



POLLOK CREDIT UNION LIMITED
12TH ANNUAL GENERAL MEETING

Saturday 04th February 2006

11.30am

Leithland Neighbourhood Centre

25 Kempsthorn Road, Pollok

CHAIRPERSON'S REPORT 2004-2005



Dear Members

This year like all others has seen the Credit Union change in some way or other, this year we have taken a transfer of engagements from Govanhill Crosshill Credit Union. As I write this we are actively looking for premises in the Govanhill / Shawlands area so that we can keep in touch with new members and perhaps welcome new members into Pollok. We have also opened a new collection point within Pollokshaws Burgh Hall on a Saturday morning. During all of these negotiations Jim Garrity spend a great amount of unpaid time to secure these events.

Unfortunately quick growth places a drain on funds and we feel that to secure our position to meet FSA Regulation we are not proposing any dividend for this year.

In line with our growth, staff numbers have increased over the year, and we have employed a further 2 part time staff to meet the needs of our members. We were delighted when two of our long standing volunteers applied for the posts and secured employment with the Credit Union.

We have a few ideas to move the Credit Union forward, and in one of the ventures we are about to start we would like you to help spread the word. We intend to start selling white goods through a company aligned to the Credit Union and if you tell all your friends, whether members or not , then we may have a successful business which will give access to goods at reasonable credit rates, hoping to bring more people in Pollok away from predatory lenders.

The Board as always act in your best interests, and are available most of the time during office hours, so if you have any questions there should always be someone around to answer your queries.

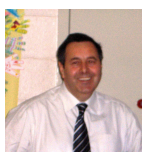
We are going to be in our present location for the next 20 months and after which we are then hoping to move into the newly built centre. We have also opened a new web site where you can check your account online and get up to date information on the Credit Union. (www.pollokcu.com)

We hope that if you feel you have any spare time you come down and volunteer for a couple of hours. Meet people and learn new skills.

Michael Davidson

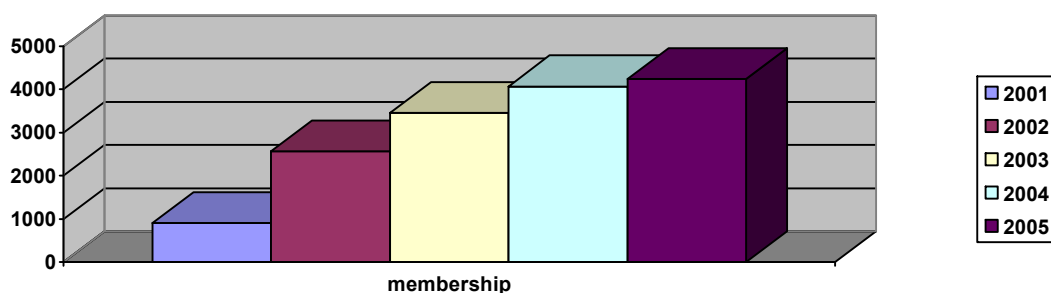
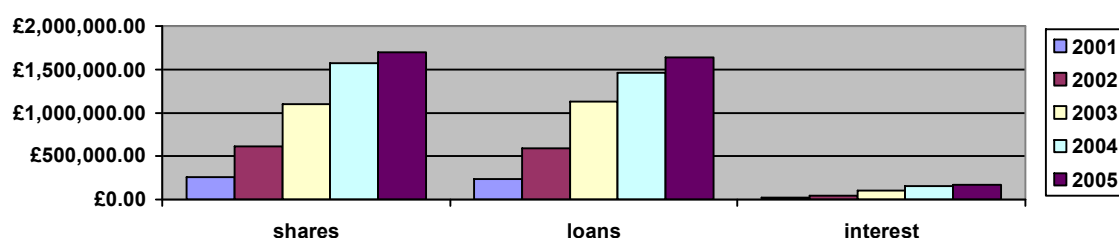
Chairperson

TREASURER'S REPORT 2004-2005



We continue to experience growth in members' shares and loans and the finances of the credit union continue to be in a strong position to withstand the change in location of the shop and the redevelopment of the shopping centre, into which we expect to be relocated once the development is completed. Unfortunately, we will have to budget for the future and the expected higher expenses that we will incur over the next year. The Board of Directors have allocated some of the surplus this year to cover the increase in members who are in arrears and we will have to increase our General Reserve to 8% of our total assets to reach compliance with FSA guidelines. The growth this year has not been as sharp as previous years and the Board of Directors believe that the next two years should be a time for consolidation and stability for our membership.

The graphs below highlight another strong financial year.



The table below shows the amount of shares held by members, the amount members have borrowed and the interest accrued from members repaying loans against the corresponding figure for last year. Also noted is the increase in membership over the last three years.

Year	Shares	Loans	Interest	Members
2001	£251,669	£229,317	£19,957	912
2002	£613,717	£589,817	£40,811	2567
2003	£1,097,564	£1,132,345	£95,614	3458
2004	£1,573,522	£1,459,603	£150,703	4067
2005	£1,702,500	£1,639,347	£166,122	4243

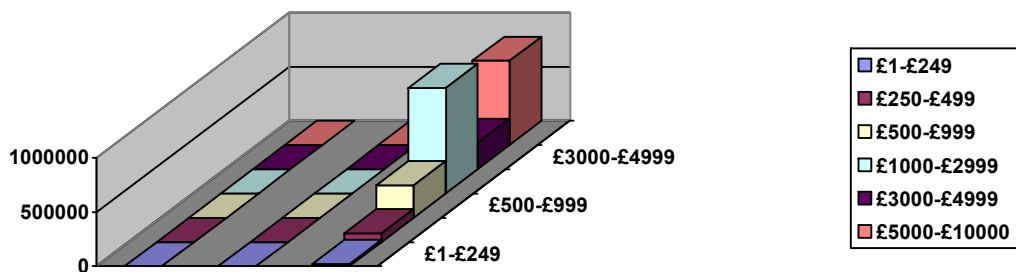
CREDIT COMMITTEE REPORT 2004-2005



Due to the closure of the shop, office space has been limited; therefore we have implemented a more effective system for loan applications. To apply for a loan you can collect a form by post or at the shop, complete the form and return with proof of income. We ask for this information to enable us to make an informed decision on your application and to safeguard the members' money by being responsible and prudent lenders. All information is treated in the strictest confidence and within the guidelines of the Data Protection Act. The committee endeavour to process all loan application within one week and where possible even earlier, but we ask members' to be patient during our busy times e.g. Christmas and summer months.

LOAN ACTIVITY DURING THE YEAR

LOAN	NUMBER	% OF TOTAL	AMOUNT
£1-£249	129	8.35	£20,992
£250-£499	231	14.95	£81,597
£500-£999	453	29.32	£299,436
£1000-£2999	646	41.81	£970,728
£3000-£4999	71	4.60	£246,876
£5000-£10000	13	0.84	£77,9000



REASONS FOR LOANS

Purchase of Car, Funeral Expenses, Home Improvements, Car Insurance, Weddings, Family Holidays, Debt Consolidation, Baby Goods, Double Glazing, Christmas, Central Heating and Rent Arrears

CREDIT CONTROL ANNUAL REPORT 2004-2005



NEW PAYMENT METHODS

Due to the refurbishment of the Shopping Centre, credit control will encourage members who are struggling to pay their account regularly to use the various new payment methods which have been introduced; these are documented in the Development Report. Hopefully this will have a good impact on our delinquency.

DEBT COLLECTION AGENCIES

As per our last Annual Report Pollok Credit Union are continually striving to pursue delinquent debts. We are currently using 2 debt collection agencies which are **GE Debt** and **Lowrie & Co Sheriff Officers and Messengers at Arms**. These agencies use different methods in pursuing members. Credit Control pass members to the relevant agency depending on personal circumstances e.g. if a member is employed then we will apply for a wage arrestment through the Sheriff Officers. Initially these methods of credit control are costly to Pollok Credit Union, but we are legally entitled to pass any costs to the member concerned.

Although delinquency figures show that it is necessary to pursue members using the above methods, we endeavour to ensure that all members are aware that the ethos of the Credit Union is not to harass members but, are here primarily to help members who may be experiencing financial difficulties which usually are unforeseen.

The Credit Union Board of Directors has a duty to safeguard our members' money and borrows who fail to repay their loan put their friends and neighbours money at risk. A major factor when making a decision on a member's loan application is their previous payment record. All correspondence on a member's file which indicates any delinquency will effectively hinder their future borrowing.

SUPERVISORY COMMITTEE REPORT 2004-2005



As supervisors we have a duty to oversee the financial and administrative duties of the Board of Directors on behalf of the membership.

We have carried out spot checks on issued loans and have attended all Board of Directors meetings to ensure that policy and procedures are being adhered to and that there is a good attendance record for all directors.

The committee has attended training and policy making days with the directors and have overseen the decision making process of the credit union's future strategy.

The supervisory committee acknowledge the support and assistance that we have received from the board of directors and staff and are pleased to report that all are working hard on the members' behalf and that the Board of Directors have carried out their duties and responsibilities in accordance with the 1997 Credit Union Act.

Supervisory Committee Responsibilities

The Credit Union Act 1997 requires an appointment of a Supervisory Committee which will oversee Directors in the performance of their duties, examine the financial and administrative documents of the Credit Union and verify a sample of members balances.

DEVELOPMENT REPORT 2004-2005



Our growth this year has not been as good as previous years. There are a number of factors for this, one is that the shopping centre has lost most of its retail units during the redevelopment and this has cut the footfall to the centre. We are continuing to work with other agencies within Greater Pollok and beyond to provide more than a savings and loans service to our members.

New projects and developments within the credit union over the next year will include:

WEB PAGE

Our web page is now operating and members can access information and check account balances, apply for a loan online, use a loan calculator, apply to join for membership and look up and print transactions. Later we hope to add that you will be able to make payments with a debit or credit card. To access this area member will need to register for a PIN number, and once we receive the completed application a PIN is issued for security reasons.

PAY POINT

We have contracted AllPay to produce a payment card service for our members and this will be commencing on the 10th April 2006. The advantage to members is that you would be able to pay in at any local shop or Post Office that displays the Paypoint or Payzone sign outside, our members will now have more access to methods of making payments and the Board of Directors are sure that this will also help those who are in arrears and find it difficult to come to the shopping centre to pay in.

POLLOK LOCAL HOUSING OFFICE

Working with the LHO we are targeting 18-25 year olds who are signing up for a new tenancy, offering them the services of the credit union, giving them money management advice, and working with them to ensure that they have support and advice when its required.

HEALTH BOARD

We are working with health visitors and mothers with new babies, who may need financial advice and assistance to help in the first few months of motherhood. We are attending Weaning Fairs and helping them fill in Child Trust Fund forms.

The day to day running of the Credit Union is dependant on the hard work and dedication of a number of people. Thank you to all the directors, staff and volunteers who put so much time and effort into the running of this Credit Union.

VOLUNTEERS REPORT 2004-2005



Pollok Credit Union is a non-profit making financial co-operative operated by its members to allow people to save and borrow at a low rate of interest. The members at the AGM elect a Board of Directors to manage the credit union on their behalf and these directors are all volunteers.

The credit union was set up by people in the community giving up their free time to assist everyone who either lived or worked in the area and who may have been socially and economically excluded from mainstream financial institutions. We are delighted to report that the great tradition of volunteering in the credit union continues today and we now have 25 volunteers plus our voluntary Board of Directors giving up their time to service our expanded membership.

The volunteers do a wide range of jobs within the credit union and we also try to improve their skills through training and experience that will give them the confidence to meet new friends and if they wish, to seek employment. We now have over 5000 members so you can imagine the amount of work involved it, is not just about taking in money over the counter there are numerous jobs behind the scenes from filling to answering members queries, our volunteers are an integral part of our organisation. The credit union also operates from local community halls in Kennishead, Govanhill and now Pollokshows, the volunteers in Kennishead and Govanhill especially have shown a dedication and commitment that bodes well for the future of Pollok Credit Union.

We are always looking to recruit more volunteers; all you have to do is fill in a form, give us the names of two referees and you could be on the way to joining a thriving community organisation where you can meet new friends and learn at the same time.

Don't be afraid! If you have any spare time and would like to join us, come in and fill out a form, we might even give you a tour of our cosy little office and a nice wee cup tea.



ANNUAL REPORT 2004-2005

Over the last year the Project has continued to expand its service to existing and new members as well as offer to non members out with our Common Bond area and live throughout the city of Glasgow.

The success of the initial project allowed the Board of Directors to appoint staff, to undertake the work that was required to be undertaken, and through her hard work and dedication, the service provided has increased and continues to expand since our report last year.

The Budget Service process involves interviewing clients, approaching creditors on behalf of clients, advising on aspects of credit, agreeing payments to creditors based on the individual's financial available income (*i.e. Income minus priority expenditure equal available income*). Agreed payments are then forwarded to creditors on a monthly basis, although in some cases weekly. All transactions are recorded in an individual ledger account, which are available to clients on asking.

As part of our work, we work closely with Greater Pollok Citizens Advice Bureau and Ladymuir Money & Advice Centre, who refer clients to the Project for the payment of creditors only.

Over the last year, the level of clients has changed. In 2004 we had 38 members actively using the Budget Service. At December 2005, the following clients were:-

	Active	Inactive	Ongoing
CAB	27	4	1
Ladymuir	5	1	1
Pollok CU	19	13	2

There are currently 51 clients with 4 clients in preparation. The inactive figures are clients who have either managed to bring their financial affairs into order or the debt has cleared, and sadly, where they have become deceased. Our ratio of new clients range from 4 to 6 per month, and it is anticipated that this figure will increase as the publicity and advertising becomes more available to the wider area. As part of the Credit Control aspect, all members are offered our service, and we have produced a leaflet explaining the service being offered.

The project continues to work with Glasgow Women's Aid, and we hope to develop the provision of services over the next year. Our work with Glasgow City Council regarding advice and information continues to develop, with ourselves liaising with other agencies throughout the city.

All in all the project is increasing, and providing an awareness for the need of this type of service, working with all advice giving agencies and assisting persons with multiple debt.