



Scottish Police
Credit Union Limited
Serving The Police Family



ANNUAL 2023/ REPORT 2024

36TH ANNUAL GENERAL MEETING
3rd December 2024

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AGENDA



- 1 Chairperson's Welcome and Roll Call
- 2 Adoption of Standing Orders
- 3 Minutes of 35th Annual General Meeting
(see Appendix 'A')
- 4 Chief Executive's Report
- 5 Treasurer's Report and Consideration of the Accounts
- 6 Report of the Auditor
- 7 Motions
- 8 Treasurer's Declaration of Dividend
- 9 Audit & Risk Committee Report
- 10 Appointment of Auditors
- 11 Election of Directors
- 12 Close of Meeting

FOREWORD 2024

ROBERT KENNEDY

CHAIR



I am delighted to present the Scottish Police Credit Union Ltd. report for 2023/24. This year has been exceptionally challenging, not only for the Credit Union but for all our members. The combination of inflationary pressures, the ongoing cost of living crisis, and persistent global economic uncertainty has created considerable financial strain for many across the country.

Despite operating within this challenging economic climate, I am delighted to announce we have achieved another successful year, as evidenced by our final accounts. We remain steadfast in our commitment to supporting our members during these difficult times and express our gratitude for the understanding and patience shown by all.

As we navigate an increasingly complex financial landscape, we are committed to upholding the highest standards of service for our members and ensure that we prioritise an inclusive and sustainable financial service that empowers our members to achieve their financial goals.

We are very fortunate to return to Fuse Youth Café Glasgow and are grateful to our hosts for allowing the use of their facilities this year. I would also encourage you to participate in the AGM of YOUR credit union.

CHIEF EXECUTIVE'S REPORT

GEORGE NEDLEY

CHIEF EXECUTIVE OFFICER



Fellow members of the Scottish Police Credit Union. It gives me great pleasure to present to you my report for the financial year 2023/24.

Once again, we have experienced a steady financial performance despite the global challenges and ones closer to home.

Last year I reported that we had experienced an increase in the amount of loans we had granted in achieved a record amount in any one year. I am delighted to report that in the year under report we exceeded last year's record levels. We granted £14,339,859 in loans last year. This is an increase of 21.7% on the previous financial year. We are extremely grateful for the continued support from our members in continuing to use our services. Our financial performance remains good as you will shortly hear the financial report from our Treasurer Allan Macleod and our Auditor Steven Cunningham.

I am delighted to report another good trading year. Our overall loan balance increased from £26,778,138 to £30,570,348 which is an increase of 14.2% on the previous year. Again, this demonstrates the continued faith you have in us to deliver loans which are fair, competitive and ethical. Thank you for supporting us to continue to strive to 'Beat the Banks'. Since our inception in 1989 we have now loaned over £227 million to you.

Our savings total at the end of last year was £37,277,413. This is a decrease of £1,655,622 (-4.25%) on the previous year. This is a strong indication of how members are relying on their savings to help them through these difficult times. You will see from our Treasurer Allan Macleod's report that thanks to our continued prudent approach to our savings policy, the Board of Directors are proposing a very competitive dividend on your shares of 3.1% which provides an outstanding return to all our members. In your AGM invitation pack, we have outlined how the dividend is calculated and the fact that it is applied retrospectively on our performance.

I think it is worth mentioning at this point that credit unions are different from banks in the way they can generate returns on savings. As a member owned organisation, we provide a fair and equitable service to all our members. We have consistently kept our borrowing rates as low as possible and not increased them to take advantage of difficult times such as the financial crisis of 2008 and the current one. The only source of profit credit unions have is from their loan portfolio, and the limited range of investments they can use to place any surplus funds in. Other than the requirement to maintain statutory reserves, all other profit is returned to members. This year alone, if the members approve the dividend of 3.1% at the AGM, £1,150,518 is being returned to members.



We continue to work hard to improve your user experience with us. Our marketing team have kept you up to date with what has been happening as well as keeping your interest with a number of competitions and again I am very grateful for your engagement with these initiatives.

We are always grateful for the feedback you give to us through these channels particularly the many messages of support we receive. It allows us to continue to remain relevant with you. We will continue to keep you up to date with everything that is going on with your credit union.

It is always gratifying to hear feedback from our members on how we have performed when they use our services. Some of the members we have helped through this difficult financial period. Knowing that we have made a difference to a member's life is what drives us on.

I am grateful to members of my team for their continued support in working hard to bring success to your credit union and in particular, the flexibility and resilience they showed during the challenges of the last year. None of this would be possible without them.

I would like to record my appreciation for the support the Board of Directors have given me throughout the past year. We could not exist without the support of the many volunteers who give selflessly of their time to govern the credit union.

It would be remiss of me not to mention the support we receive from a number of departments such as the Finance Departments within Police Scotland. Without their help we would find it difficult to provide the service we do.

In closing, I would like to reassure every member of the credit union that I will continue to work hard to deliver the highest possible service to your credit union.

TREASURER'S REPORT FOR 2023/24 AND CONSIDERATION OF THE ACCOUNTS

ALLAN MACLEOD

TREASURER



I am delighted to provide you with this update for the financial year 2023/24. I would like to begin this report by once again thanking Steven Cunningham, our External Auditor who has kindly agreed to refer to the Balance Sheet and Revenue Accounts which are presented to you in the Annual Report.

The past year has presented significant economic challenges for our members, and we have endeavoured to be there for them every step of the way. The strain on household budgets and the uncertainty surrounding pay agreements has undoubtedly increased pressure on our members. As your Credit Union, we remain committed to providing accessible, affordable, and personalised financial services to help you in these uncertain times.

As members are aware, we reduced our lending rates on loans under £1,000 and continue to review our rates to ensure we are providing competitive borrowing for our members. We have continued to provide affordable loans to our members. We are grateful for the strong partnership we have with our members. Your support has been instrumental in helping us navigate the challenges of this year.

I am delighted to share that your credit union remains financially sound and continues to deliver exceptional value to our members. Our membership numbers continue to grow, and our total loans have increased by £3.7 million, a confident sign in our member's trust in their Credit Union. The Accounts reflect this performance with a strengthening balance sheet and strong income statement.

We understand that everyone's financial situation is unique, and our members financial security remains our top priority. The Scottish Police Credit Union is committed to providing you with the support and services you need to navigate uncertainty and achieve your financial goals.

We are incredibly grateful to our growing membership for their continued trust and support. Your contributions are essential to the ongoing success of the SPCU. On behalf of the Board of Directors, we thank you for being a part of our community.

INDEPENDENT AUDITOR'S REPORT

STEVEN CUNNINGHAM

ALEXANDER SLOAN CHARTERED ACCOUNTANTS, GLASGOW



Mr. Steven Cunningham will present the independent Auditor's Report.

Please find the report "Final Accounts 2023/24" on our website under the Annual General Meeting (AGM) section (<https://www.scottishpolicecu.co.uk/the-legal-stuff/>) or scan the QR code using your mobile phone or tablet.



MOTIONS

There are no motions submitted.

TREASURER'S DECLARATION OF DIVIDEND

ALLAN MACLEOD

TREASURER

Despite the challenging economic climate, we are pleased to announce another strong financial performance. Thanks to the continued support and trust of our members, we have been able to offer competitive loan products and maintain a strong financial position.

Reflecting this position the Board of Directors is pleased to recommend for members approval a 3.1% dividend on main share accounts and corporate share accounts.

It should be noted that applicable rules and regulations restrict the payment of the dividend to those who were members during all or part of the relevant financial year ending 30th September 2024 and who are still members when the dividend is declared at the AGM. I would also confirm that the dividend is paid gross, with any income tax liability being the responsibility of individual members.

AUDIT AND RISK COMMITTEE

GRAEME GALLIE

AUDIT AND RISK CHAIR



It is my pleasure to submit the report of the Audit & Risk Committee for the financial year 2023/24. The past year has presented significant challenges, including economic uncertainty and geopolitical tensions. Managing our audit and risk responsibilities has been important in responding to these challenges. Our CEO, staff, and Board members have prioritised the needs of our members to navigate these complexities and ensure the continued financial health and security of our members. Their efforts have resulted in a strong, sustainable organisation that continues to deliver value to our members.

The Audit and Risk Committee continues to review our risk methodology and approach to ensure a clear understanding of each risk and their descriptors. This is periodically reviewed by our internal auditors and any recommendations made are promptly implemented.

I am delighted to welcome Austin Dorrian as Director of Compliance, replacing Gary O'Neill who has now moved on to the role of Vice Chair for the Board of Directors.

I can report that another full year with our internal auditors, Beever & Struthers has been successful. This has seen the following areas of Consumer Duty, Governance and Business Continuity agreed for review during the year.

Our thanks go to Beever & Struthers, our CEO, staff, and board members for their dedication and support over the last year.

DIRECTOR'S REPORT FOR YEAR ENDED 30TH SEPTEMBER 2024

PAUL ROONEY SECRETARY



The Directors present their annual report and financial statements for the year ended 30 September 2024.

Principal activity

The principal activity of the credit union continued to be that defined in the Credit Union Act 1979.

The credit union is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Results and dividends

The results for the year are set out on page 6 of the audited accounts.

DIRECTORS

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

Robert Kennedy

Chris Mooney

Allan Macleod

Alison Kennedy

(Resigned 5th December 2023)

George Nedley

Graeme Gallie

Lyndsay Garbutt

(Resigned 5th December 2024)

Theresa Collie

Angela Wood

Garry O'Neill

Austin Dorrian

Derrick Johnston

(Appointed 30th January 2024)

Natalie Carr

(Appointed 30th January 2024)

Risks

The credit union's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic



factors affecting the company's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the credit unions performance.

COMPLIANCE STATEMENT

Under the Prudential Regulation Authority rulebook the Board of Directors must report to the members at the Annual General Meeting on certain areas of compliance within the credit union. The credit union is therefore pleased to report that during the year the credit union has been in compliance with:

- Depositor Protection Rules 11, 12, 14 and the requirements of rule 15 that relate to rule 11; and
- PRA Credit Union Rule 2.10 (fidelity bond insurance requirements); and:
- The requirements of compliance under the PRA "additional activities".

Principal Risks and Uncertainties

The main financial risks of the credit union are set out in the notes to the financial statements.

Statement of Directors Responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Legislation requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the Credit Union Act 1979 and the Co-operative and Community Benefit Societies Act 2014 the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the credit union and of the surplus or deficit of the credit union for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the credit union will continue in business.



The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the credit union's transactions and disclose with reasonable accuracy at any time the financial position of the credit union and enable them to ensure that the financial statements comply with the Credit Union Act 1979 and the Cooperative and Community Benefit Societies Act 2014. Directors are also responsible for safeguarding the assets of the credit union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure to Auditor

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information of which the credit union's auditor is unaware. Additionally, the Directors individually have taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all relevant audit information and to establish that the credit union's auditor is aware of that information.

Auditor

A resolution for the re-appointment of Alexander Sloan as auditors of the credit union is to be proposed at the forthcoming Annual General Meeting.

By order of the board

Paul Rooney

Paul Rooney
Secretary

STANDING ORDERS FOR ANNUAL GENERAL MEETING



1. Quorum

15 Members in attendance shall constitute a quorum.

2. Agenda

The meeting shall follow the order of the Agenda unless two thirds of those present agree otherwise.

3. Motions

Motions must be seconded and forwarded to the Secretary in writing no less than 14 clear days prior to the AGM. Any motion received after this time will be ruled incompetent, unless accepted as an emergency motion by at least two thirds of the meeting.

4. Debating a Motion

The mover of any motion shall be allowed a maximum of 5 minutes to speak to the motion. The seconder of a motion shall be allowed 3 minutes to speak in support of it. Contributions from the floor shall be limited to 2 minutes per speaker.

All debates shall cease when the Chair decides that sufficient debate has taken place. No person shall speak without the permission of the Chair.

Any counter motions/amendments shall be disposed of prior to the vote on the original motion. Any speaker must be recognised by the Chair before addressing the meeting.

Once a matter has been debated, no member shall re-introduce the item until at least three meetings have been held.

5. Elections

At each AGM, the following elections shall take place;

(1) One third of the Board of Directors

6. Conduct of Members at AGMs

Any person in breach of these standing orders shall be warned that any further misconduct will result in them being removed from the meeting.

7. Suspension of Standing Orders

Standing Orders can only be suspended if a matter of urgency arises and only if a majority of two thirds of those present agree.

APPENDIX A

MINUTES OF THE THIRTY-FIFTH ANNUAL GENERAL MEETING

TUESDAY 5TH DECEMBER 2023 AT 6:15PM



1. Chair's Welcome and Roll Call

The Chair ascertained that a quorum was present. A quorum of at least fifteen members is required to hold an AGM.

The Chair opened the meeting by welcoming all present to the Scottish Police Credit Union's 35th Annual General Meeting and invited them to take an active part in the proceedings. He intimated the Board's appreciation to our former Chair, Austin Dorrian and thanked him for the many years he served as Chair of the Scottish Police Credit Union Board of Directors.

2. Adoption of Standing Orders

Austin Dorrian proposed that Standing Orders were adopted. This was seconded by Ewen Ellen and they were adopted for the duration of the meeting.

3. Minutes of Previous Meeting

The Chair informed the meeting that the minutes of the 34th Annual General Meeting held on 6th December 2022 had been circulated.

The Chair referred to the minute and indicated that the meeting was not held virtually as recorded, but held in person at The Fuse Youth Café, Glasgow. Thereafter, Thomas Rowatt proposed their adoption, seconded by Graeme Gallie, and they were adopted as a true record of that meeting.

4. Chief Executive's Report

The Chief Executive referred the meeting to his report which was accepted by the meeting.

5. Treasurer's Report and Consideration of Accounts

The Assistant Treasurer spoke to the previously circulated report which was accepted by the meeting.

6. Report of the Auditor

Steven Cunningham of Alexander Sloan, Chartered Accountants, presented his report on behalf of the Credit Union's auditors and pronounced a clean audit report. On behalf of the Board, the Treasurer thanked Steven and his team for their assistance. The report was accepted by the meeting.

7. Motions

There were no motions received.



8. Declaration of Dividend

On behalf of the Board of Directors, the Treasurer proposed a 2.2% dividend on 'share 1' balances and Corporate Account balances.

He advised that it should be noted that applicable rules and regulations restrict the payment of the dividend to those who were members during all or part of the relevant financial year ending 30th September 2023 and who are still members when the dividend is declared at the AGM. Members should note that those present may propose a lower dividend but cannot propose an increase to that already proposed. The Treasurer also confirmed that the dividend is paid gross, with any income tax liability being the responsibility of individual members.

The meeting endorsed the proposal.

9. Audit & Risk Committee Report

Graeme Gallie presented the previously circulated report, which was accepted by the meeting.

10. Appointment of Auditors

It was proposed that Chartered Accountants, Alexander Sloan, be re-appointed Auditors for the financial year 2023/2024.

The meeting endorsed the proposal and Chartered Accountants, Alexander Sloan, were appointed Auditors for the financial year 2022/2023.

11. Election of Directors

The Chair advised the meeting that the following two directors had completed their 3 year term and were standing for re-election:

- > Austin Dorrian
- > Graeme Gallie
- > Chris Mooney

The Chair advised the meeting that Wullie Newlands and Alison Kennedy stood down as Directors during 2023 and thanked them for their contribution on the Board and wished them all the best.

One of the Directors, Chris Mooney, who was standing for re-election was unable to attend due to extenuating circumstances. Our rules require directors standing for election to be present at the AGM unless there are extenuating circumstances and the AGM vote in favour of waiving this regulation. The Chair asked members if they were prepared to allow his election to proceed despite him not being present.



The meeting endorsed the proposal to waive the regulation.

As there were no other nominations received, the Chair called on the meeting to endorse the proposal to dispense with the election process as per Rule 4.6a and declare all nominees duly elected.

Vote on dispensing with election process was approved and the Chair declared all nominees duly elected.

ELECTION TO THE BOARD OF DIRECTORS

NOMINEE	DECISION
Austin Dorrian	Re-elected
Graeme Gallie	Re-elected
Chris Mooney	Re-elected

Board Numbers

The Chair advised the meeting that the credit union's rules required the annual general meeting to determine the number of Board members to serve the credit union. The Assistant Secretary proposed that the number to serve on the Board of Directors should be 15.

The meeting endorsed the proposal.

12. Close of Meeting

The Chair thanked everyone for attending the AGM and a vote of thanks was offered to the Chair.

ROBERT KENNEDY

CHAIR

PAUL ROONEY

SECRETARY

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