

# Minutes of Annual General Meeting held on 08 March 2024

Hosted using Zoom technology from Caledonia House, Glenrothes, KY6 2AL

**Present:** George MacDonald (Chairperson), Ben Evans (Treasurer), Tom Adams (Vice Chairperson), Pauline Marsland (Secretary), Janice Gourlay (Director), Jim Young (Director), Sofia Dogan (CEO), [REDACTED]

**Apologies:** [REDACTED]

**In Attendance:** Kenny Murphy (FVA) Advisor to the Board, David Adams (Lindley Adams, Auditor), Jake Hatch (ABCUL)

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## 1. WELCOME AND CONFIRMATION OF QUORUM

- 1.1 GM welcomed everybody to the 2024 Annual General Meeting.
- 1.2 GM then gave a brief update on the use of technology and instructions for voting via the online polls with example question issued to test it.
- 1.3 It was confirmed that more than 15 members are in attendance and that the meeting is quorate.

## 2. INTRODUCTIONS AND APOLOGIES

- 2.1 GM introduced Sofia Dogan, CEO, Tom Adams, Vice Chairperson, Ben Evans, Treasurer, Pauline Marsland, Secretary and advised members that Kenny Murphy of Fife Voluntary Action was also in attendance to support the meeting. GM advised that [REDACTED] will be taking the minutes of the meeting.
- 2.2 GM welcomed David Adams from auditors Lindley Adams and Jake Hatch of ABCUL to the meeting.
- 2.3 Apologies were noted, as above.

## 3. APPROVAL OF MINUTES OF PREVIOUS AGM HELD ON 08 MARCH 2023

- 3.1 GM asked Members if anyone had questions or amendments for the Minutes as presented.
- 3.2 There were no issues raised.
- 3.3 Approval and adoption of the Minutes was proposed by Ben Evans and seconded by [REDACTED].
- 3.4 The Chair asked Members to vote using the poll system. The Members voted to adopt the Minutes of the previous meeting unanimously.

## 4. REPORT FROM THE BOARD OF DIRECTORS

- 4.1 GM presented the Board of Directors' report.
- 4.2 GM stressed that this meeting is for the benefit of Members and that it is the duty of Directors to provide the membership with all the relevant information and updates on the running of their credit union.

- 4.3 GM added that the key objectives of the Board continue to be overall compliance, growing the loan book and generating profit – all with an emphasis on safeguarding Members' money.
- 4.4 GM further added that despite the challenges faced throughout the year, Kingdom has continued to deliver better services than ever before.
- 4.5 GM updated Members that this would be his last meeting as he is standing down as a Director and Chair to begin his retirement. He reiterated that should anyone be interested in becoming a Director, they should contact Sofia in the first instance.
- 4.6 Thanks were extended to Sofia and her staff team for their hard work, to Kenny Murphy for his support to the Board and to the Board Members for their support during his tenure.
- 4.7 GM thanked all Members for attending the meeting and for their continued support.
- 4.8 GM opened to questions. No questions raised.
- 4.9 [REDACTED] added that she wished to extend thanks to staff who had helped in assisting her in attending the Methilhill branch to ensure the wheelchair access was ready for her.
- 4.10 Members were asked to adopt the report from the Directors. Members voted unanimously to adopt the report.

## **5. REPORT FROM THE TREASURER**

- 5.1 BE presented the Treasurer's Report, giving a financial overview of the audited accounts for the year 2022-2023.
- 5.2 BE commented that despite emerging from the pandemic, the cost of living crisis continues to create financial turmoil for many.
- 5.3 BE further added that the business showed a surplus for the year of £130,470 compared with £71,079 the previous year. He was pleased to advise we are holding our own in the present financial climate.
- 5.4 BE commented that the CEO and staff team must be highly commended on their services to Members, ability to adapt and at all times ensuring that we remain a responsible lender.
- 5.5 BE noted that the capital to asset ratio of 16.95% is also up on the previous year of 13.7% and exceeds the minimum of 5% as laid down by the regulatory requirements. He noted that Kingdom is in a very strong position to continue to protect Member's assets.
- 5.6 BE provided a brief update on the work carried out by the Auditors and any recommendations they provide. He confirmed that the Board has discussed the minor recommendations raised and that all issues have been given the attention needed. He further added that all historical issues raised previously have been resolved and that the financial management arrangements continue to be strong with no irregularities or concerns reported.
- 5.7 The external auditor has highlighted no new issues. The auditor considered the proposed dividend of 2.5% and a junior interest of 2.5% to be reasonable, fair and justified.
- 5.8 BE highlighted that the dividend matter is a separate item on the agenda.
- 5.9 BE, on behalf of the Board of Directors, recommended that Members agree to adopt the audited accounts as a true and fair statement.
- 5.10 Members voted unanimously to adopt the audited accounts.

## **6. REPORT FROM THE AUDITOR**

- 6.1 GM introduced David Adams of our external, independent auditors, Lindley Adams. DA thanked GM for the introduction and presented a brief verbal report.
- 6.2 DA reported that KCB continues to be in a strong position with healthy reserves and a substantial profit, almost doubling on previous year.

- 6.3 DA stressed that the achievement of a clear audit report is not something he sees regularly and that this is a testament to the hard work of all at the credit union.
- 6.4 The recent changes in reporting make it very difficult to achieve this and continuous regulatory and legislative pressures on the sector see many struggling to safeguard all aspects of the business.
- 6.5 DA commented that in addition to the increase in general income and interest, there have been increases in grants received but emphasis was made that there is no reliance on grants and a healthy profit would still have been made without the grants.
- 6.6 DA highlighted that the lending process and low rate of delinquencies is to be highly commended and puts Kingdom in a healthy position to help more members, currently having 23% of funds out on loan.
- 6.7 DA further added that "whoever is running this credit union and proposing policies and processes should be praised as it is working very well".
- 6.8 In conclusion KCB have a clean audit report, with substantial funds to utilise.
- 6.9 GM thanked DA for a hugely positive report and asked if anyone had any questions. There were no questions for the Auditor.
- 6.10 Members were asked to adopt the Auditor's report and voted unanimously in favour.

## **7. DECLARATION OF SURPLUS AND PROPOSED DISTRIBUTION**

- 7.1 GM advised that the Board of Directors propose that some of the surplus should be distributed to Members in the form of a dividend and the remaining funds be re-invested back to the credit union.
- 7.2 Members were asked to vote to agree the declaration of surplus and proposed distribution. Members voted unanimously in favour of the proposal.

## **8. DIVIDEND**

- 8.1 BE advised that the Board of Directors proposes and recommends to the membership a dividend of 2.50% for qualifying adult members and 2.50% for junior members.
- 8.2 Members were asked to vote on this proposal and voted unanimously in favour.

## **9. SETTING OF ADMINISTRATION FEE**

- 9.1 GM proposed that Members agree to retain the annual administration fee at a rate of £5.00.
- 9.2 Members were asked to vote on this proposal and voted unanimously in favour.

## **10. REPORT FROM THE CEO**

- 10.1 SD delivered a verbal report, stating that it is a pleasure to be able to address Members and discuss the past year and current plans.
- 10.2 SD summarised the work of KCB over the past year, highlighting community work and growth in community engagement activity.
- 10.3 SD added that whilst celebrating the successes of the year, KCB will remain proactive and vigilant in the face of economic uncertainties.
- 10.4 SD confirmed that the new Dunfermline branch is now open, enhancing accessibility and commitment to Members. Photographs were shown on screen for Members to see and SD encouraged Members to drop in when passing.
- 10.5 SD reported very positive findings from a recent internal audit of operations and functions, further strengthening the business and underlying policies and procedures.
- 10.6 SD thanked all staff for their hard work and for their consistent commitment to make Kingdom better.
- 10.7 Thanks were also given to the Board of Directors. Special thanks were given to all Members for their support and custom.

- 10.8 SD encouraged Members to share their thoughts, feedback, and suggestions as we are always looking to improve.
- 10.9 GM thanked SD for her report and asked if there were any questions. No questions were raised.
- 10.10 Members were asked to adopt the CEO's report and voted unanimously in favour.

#### **11. APPOINTMENT OF AUDITORS**

- 11.1 GM advised Members that it was the recommendation and proposal of the Board of Directors that Lindley Adams be retained as auditors for a further year.
- 11.2 Members voted unanimously in favour.
- 11.3 GM thanked David for his attendance and report and the work his firm does throughout the year for Kingdom.

#### **12. ELECTIONS TO THE BOARD OF DIRECTORS**

- 12.1 GM informed Members that procedurally, Board Directors are required to stand down after each 3 year term and can be re-elected if they are willing and eligible. This year, George MacDonald and Pauline Marsland are required to stand down. Pauline Marsland is seeking re-election. George is retiring, as intimated at the start of this meeting.
- 12.2 Members were asked to vote on the election of a candidate:
  - 12.2.1 Members voted to re-elect Pauline Marsland, unanimouslyGM confirmed that Pauline Marsland had been duly elected back on to the Board.

#### **13. ANY OTHER BUSINESS**

- 13.1 Sofia extended special thanks to George MacDonald on behalf of everybody at Kingdom, having served 5 years as a Director and 4 of these years as Chairperson.
- 13.2 Tom Adams also expressed thanks to GM for his hard work and commitment to Kingdom.
- 13.3 There being no further business raised, GM brought the meeting to a close and thanked everybody for their attendance and support, wishing Kingdom well for the future.

*The meeting finished at 13:55 hours.*

Ends.