

Kent Savers Annual General Meeting 2023

Treasurer Report 2023

As my first report as Treasurer, it is clear that the Cost of Living Crisis which started late in 2021, has affected our members and that has had a knock on effect on Kent Savers. I wish that the results were better although there are in line with the forecast made at the last AGM.

Interest earned in 2021/22 from loans issued was the same as in 2020/21. There was a reduction in the income from loans related to the Bexley scheme of £6.6K and an increase in the income from our other loans of a similar amount. No matter what the economic issues, we would always have been in a period of change as we moved more into direct loans and less on Bexley referrals. Our Loan Book was steady until April 2022 but since then we were having more loans repaid than issued and so our loan book shrunk. The main reason for this is that more applications were received that were from members who were unable to afford the repayments on the loans, or were already heavily indebted or in arrears. As a result our rate of loan application approval has reduced.

Most significantly Other Operating Income was down compared to last year. We earned less from services provided to Bexley Council as the scheme we operated on their behalf started to run down and more importantly we received less in grants although in line with our forecast for this year. Administrative expenses were controlled and were slightly lower than in the previous year.

However, connected with difficulties that our members were having with the cost of living, there was a slightly higher level of provisions for bad and doubtful debts.

The overall loss in the year was slightly lower than the previous Treasurer forecast.

Deposits were higher than withdrawals and the members balances at 30 September 2022 were almost up to their balances at 30 September 2020. Pleasingly the balances held by our Junior Savers have grown throughout the year.

Looking forward to the current year we see our members continuing to face cost of living difficulties and we are doing whatever is prudent and affordable to assist them. We are extremely grateful to certain of Kent Savers' members who have voluntarily donated their savings to help us improve living standards for as many people as we can.

Given the pressures on families and people across Kent, we have increased our focus and efforts on working with other agencies through which we can assist more potential members and design initiatives to increase our outreach, and gain support in our capital and operational expense structures. We will continue that work with those agencies to develop relevant products and schemes to further help our existing and potential members. We do anticipate another loss for the current year, which is not surprising given the demand on our services and the pressures on our budgets.

A dividend has been considered by the Board but with the loss anticipated for the current year, it is recommended that no dividend is paid this year – nor indeed while we deploy grant funds from third parties.

We would like to thank some very generous members who have converted their account balances to donations to the Credit Union and to those members who have offered to convert their share balances to subordinated loans. These actions will strengthen the reserves of the Credit Union and help us achieve our aims.

Finally I would like to thank all the staff at Kent Savers for their hard work and diligence.

John Stokes

Treasurer and Director