating expenses	27,203		27,854	
Total other operating expenses	33,515		35,658	
<i>Impairment losses on loans to members</i>				
Impairment Cost	99,407		57,492	
Total impairment losses on loans to members	99,407		57,492	
Total Expenditure	438,637		390,828	
Surplus(+)/deficits(-) for the year before taxation	8,795		7,336	
Taxation	1,026		725	
Surplus(+)/deficits(-) for the year after taxation	7,769		6,611	
Appropriations:				
To General Reserve	1,554		1,322	
Transfer from(-)/to(+) Special Reserve	352		7	
Transfer to dividends proposed:				
Adults - 0.25% (2015 - 0.25%)	5,635		5,060	
Juniors - 0.25% (2015 - 0.25%)	228		222	
Total proposed dividend	5,863		5,282	
Total appropriations	7,769		6,611	
<i>Retained (Deficit) for the year</i>	<u>0</u>		<u>0</u>	
<i>Unappropriated Surplus brought forward</i>	0		0	
<i>Unappropriated Surplus carried forward</i>	<u>0</u>		<u>0</u>	

Note: There are no recognized gains or losses other than those included on the income and expenditure account. All figures included on the income and expenditure account are from continuing activities.

STATEMENT OF CHANGES IN EQUITY

	<i>General Reserve</i>	<i>Special Reserve</i>	<i>Growth Fund Reserve</i>	<i>Subordinated Loan</i>	<i>Deferred Shares</i>	<i>Total</i>
	£	£	£	£		£
Brought forward	19,938	40,457	81,287	19,000	-	160,682
Surplus for the year	7,769	-	-	(19,000)	25,000	13,769
Dividend	(5,863)	-	-	-	-	(5,863)
Transfers to/from Spec. reserve	(352)	352	-	-	-	-
Carried forward	21,492	40,809	81,287	-	25,000	168,588

NOTES ON THE ACCOUNTS

1. Accounting Policies

a. *Accounting policies applied*

The Credit Union is registered under the Industrial and Provident Societies Act 1965. The financial statements have been prepared under the historic cost accounting rules in accordance with

FRS 102, the Industrial and Provident Societies Act 1965 – 2002 and the Credit Union Act 1979.

Applicable accounting standards have been followed.

b. *Fixed Assets*

Fixed assets are stated at cost. Depreciation of fixed assets is charged by equal instalments commencing in the year of acquisition at rates estimated to write off their cost less any residual value over their expected useful lives as follows:

Office furniture and fittings	5 years
Computers	3 years

c. *Interest – calculation and application*

The Credit Union does not use fair value accounting in calculating interest on loans. Both received and accrued interest is based on simple interest and this is calculated automatically by the accounting system. In cases where interest is frozen, no interest is recognised in the accounts from the date interest is frozen. Interest is accounted for on the basis of amounts receivable or payable in the year covering the accounts.

NOTES ON THE ACCOUNTS CONTINUED**d. *Provision for Impaired Loans***

Provision for Impaired Loans is stated after specifically reviewing all loans in arrears. The criteria used are whether the loan will be repaid within the medium term and whether there is a regular pattern of repayments.

The Prudential Regulation Authority (PRA) requirement is that provision for impaired loans should be calculated on the basis of net liability (i.e. customer's loan balance plus accrued interest less customer's shares held) and at the following provision rates:

Loans 91 to 180 days in arrears – 35%

Loans 181 to 270 days in arrears – 60%

Loans 271 to 365 days in arrears – 80%

Loans over 365 days in arrears – 100%

In addition, in cases where Individual Voluntary Agreement (IVA), Debt Relief Orders (DRO) and bankruptcy have been recorded on a loan, such loans are written off. These are included in the 'Impaired Loans Cost' amount of £99,407 (2015 - £57,492) shown in the Income and Expenditure Statement.

e. *Juvenile transactions*

Juvenile transactions are included within the accounts unless specifically shown otherwise.

2. Summary of Members Share (including juniors) and Loan Accounts

	Shares		Loans	
	2016	2015	2016	2015
Balances brought forward from last year	2,328,004	2,021,080	1,626,784	1,472,978
Shares saved and loans repaid (1,744,939)	4,310,135	4,341,162	(1,966,766)	
Dividend credited to shares	5,164	9,186		
Shares withdrawn	(4,137,264)	(4,043,424)		
Loans granted			1,785,004	1,600,057
Interest charged			352,073	298,688
	_____	_____	_____	_____
Balances carried forward to next year 1,626,784	2,506,039	2,328,004	1,797,095	
	=====	=====	=====	=====

3. Number of Members (including juniors)

	2016	2015
Number at beginning of year	9,239	8,011
Joined during year	1,506	1,402
Lapsed during year	2,624	174
	_____	_____
Number at end of year	8,121	9,239
	=====	=====
Junior members	699	784
Adult members (of whom dormant: 2016 – 761; 2015 – 1,972)	7,422	8,455
	_____	_____
	8,121	9,239
	=====	=====
=====		

4. Tangible Fixed Assets

	Computer Hardware	Office Furniture	Software
Cost	£	£	£
At 31 December 2015	7,919	817	5,340
Additions	-	-	-
	<hr/>	<hr/>	<hr/>
As at 31 December 2016	7,919	817	5,340
	=====	=====	=====
 Depreciation			
At 31 December 2015	7,919	817	5,340
Charge for the year	-	-	-
	<hr/>	<hr/>	<hr/>
As at 31 December 2016	7,919	817	5,340
	=====	=====	=====
Written Down Value 31 December 2015	-	-	-
	=====	=====	=====
Written Down Value 31 December 2016	-	-	-
	=====	=====	=====

5 Impaired Loans Written Off

The cumulative value of Impaired Loans Written Off as at 31 December 2016 was £1,028,506, (2015 - £972,597). This amount has been adjusted by £392,139 (2015 - £380,770) to show a reasonable estimation of written off loans where there is no legal right to repayment. The remainder of written off loans of £636,367 (2015 - £591,827) have been added back to and included in the amounts for Standard Loans and Impaired Loan Provision in the Statement of Financial Position.

6 Holiday Pay Accrual

Our holiday runs from 1st April to 31st March. Holiday pay accrual has been based on basic salary and holiday entitlement equivalent up to 31st December 2016. The value for this as at 31st December 2016 was £175 as shown in the Accounts.

7 Key Management Remuneration

Directors of the credit union do not receive any remuneration.

Total remuneration paid to key management during the year was £ 59,211.

8 Government Grants

The grants received were from local authorities, Mansfield District Council and Nottinghamshire County Council for the purpose of supporting the Mansfield Branch expansion. Nottingham City Council grant given for core costs.

The grants were accounted for on accrual basis in line with FRS 102 section 24.5D

9 Related Party Disclosures

The Credit Union does not grant loans to Directors, Officers, Approved Persons and employees of the Credit Union with terms more favourable than those available to other members.

Total shares and loans to Staff & Directors as at 31st December 2016 were as follows

	Shares	Loans
	£	£
Staff	2,695	10,938
Directors	15,632	2,920
Total	18,327	13,858

10 Deferred Income

The Credit Union received various grant funds during the year from different organisations to cover core costs. The funds are recognised as income on accrual basis as and when used and as mentioned above under Note 8.

The amount of £27,533 shown in Accounts is the balance remaining unused as at 31 December 2016.

11 Financial Commitments

The Credit Union had the following lease agreements which existed as at 31 December 2016

Lease item	Date of Lease	Expiry date	Amount & frequency of rental payment
Office premises - Nottingham Main Office			
69 Maid Marian Way Nottingham	16.11.2009	15.11.2019	£15,000 p.a. + VAT
Office premises - Mansfield Branch	08.11.2015	24.12.2018	£6,500 p.a. + VAT
3 Clumber Street, Mansfield			
Printer-copiers			
Ricoh MP301SPF	09.05.2013	08.05.2018	£117 p.q. + VAT
Ricoh MP C3503 and Kyocera 520i	22.11.2013	21.11.2018	£407 p.q. + VAT
Ricoh MPC305SPF	05.06.2015	05.06.2020	£117 p.q. + VAT

All rental payments are up to date.

An amount has been set aside as provision for repairs of the Maid Marian Way office premises. This amount was £8,600 as at 31 December 2016.

5. Audit & Risk Committee Report

The Committee has met 5 times since the last AGM. It has kept the Risk Register under review, noting that during that period some risks have reduced, such as failure to stimulate loan growth and inadequate liquidity, but others have increased, notably the impact of bad debt and the risk of falling victim to cyber crime.

During the year the Committee considered carefully how best to fulfil the internal audit (or supervisory) function, and recently agreed a contract with RSM, who will carry our specific audit tasks by mutual agreement with the Committee.

It has been my privilege to chair the Credit Union's Audit and Risk Committee (previously called the Risk Management Committee) since 2012, with the excellent support of Liz Blackman, Clive Rix, Moby Farrands (until recently), Ella Ferris and James Ferguson, and more recently Paddy Emmerson. I have now stepped down from that role and am pleased to say that Paddy has agreed to take over as Chair.

Paul Worsnop 3 May 2017

6. Internal Auditors Report to AGM



Chartered Accountants & Statutory Auditors

PRIVATE & CONFIDENTIAL
NOTTINGHAM CREDIT UNION LTD
 69 Maid Marion Way
 Nottingham
 NG1 6AJ

For the attention of Ella Ferris

6th March 2017

Dear Ella

Internal Audit 2016-17

As you are now approaching your Annual General Meeting, I thought it would be useful to summarise the internal audit work done by PWH over the last year.

We have carried out four visits in total in the last year and have looked at the following areas:

- Overall systems and procedures review
- Procedures in respect of new members
- Procedures in respect of loan application
- Procedures in respect of dormant accounts and deceased members
- Procedures in respect of debt collection and bad debt write-offs

Th results of our reviews and detailed testing indicate that the Credit Union has, in general good internal systems and procedures, and that staff undertake their duties in accordance with written policies.

We have made recommendations in respect of each of the above areas in our reports to you as general manager of the Credit Union. We have received useful feedback, and understand that a number of our recommendations have already been implemented.

Yours sincerely

Roger Platt
 Director

Directors:

Roger PLATT
 FCA

Darrell WEIGHTMAN
 FMAAT ATT FFTA

Antony HUMPHREYS
 FCA

Company number 08674789 Registered in England | VAT number 169 575 652

Registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales.

Details about our audit registration can be viewed at www.auditregister.org.uk for the UK under reference number C003689013



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7. Money Laundering Report Officer Report

The role of the MLRO carries significant responsibility and should be undertaken by an appropriately experienced individual.

An MLRO should be in a position of sufficient responsibility to enable them to have access to all of the business's client files and business information to enable them to make the required decisions on the basis of all information held by the business.

The identity of the MLRO is only known internally to Staff and Board.

During the year training has taken place for the staff, the Board and MLRO to ensure full compliance with regulations. During the year reports of suspicions have been made to the MLRO and where necessary passed on to SOCA (Serious Organised Crime Agency). It has been agreed to undertake annual training for all staff and relevant volunteers. Training materials have been updated and now include a test with minimum standards.

8. Motions to the AGM

The following motions are proposed by the Board:

6. Approve the minutes of the last meeting
7. Approve the Annual Report and Accounts
8. Approve the dividend of 0.25%
9. Appoint the Auditors for the coming year

9. Election of Officers

The following directors are standing for re-election for a term of three years:

Liz Blackman

Paddy Emmerson

Fraser Mc Nish

10. Attendance of Officers

2016	jan	feb	march	april	may	june	july	august	sept	oct	nov	dec	Attendance
Liz Blackman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Clive Rix	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	✓	✓	92%
Paul Worsnop	✓	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	✓	92%
Peter Cowley	✓	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	✓	92%
Moby Farrands	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	✓	✓	92%
Sam Webster	✓	x	✓	✓	✓	x	✓	✓	x	x	✓	✓	67%
Philip Elliott	✓	x	✓	x	✓	x	✓	x	x	x	✓	✓	50%
Jo Dowson	✓	x	x	x	x								20%
Paddy Emmerson	x	x	✓	✓	✓	x	x	✓	✓	x	✓	✓	58%
Fraser McNish									✓	✓	✓	x	75%

11. Loans by Area

This table shows the percentage of loans we granted by value per area during 2016 and 2015. The average loan in places like West Bridgford, Newark and Sutton in Ashfield is over twice as much as that in Aspley and Bulwell. Our average loan is £738. We also monitor membership across these areas.

CITY	2016	2015
Aspley, Bilborough, Broxtowe Estate, Strelley	19%	18%
Bulwell, Bestwood, Old Basford	17%	18%
City Centre	2%	1%
Clifton & Wilford	6%	7%
Dunkirk, Lenton, Meadows, Wollaton	5%	5%
Hyson Green, Forest Fields, Radford, New Basford	9%	8%
Sherwood & Mapperley	3%	4%
St Ann's & Sneinton	10%	11%
ASHFIELD	3%	3%
BASSETLAW	0%	0%
BROXTOWE	3%	5%
GEDLING	8%	7%
MANSFIELD	8%	4%
NEWARK AND SHERWOOD	3%	1%
RUSHCLIFFE	1%	3%
Out of Area	3%	5%