

Minutes of the 43<sup>rd</sup> Annual General Meeting  
(AGM) – Hybrid  
Turf Moor Burnley or GotoWebinar online.  
Friday 7<sup>th</sup> of February 2025



Gerard Spain welcomed members and introduced the guests in attendance.

- Oliver Ryan – MP for Burnley, Padiham and Brierfield
- Councillor Shah Hussain – The Mayor of Burnley
- Mayoress Shewly Akhtar – The Mayoress of Burnley
- Mark Fryer – The leader of Cumberland Council
- Susan Fryer – Councillor for Cumberland Council

#### 1. Quorum

A quorum of the membership was present with 59 members present, 10 online viewers. 34 apologies had been given.

#### 2. Minutes of Silence

The president said that, sadly the credit Union have lost members who have passed away in the last year and the members held a minute's silence in remembrance.

#### 3. Minutes of the last AGM and Compliance Disclosures

The reading and approval of the minutes of the last AGM. These were provided on the tables and available on the online platform.

The reading and approval of the compliance disclosures. These were also provided on the tables and available on the online platform.

Proposed - Roberta Proctor

Seconder - Carol Stinton

*A show of hands and online poll took place to approve the minutes from last year and was all in favour.*

#### 4. Report of the Board of Directors

The president, Gerard Spain, made the following points in the report of the Board of Directors:

He was pleased again to stand here and say what a year of success and growth we've had with Pennine Community Credit Union. It just seems to be quite a funny thing, because it seems to be every year we are standing up here with such a positive message, but it's so great to be able to report again a further year of growth.

- Membership in the year has grown from 14,495 to 16,500. The growth of 14%.
- Out of the 2055 growth in members that we've had over the last year, there are 833 members from Cumbria, 329 from Lancaster and Morecambe. The growth in these areas has been phenomenal.
- The loan book over the last 12 months has grown from £11.5 million to £14.4 million a 25% growth.
- The assets of the credit union now, which seems to such a phenomenal figure, has grown from £19.2 million up to £20.9 million, a 9% growth.
- Interest on loans between 2024 and 2023 have grown from £3 million, up to £4 million, 33% growth.
- The surplus the credit union has made has gone up from £1.4 million up to £2.2 million, a 57% increase.
- The amount that we're giving back to members has increased from £849,000 last year to £1,014,000 this year, and 19% growth in the distribution back to members and the reserves of the credit union have grown from £3.2 million up to £4.5 million.

One of the challenges that the board has had is that because of the loan growth, the loan growth is outstripping the share growth. Even though, we've done so well in terms of surplus, the bank account has dropped from £7 million to £6 million. There's a lot of money in the in the bank account however with the rate of growth that the credit union is experiencing, if we continue to grow at 15%, that's fine within the cash flow of the credit union has got. If the credit union continues to grow the 20% - 25% growth, then suddenly the cash reserves will start to reduce. So, over the next 12 months, we're looking at introducing some new savings products. To try and encourage people who may don't use the credit union because they see us as being a loan organisation, to look at it more as being a savings organisation as well, we've always stressed with members to make sure that members save, but possibly to encourage people to invest their savings with the credit union because of the good returns that we're actually going to be offering on those.

I always take this opportunity at the AGM to thank Kathryn, our CEO, and the fantastic team of staff that we've got who service the members through the year and are so dedicated and committed to the to the organisation. Can I really embarrass them for a minute and just ask all the staff members just to stand up in the room, please. Thank you very much for the work you do to keep on doing. Thank you.

*Round of applause*

Usually, we also have all the board members sitting up here, however the board members are mingling in within the audience tonight, so I'm going to embarrass the board members if they could stand up, so everybody can see them.

*Round of applause*

Thank you again for all your support over the last 12 months from myself and Kathryn, your support and positive contributions are so valued. We do have a fantastic team between the staff and the board.

What does 2025 hold? As some of you have already seen, we took a very difficult decision to close the Nelson office. It was a very tough decision because Nelson was our home and where we started as an organisation. The decision what we made was Nelson wasn't doing for us what it needed to do and the footfall in the in the Nelson office wasn't support us having an office there.

We have sold the office in Nelson and moved our employees to the Colne and Burnley Branches. We are moving to a building in Burnley, it's the old Weatherspoon's building on Manchester Road. This will be finished probably around about the end of this year. Once the building is complete, we will be then selling the Burnley office. It's going to be a very impressive building. There is a fantastic vision, it is a big investment, but I think it's going to put the credit union firmly on the map. It's going to be very noticeable and a fantastic PR advertising venture. So that will be developing throughout the year.

One of the other big projects that we're doing now, which David our Chief marketing officer is leading is doing a rebrand on the organisation. I'm going to pass over to David to take you through that presentation. Thank you.

*Round of applause*

David Harris – Good evening, everyone my name is David. I'm the chief marketing officer at PCCU, I'm happy to be able to share a bit of an update and a report on the rebranding process that we're currently going through. So, it's probably important to ask why we're going through a rebranding process.

As we grown as a credit union, we service bigger areas we constantly look at what we are doing well and areas we can improve on. One of the areas which we concentrate on is how is our credit union perceived and whether our current brand works. It's probably worth looking back a little bit to see how we got here, so we were established in 1982 as a Nelson Community Credit Union, became Pendle Community Credit Union in 2005, after merging with Colne and District Credit Union, so we became Pendle Community Credit Union and then in 2013 we merged with the Burnley Credit Union and we became Pennine Community Credit Union. So, the current brand is 12 years old. In the last few years, we merged successfully with Affinity Credit Union to cover the whole of Cumbria and also Lancaster, Preston and Morecambe.

I think we can all agree we're a different credit union to what we were 20 years ago and hopefully we have progressed into a better credit union with more products and

a better way to service people. We are seeing if we're still relevant for our members and if people can still relate to us.

Not only the geographical area changed, but also the name, logo, strapline – we are not inclusive to all of our members.

So after a lengthy process and speaking to many branding and marketing companies. We decided to go with a company called Root Fifty-Two, which is based here in Burnley. Root Fifty-Two, have a five-stage process for their rebrands, and the first stage is the discovery and that was a brand audit. They had a look at what we were as a credit union, how we look, how we speak and the graphics that we use, the fonts and they researched the credit union sector. They also researched other financial organisations to benchmark against. We did member surveys and we had workshops with staff and board members. So some of the things we looked at was feedback, such as 'too basic', 'cheap and tacky', 'unfriendly', 'boring'. But also we looked at the word 'credit union' and the lack of understanding what credit union is, especially in non-members. There is a negative connotation for the word credit and the word union. There is general lack of mainstream awareness or being perceived as 'poor peoples bank'. However when you speak to our existing members it is completely different story, we are described a nonjudgmental, non-discriminatory, ethical and financially secure.

We're proud that when we look at Google, we've got 5000 5 star reviews in two years, 4.9 out of five. When we looked at other financial organisations in this area, banks, for example, Halifax, HSBC, NatWest, they're all around between 2 and 3 out of five. There's a definite disconnect between how people who are members, who know about the credit union and potential members.

Tonight, we're quite excited to announce the most popular amongst members, staff and board was Northern Community Bank, and it's the name that we're going to go forward with. The community bank element was across all the discussions we had was the most popular choice, and it gave clarity and recognition. It automatically allowed people to see this is a place that can save borrower and manage the money. This is maybe something that we've not had with the word credit union.

The community element allows us to be approachable and hopefully trustworthy. It reinforces that we're for local people and that's local across all the areas that we cover and we're accessible and it's just a simple way to describe what we're doing. We often talk about when people say, who do you work for? We are like a community bank, and it is the best way to describe us.

So Northern Community Bank, I hope we're all proud of the area that we live in. Community - we want to emphasize that the money people save and borrow is kept within our community. The interest that we have on loans, if it's not going to a high street, high-cost lender, it's saved or spent in our area. I think that's relatable to all our common bond, and Northern is welcoming, friendly, and I hope that that will be in our brand as we go forward.

Speaker - So we're going to be a bank now.

David Harris: We're going to be a community bank. That's correct. And we will be owned by our members in the same mode that we are now, but it describes what we do, and it's also for potential members, easier for them to understand what services and products that we should provide.

Speaker - And it will still be a credit union?

David Harris: We'll still be a credit union. We'll still have the same ethics and the same ethos that we've had for the last 43 years, we will still be a credit union trading under the name Northern Community Bank.

Speaker: So, credit union stays at the heart of it. But a bank is a working title.

David Harris: Correct yes and I think if you look at everything we do as staff, board members and members, what we do as a credit union is how we live it every single day. The title can be important for some people, but it's how we live, what we are as a cooperative, who is here for our members and our community.

*Round of applause*

Gerard Spain: Please could we have a proposer and a seconder to accept the board report, and then we'll take a vote.

Vote:

Proposer: Wendy Spain

Secunder: Anthony Gawthrop

*A show of hands and online poll took place to approve the report of the Board of Director and was all in favour.*

Gerard Spain stated it's just a point worthy of note, which is quite a shock. There are 240 members who are watching the AGM on the app, which is incredible. Gerrard welcomed the members watching on the app and thanked them for attending.

## 5. Resolution of the proposal to disband the supervisory committee

Everybody has received on the table and in advance the reasoning behind it. Supervisor committee served a fantastic purpose, and for well over 42 years, 43 years now, it's served an incredible service to the credit union because of the growth of the credit union and the fact that we are now far more under the radar with the PRA.

We've had to move on from that and the internal audit now where we have Alexander Sloan from Scotland coming to do quarterly checks on us on every aspect of the

credit union. This is a far more reassuring check for both the members of the PRA for the board all round.

We also do have, within the credit union itself, what we call the ARC Committee, which is an Audit, Risk and Compliance Committee. We meet once every couple of months. We go through the internal audit reports which Alexander Sloan produces, go through the responses that we've made to Alexander Sloan, as well as discussing things like the risk register and any complaints and so on that are being received by the credit union. That as well is part of the replacement for the supervisory committee.

The internal audit is such a fantastic investment. It's been brilliant the way that pushed us on with the development on the compliance side and on the control aspects of the credit union. I think the membership can be very reassured that the checks, which are in place now with the credit union, are far more stringent. And Magda and Kathryn do a fantastic job in dealing with the internal auditors. It's a much better check on the credit union and a better reassurance to membership.

Vote:

Proposer: Kathleen Rowley

Secunder: Mag Hillary

*A show of hands and online poll took place to approve the proposal to disband the supervisory committee and was all in favour.*

## 6. Election of Officers

Unfortunately have a couple of directors who are retiring this year. Mark, who has been on the board now for a few years, due to work commitments is not able to carry on his position on the board and a certain lady Mag Hillary, is retiring from the board. Mag has been involved with the credit union from the start, like she says that credit union was discussed at dinner table at her house. As Mag is a daughter of Mary and Lou, the founders of the credit union. Mag has decided that she's retiring from the board this year.

Over the years, she's held various positions. She was a long-term volunteer right at the start, then had a little bit of a gap and came back as a director and served on the board for several years. Her involvement has always been really valued because of the history and the knowledge that she has got of the credit union over the years. We will have a little presentation to thank her.

The officers that are standing for re-election -

Hugh Simpson

Proposer: Julia Drummond

Secunder: Barbara Sanders

Jim Burrows

Proposer: Harry Spence

Secunder: Claire Dodd

Mario Arnone  
Proposer: Lee Banks  
Secunder: June Denwood

David Armstrong  
Proposer: Chantelle Edmondson  
Secunder: Cheree Stacey

As the number of nominations agrees with the number of vacancies, we can dispense with the vote on these and just consider everybody elected to those positions.

We do have a new board member. Richard O'Brien, who has worked with the credit union for several years under the radar, is now going over the over the radar and has accepted an offer to come on to the board. Richard carries with him a wealth of marketing experience and to be fair when the digital marketing started several years ago, Richard along with David Harris started the whole digital advertising.

Richard O'Brien  
Proposer: Magda Niemczyk  
Secunder: Kathryn Fogg

We are absolutely delighted to welcome you on to the board. Richard, thank you so much.

Vote:  
Proposer: Cheree Stacey  
Secunder: June Denwood

*A show of hands and online poll took place to approve the Election of Officers and was all in favour.*

## 7. Auditors Report and Consideration of the Accounts

Mark Heaton - Good evening, everyone. The change of name is quite interesting because over the last few years when I've stood up at AGM's, such as yours and other credit unions that I deal with, is that explain the directors of the credit unions are very much directors of a small bank. It's all voluntary and with increasing regulation, the PRA the Prudential Regulation Authority has been mentioned, the Financial Conduct Authority, you've got data protection, you've got all got all the, consumer rights etc. and also anti-money laundering, that is what sets credit union directors apart is that has done all voluntary but also significant regulation that have got to know and understand. Gerard has already mentioned some of the figures, but I just want to highlight two figures.

- Total assets of the credit union now at £21 million, but also the amount of money that goes through the bank accounts of the credit union in a financial

year and the year end in September 2023, there was £24 million coming in and going out. So that's money being advancing loans and withdrawn deposits or shareholders money being returned to them.

- Then also the also deposits received, and loans repaid, so £24 million last year and £28 million this year.

There are no issues that we find that we need to bring to your attention.

Vote:

Proposer: Kathleen Rowley

Secunder: Ann Marie Wrigley

*A show of hands and online poll took place to approve the Consideration of the accounts and was all in favour.*

## 8. Declaration of the Dividend and Distribution of Surplus

The board are proposing to the membership to increase the dividend from 2.5%, up to 2.75% and to keep the loan interest rebate at the same as last year, 17%. That means that we're giving back to members the incredible sum of £1.1 million this year which is just an amazing amount of money.

*Round of Applause*

Vote:

Proposer: Julie Redfern

Secunder: Pauline Oldham

*A show of hands and online poll took place to approve the Declaration of Dividend and was all in favour.*

## 9. Charitable Donation

Over the past year, the charitable community donation was used to install lifesaving equipment. As part of our commitment to support and improve all sections of the society. We proposed to concentrate this year on financial education for children. Claire Dodd, our Member Service Officers will now outline the proposed project to you.

Claire Dodd: Good evening, everybody. My name is Claire Dodd. I've worked with PCCU for just over two years. Last September I was lucky be selected to attend the Credit Union Development Education Program in Edinburgh. We were given a task to come up with a project to do ourselves when we left Scotland.

I had an idea that's close to my heart with being a mum, to do something with children and financial education. I feel children along with some adult's financial knowledge isn't where it should be. I started researching, the statistics shocked me

and made me more determined that I needed to do something to change this. I really wanted to help children from a young age have a real understanding of finance, to set them up on the journey of life.

The project idea is to help primary school children have a start on financial education that I hope will keep them on the journey to want to learn more, and the parents that will sit and read the books with their children. We propose to concentrate on financial education with this year's donation. How often have you heard that young people don't understand about money? That they didn't learn enough about budgeting and finances in school.

Each week, a different child is selected to take home the book suitcase to read with their parents. This is separate to the weekly books. In the suitcase, we have a book all about financial education for the appropriate age. That has been written by the Dragon's Den star Deborah Meaden, a cuddly squirrel named Sammy - as we all need to squirrel those pennies away, an instruction sheet, a book for the children to record what they have learnt, and some chocolate coins which are obviously linked to finances.

As we cover many areas in Lancashire and Cumbria across the common bond, we believe that there is a real opportunity to make a difference with the PCCU book suitcase. We have been in close consultation with the headteacher at a primary school, who believes the kids could play an important role in the personal, social, health and economic education PSHE element in the school curriculum, helping young people to understand money, budgeting and wants and needs. We also want to build relationships with lots of schools, with the aim of raising awareness about PCCU products and to increase the number of young savers. I fully believe this project will give PCCU the opportunity to promote financial education for our members and communities, and I hope you do too.

Speaker: How many schools have you spoken to about it and what was their reaction to this project?

Claire Dodd: I have not spoken to any as yet.

David Harris: We spoke to the ones we have been in consultation with, but our development officer Lee has been working with the number of schools, mainly in Cumbria and there has been a warm reception to it.

Speaker: Have you spoken to any as part of our research?

David Harris: We spoke to about 7 or 8 different schools in the process of creation.

Speaker: Does credit union do a saving scheme for children already?

Claire Dodd: Yes, we still have young savers accounts.

Speaker: Is there a plan to increase junior savers?

Claire Dodd: Yes, hopefully this project will enable us to increase junior savers.

Speaker: Is it just for Cumbria?

Claire Dodd: No, it's across the whole common bond.

*Round of Applause*

Vote:

Proposer: Lynne Duerden

Secunder: Chantelle Edmondson

*A show of hands and online poll took place to approve the proposal to concentrate the community donation towards financial education for children and was all in favour.*

10. Appointment of Auditor

The amount of work that Mark does to keep up to date with the regulations and reporting requirements is quite onerous. The fact that he supported credit unions over the years, I recommend to the AGM that we reappoint accountants in the person of Mark Heaton to be our auditor for the next 12 months.

Vote:

Proposer: Gerrard Spain

Secunder: Kathleen Rowley

*A show of hands and online poll took place to approve the appointment of the auditor for the next 12 months and was all in favour.*

11. Keynote addresses.

Oliver Ryan, the new MP for Burnley, Padiham and Brierfield - Thank you all very much for having me here tonight. It's been a pleasure and a privilege to be part of this. I was lucky enough to go on a visit to your Burnley office and see Kathryn and the team, and I was I was blown away. I'd heard of the PCCU however I was blown away by the kind of labour of love that it is for everybody in that building, and the genuine kind of care and compassion that they've got for what they do.

The professionalism was immense, and the kind of hunger to grow and to do more for the community and to do more as a as a credit union was inspirational, I think you've got an amazing team, Kathryn, and it was an honour to come and see you all. The new office on Manchester Road in Burnley, I should say, is the MP for Burnley. I'm sort of smiling all the way to the bank, but I should say smiling all the way to the credit union. It's good news for the town centre.

I'm a Labour and Co-op MP which means I'm also a member of The Co-operative Party, which is a sister party of the Labour Party. I've been a coop member for about 15 years now and having Co-operative Values in everything that you do as a credit union is important to me. I've always found that message of equity and equality of member ownership of mutuals to be really critical as to how especially smaller towns work, because that community feel and that link that you all have with each other, the ability to be able to be able to inter lend and be a community bank, as opposed to going to a large multinational is really important and to the people in Burnley and it's important to me.

There are still too many people in Burnley, Padiham and Brierfield that feel like they must rely on bad lenders. People that don't provide decent Savings Accounts, people that can't provide them with the security that they need to plan in the long term. And you're thinking is about quite exceptionally how you can support people better.

The Family Loan that you brought out that we talked about on the visit is great. It's so needed at the minute for people to have access to that personal liquidity.

Please keep doing what you're doing. I think it's incredible. I want to thank again the whole board and Kathryn and everyone for doing everything that you do. I wish you all the best for the year ahead.

### *Round of Applause*

Councillor Shah Hussain - Good evening everyone thank you for welcoming me today to the 43rd Annual General Meeting of the Pennine Community Credit Union. I believe your story began in 1982 in a small room in church followed by office in Nelson and then Burnley. We are very happy to have you and we are looking forward to your move to Manchester Road, Burnley. I think that your new building is quite iconic, it will be well suited for offices and it will also tell people quite well who you are.

Your success is rooted in your commitment to progress and growth, providing ethical savings and affordable loans.

I have been impressed by the credit union's recent modernisation, including the introduction of an app, an AI Assistant to help members. I think it is important to invest in digital services and I can see that its working as 98% of members saying they would recommend PCCU to their friends.

You helped people in Burnley to save an impressive amount of £650,000 in a Christmas savings account, which shows the need for ethical savings and support for those who might find it difficult to manage their money. Your dream saver account introduced last year will help people save for a specific goal like prom dress for your daughter, holiday or retirement. This tells me that this credit union wants to help people to make a better choice with their money, understand how to budget.

I'm also heartened to hear about the 12 lifesaving defibrillators that you've funded and installed across Lancashire and Cumbria. This initiative highlights this credit union's commitment to the well-being of our community. Pennine Community Credit Union's presence in Burnley ensures that residents have access to affordable loans, ethical saving accounts and financial education, helping to build a stronger and a more resilient community. The future is very promising for you.

At this AGM, you will see that your numbers look very healthy, and this is a credit to 23 staff you currently employ. I would like to wish you every success with the rebrand and your move to your new premises this year. You are a valued member of our community, and I've made a commitment, and I was speaking to my wife there that I will become a member of Pennine Community Credit Union after this. Thank you again for inviting me and please enjoy the rest of the AGM.

## *Round of Applause*

Mark Fryer leader of Cumberland Council - If you look at the minutes of the meeting, there's a guy in there called Jim Youdale. Jim and I go back a long way, I would die for him. He's done some work in Cleator Moor and the sort of saturation rate of members per population was phenomenal. I went to see him, spoke to him and he was a member of the same political party as me and we became good friends. I do not see him as much now, but I would die for him, just because of what he has done for his community. When the Workington Credit Union was set up I was one of the first to become a member. We knew right from the outset it was about people having confidence in the organisation. As staff members, you should understand the confidence that the people out there have in you. It is phenomenal what's happened with us. We went from Workington, to Maryport. Jim and I knew that we had to have a bigger common bond. Even then, we knew that we had to be in with a bigger organisation. We were devoid of real quality staff. I'm from the area of Workington, which you could describe as 'Stoops of Burnley', so it's tough where I am from. When we were growing up our grandma used to look after us and she used to say to my mum 'If you cannot pay one week's rent you cannot pay two' and me and my older brother was thinking what is she on about. And the reality is always pay, do not ever borrow of yourself, that saving routine, which I was raised on. And this stuck with me all my life. There was 4 brothers in my household and we used to go to the shop in town, 2 of us and then we used to go to another shop and get two pairs of shoes, one each for the two boys. And then fortnight later my mum would take the other two to the shop and buy another 2 pair of shoes. And the shop where my mum was going to get money for those shoes was Provident. I can have a laugh about it now, as I probable own more pairs of shoes than my wife, as it stuck with me all my life. Back in the day I set up a company, social enterprise, we had around 20 employees. They were all always struggling with their finances at the end of the month, so I sat them all down individually and out of 20 employees 14 of them was using a Provident. I asked them how much their total borrowing is and told them how much they are getting and not getting. Then I paid all of those debts off for them and made them all members of a credit union. And if they saved, at the end of them month I would give them £15 each. Those products that we've got, we're going to mean that around saving for Christmas were an absolute lifeline to them. People have changed and now paid credit card bills off. They have completely changed because of the mutuality of the credit union. They've now got money in their account. At first it was odd because as soon as they saw the amount of money in their account, they wanted it out. I wouldn't let them take it out and said you will have more for next year. Now we've got some people that are using the bank because that's what it means. I know that you talk about the credit union, but we're using the organisation to do things. I used to say to them, look, why don't you go on holiday. Why don't you save up and go on holiday? And initially, they would go on a caravan holiday. Now they've gone to places like Spain. I'm just dead proud of what they've done as people. I don't think anybody should underestimate the power of the credit union and what it can do. When you see the figures and the numbers that this organisation is

producing there on its balance sheet. It's nothing short of incredible, millions and millions of pounds from a community of just ordinary people who have got that idea of mutuality ingrained in their hearts is something quite special.

When you deliver that as board members, you should think of that. I really looked forward to coming here today, because I wanted to tell you how grateful I am as a leader of the Council, that you help and guide the people in my community, do things in a way that that they haven't been able to do previously. So always take that with you. All that work that you do, all those hours that you're putting in for nothing. The labour of love, as it were. It's a massive thanks from me. We've got 4000 staff now, I've said to one of my directors, it's time for us now to become members, we've got several employees on payroll that have come through from different organisations which will be another boost to the membership. They can put money in, and then other people can borrow it. So, thanks very much. A huge success going forward and really do appreciate it. Thank you very much thank you.

#### *Round of Applause*

#### 12. Any other Business

No other questions asked.

The number of people who have logged in through the app tonight. There's 1319. That's incredible.

#### 13. Raffle

#### 14. Close of Business