



Kingdom Community Bank
Fair • Inclusive • Friendly • Ethical

Newsletter

February 2025

Some key figures from 2024



More than **200** people attended our budgeting sessions held across the whole of Fife



Paid out around **3,000** loans



We welcomed **600** new members, who contributed £200,000 towards the saving pot throughout the year



Payroll savers saved a total of **£338,000**



Juniors added **£45,000** to their savings



We approved more than **95%** of loan applications - but always take care to be a responsible lender and protect our members



Our collection of debt improved by an incredible **59.2%** during the year, showing that we work hard to protect the credit union for all members

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Connecting with Our Community: Kingdom Community Bank in Action

At Kingdom Community Bank (KCB), we're more than just a credit union - we're part of your community.

During 2024, we were out and about across Fife, meeting residents, answering questions, and sharing how we can help you achieve your financial goals. We set up stalls at several Asda locations and joined a job fair organised by Fife Council, where we had the chance to connect with hundreds of people. For many, it was their first time hearing about KCB, and we're thrilled to welcome them to our growing community.

What's Next?

We're excited to keep the momentum going in the year ahead, with more opportunities to connect. We will:

- **Expand our reach:** Look out for us at Tesco supermarkets soon.
- **Continue to engage:** We'll keep working to support financial literacy, encourage saving habits, and help more people discover the benefit of being part of KCB.



Welcome from our CEO



Sofia Dogan
Chief Executive Officer

As I reflect on 2024, I want to take a moment to look back at what was an extraordinary year for Kingdom Community Bank (KCB). We celebrated two decades of serving our community - a milestone that fills us with immense pride and gratitude. Over the past 20 years, we have grown not just in numbers but in the depth of our connection to the people and communities we serve.

In 2024, your trust and partnership helped us achieve incredible growth and impact. Our capital-to-asset ratio* increased by an impressive 7.96%, rising to 18.30%, which demonstrates the financial strength and stability of your credit union.

Our success is not just measured in numbers - it's reflected in the stories of our members. Whether it's helping a family save for their future, providing a young person with their first account, or assisting our members in navigating economic challenges, these moments remind us of why we do what we do.

During 2025, we are excited to be building on this momentum. We will expand our financial education programmes, equipping more people with the tools to

make informed decisions and achieve their goals. We are also deepening our community engagement efforts, with plans for additional outreach events, partnerships, and support initiatives that strengthen the fabric of Fife and beyond.

Our mission remains steadfast: to be a trusted partner for you and your family, offering the resources, guidance, and support needed to secure a brighter financial future.

We are more than a credit union - we are a community united by a shared purpose.

Thank you for being part of the Kingdom Community Bank family. Your loyalty, trust, and continued engagement inspire us to strive for excellence every day.

Sofia Dogan, Chief Executive Officer

We are more than a credit union - we are a community united by a shared purpose.

*The capital-to-asset ratio measures how much of a credit union's assets are funded by its own reserves. A higher ratio, like KCB's 18.30%, shows strong financial stability and a solid foundation to protect members' savings.

Member Quotes

Thank you so much to the team. I had applied for a loan and didn't think I would get it due to a previous issue. It was fast, with funds in the bank just over 24 hours after applying. Kids are incredibly happy due to the funds getting used for bedroom furniture. Couldn't do it without your help.

I would recommend the credit union to anyone. I have used it for the last 14 years. My circumstances in this time have changed dramatically and the credit union has accommodated this, still allowing me to save.

When I found out about my child's school trip to Ardroy, I was excited for them but also worried about the cost - almost £300 felt like a big expense to cover all at once. I wasn't sure how I'd manage it, but after speaking to KCB, we worked out a simple savings plan. By putting aside just £10 a week from the time I found out about the trip until the final payment was due, I was able to save the full amount without it feeling overwhelming. The best part was that the savings came straight from my existing account automatically, so I didn't have to think about it. It took away all the stress, and now I plan to keep saving in the same way to be prepared for when my younger children have their turn at Ardroy!

Would it be possible for me to remain as a KCB member? Since going into therapy my life has completely changed.

Thank you again for being lovely to me when I wasn't very nice to you.

Illegal Money Lending

We were delighted to be awarded the Charter Mark to Stop Loan Sharks in Scotland, by the Scottish Illegal Money Lending Unit (see photo below). Loan sharks are illegal money lenders who operate in our communities and often fund serious criminal activity.

Offers of instant cash to pay bills can seem attractive, but research shows that many of those loans can take years to pay back, the interest payable is many times more than the amount borrowed and financial problems worsen rather than improve, often resulting in stress and other health issues.



John Pollock from the Stop Illegal Money Lending Unit presents the Charter Mark to KCB CEO Sofia Dogan.

We will be working hard during 2025 to raise awareness of loan sharks and help people in Fife to avoid getting into severe financial trouble with these illegal lenders.

Report any suspected illegal money lenders to stop them preying on more vulnerable people in our community by calling the Scottish Illegal Money Lending Unit's confidential helpline on **0800 074 0878** (open 24 hours, 7 days per week)



Dunfermline Branch

Our brand new Dunfermline branch officially opened its doors in late February 2024, marking a significant milestone in our mission to better serve our members in West Fife and the surrounding areas.

Located in the new Community Support Hub in the Kingsgate Shopping Centre, the new branch offers our members access to all of the services we offer.

Since opening, the Dunfermline branch has already been a huge success. We've received wonderful feedback from members, many of whom are delighted to have a branch right on their doorstep.



We're proud of this new chapter in our journey and are excited to continue serving our community. The big banks are closing branches at a record rate and making it harder for people to maintain a relationship and access local services - we're committed to being there for our members. Thank you for your ongoing support, and we can't wait to see you at the Dunfermline branch soon!

L-R: KCB Chairperson Tom Adams, KCB CEO Sofia Dogan, ex-KCB Chairperson George MacDonald at the opening of the Dunfermline branch.

20th Anniversary Celebrations

We celebrated our 20th anniversary during the week beginning 24 June 2024 with a series of events aimed at celebrating with members and raising the profile of the credit union.

Established in Glenrothes in 2004 to offer local people affordable and ethical banking services, the credit union has undergone a huge transformation over the past two decades, including opening new branches and pivoting to provide online services in response to the pandemic.

KCB is Fife's largest credit union with over 7,000 members and growing

Kingdom Community Bank is Fife's largest credit union with over 7,000 members and growing. It is a friendly, local, ethical alternative to mainstream banks and high-cost lenders, ensuring people who live and work in Fife have access to affordable credit and savings.

During our anniversary week, we hosted a celebration event in each of our branches - Methilhill on Monday 24 June, Glenrothes

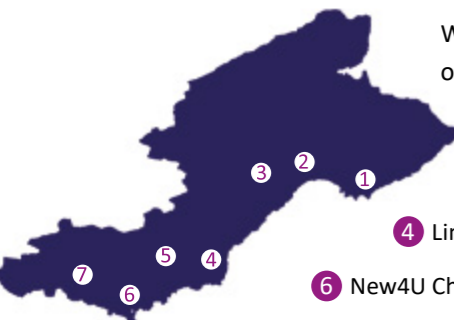
on Tuesday 25 June, and Dunfermline on Wednesday 26 June. The celebrations included cupcakes, merchandise such as badges and water bottles, balloons, bunting, and our new loan shark game, which all proved popular with members and passers-by.

We also hosted an event for Fife elected members and senior officials on Tuesday 25 June. We heard speeches from Sofia Dogan, CEO of KCB, Tom Adams, Chairperson of KCB, and Cllr. David Ross, Leader of Fife Council. Speakers and attendees were enthusiastic and supportive of Kingdom's mission and improving financial outcomes for the people of Fife and will help to point their constituents to Kingdom moving forward.



20 Members received £20 to celebrate our 20th anniversary

- 5 of them shared a birthday with us and the other 15 were chosen at random.



We also donated £200 to seven community groups in Fife, one in each of the Council areas:

- 1 St Monans Community Larder
- 2 Kennoway Community Shed
- 3 Thornton Bowling Club
- 4 Linton Lane Community Centre
- 5 Auchterderran Drop In
- 6 New4U Children's Clothing Bank
- 7 Broomhead TRA



Having Kingdom Community Bank in store helps to make our customers and colleagues aware of the range of services they provide in our local community.

The impact on the day of the event went well and was a great success and delighted to welcome Kingdom Community Bank to hold more events in our ASDA Kirkcaldy store in 2025.

Jean
ASDA Community and Customer Champion



Tom Arthur MSP, Cabinet Minister for Employment and Investment congratulated us on our 20th anniversary:

I am delighted to give my warmest congratulations to Kingdom Community Bank on its 20th Anniversary. The Scottish Government is committed to supporting greater financial inclusion, including through championing our credit union sector and community lenders.

Kingdom is a fantastic Scottish business success story and has had an incredible journey over the last 20 years.

From its beginnings in Glenrothes back in 2004, it is now Fife's largest credit union with more than 7,000 members and three branches across Glenrothes, Leven and, as of this year, Dunfermline. Kingdom is a real Living Wage employer that exists for and consistently gives back to the local community. I continue to be impressed by its dedication to improving financial inclusion across Fife.

CREDIT SCORE MYTHS

DEBUNKED

WHAT YOU REALLY NEED TO KNOW



POOR

EXCELLENT



Let's tackle some of the most common credit score myths - once and for all!

Credit scores can feel a bit like a mystery, can't they?

Between the myths you hear from friends and the confusing jargon online, it's easy to feel overwhelmed.

As a credit union, we're here to set the record straight and help you take control of your financial health.

MYTH 1:

Checking your credit score hurts it

FACT: Checking your own credit score does not hurt it. In fact, it's a smart habit! This is called a "soft inquiry," and it has no impact on your score.

Think of it like looking at your bank balance - you're just keeping tabs on where you stand. It's only when a lender checks your score (a "hard inquiry"), like when you apply for a loan or credit card, that it might cause a temporary dip.

So, feel free to check your score regularly - it's a great way to catch errors and stay on top of your finances.

MYTH 2:

You only have one credit score

FACT: You actually have multiple credit scores, depending on the credit reference agency (like Experian, Equifax, or TransUnion) or the scoring model used.

For example, one lender might use Experian's score when assessing a mortgage application, while another might use Equifax for a car loan. Don't worry too much about slight differences, what really matters is maintaining good habits like paying bills on time and keeping debts manageable.

MYTH 3:

Closing old credit accounts improves your score

FACT: It might seem like closing unused accounts is a tidy idea, but it can backfire. A big part of your credit score is based on the length of your credit history.

Imagine closing an old account you've had for 10 years - your credit history now looks shorter to lenders. Instead, consider keeping those old accounts open (as long as they're fee-free) to show you've managed credit responsibly over time.



MYTH 4:

You need to carry debt to build credit

FACT: You don't need to carry a balance on your credit card to build credit. Paying off your balance in full every month is better for your wallet and your credit score.

Let's say Sam uses their credit card to buy groceries but pays off the balance before the due date. They're still building credit without paying a penny in interest. Responsible use is the key, not debt.

MYTH 5:

Credit scores only matter if you're taking out a loan

FACT: Your credit score is more than just a number for loans - it can influence things like renting a flat, setting up utility accounts, or even getting a mobile phone contract.

For instance, a landlord might check your credit to decide if you're a reliable tenant. A strong score could mean fewer hurdles and even lower costs, like reduced deposits on utilities.

MYTH 6:

Your income directly affects your credit score

FACT: While your income is important for budgeting and affordability, it doesn't directly impact your credit score.

For example, two people earning very different salaries can have identical credit scores if they both pay their bills on time, manage their credit responsibly, and avoid over-borrowing. It's how you handle your credit, not how much you earn, that matters.

How your credit union can help

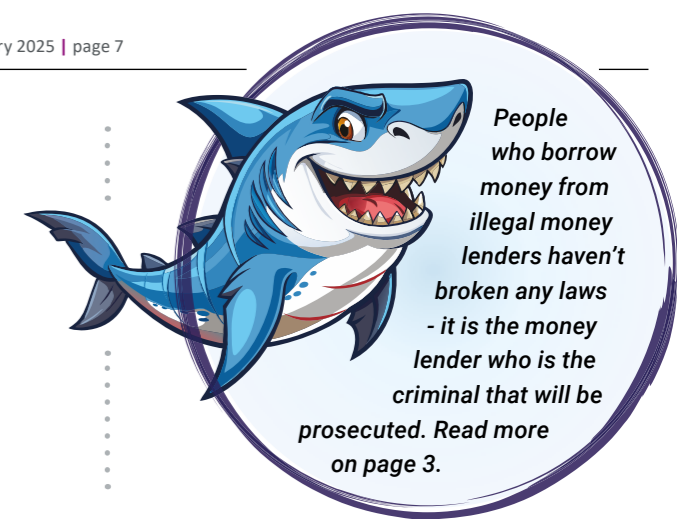
We understand that credit scores can feel intimidating, but you're not alone. At Kingdom Community Bank, we're here to help you navigate your financial journey.

Need help building or improving your credit?

We offer:

- **Free financial guidance:** Speak to our friendly team for personalised advice
- **Smart borrowing options:** Affordable loans designed to support your goals
- **Credit-building products:** Tools to help you establish or boost your credit history

If you have questions or concerns, don't hesitate to get in touch.



People who borrow money from illegal money lenders haven't broken any laws - it is the money lender who is the criminal that will be prosecuted. Read more on page 3.

MYTH 7:

There's a credit blacklist that stops you getting credit

FACT: There's no such thing as a "credit blacklist." Lenders don't share a secret list of people who are permanently denied credit. Instead, each lender uses its own criteria to decide whether to approve an application. Your credit report and score are important, but lenders also consider factors like your income, employment status, and the specific product you're applying for.

If you've been refused credit, it doesn't mean you're blacklisted - it just means that particular lender wasn't able to offer you credit at the time. Your credit union can help you understand the reasons and guide you toward improving your chances.

MYTH 8:

Your address affects your credit score

FACT: It's a common misconception that the area or the previous residents of your address can impact your creditworthiness. The truth is, credit scoring is based on factors like your credit history, payment behaviour, and outstanding debts, not your address.

However, your address can be part of your credit report. Inaccurate or outdated address information could cause issues with your credit report, so it's important to keep it up to date. But rest assured, your credit score will not drop simply because of where you live.

Remember, knowledge is power when it comes to your financial future.

Borrow Smarter

When you need a loan, it's important to know what you're really paying. See how Kingdom Community Bank compares to high-interest lenders:

Compare the cost of borrowing £1,000 over 12 months

LENDER	MONTHLY REPAYMENT	TOTAL COST OF CREDIT	TOTAL REPAYMENT	APR*
KCB	£93	£111	£1,111	21.9%
Everyday Loans	£119	£427	£1,427	99.9%
Money Shop	£163	£950	£1,950	295.6%
Handy Cash	£167	£1,007	£2,007	323.3%
Savvy	£169	£1,025	£2,025	332.0%
Mr Lender	£262	£2,138	£3,138	1,248.9%
Lending Stream	£263	£2,156	£3,156	1,271.0%

*Representative annual percentage rate. Figures taken from the lenders' websites on 13 February 2025.

Why choose Kingdom Community Bank?

- **Affordable borrowing:** Keep your repayments manageable
- **Transparent terms:** No hidden fees, no surprises
- **More money for you:** Spend your savings on the things that matter most
- **When you make your final loan repayment** (based on the example in the table above), **you will have an additional £120 added to your savings account** - so you continue to save throughout the duration of your loan. Other lenders don't do that!



Don't let high-interest lenders take more than they deserve.

BORROW SMART and save with Kingdom Community Bank!

What Could You Do with the Savings?

The higher cost lenders know that their offer is not good value for money, so they invest lots of money in advertising to attract business.

Borrowing from KCB will keep much more of your money in your pocket, and you'll have additional savings when you repay the loan.

What would you do with the extra money?!



Kingdom Community Bank and North East Fife Credit Union Join Forces

We're thrilled to announce that North East Fife Credit Union (NEFCU) will become part of KCB - an exciting step that will bring greater benefits to our members and the communities we serve.

This move will enhance our visibility and strengthen our presence in the North East Fife area, making it even easier for members to access the financial services we offer. By combining our resources in this way, we'll be able to offer an expanded range of services while staying true to our shared values of supporting local communities and empowering our members.

While this transition is still underway, we're excited about the opportunities it brings and are committed to keeping you informed throughout the process. We look forward to this new chapter and the positive impact it will have on all our members.

