The Management Committee has pleasure in presenting its report and the financial statements of the Credit Union for the year ended 30 September 2020.

**MANAGEMENT COMMITTEE MEMBERS**

**Kathy Berman (Vice Chair, Anti-Money Laundering)**

**Barbara Brown**

**Roger Hardy**

**Brian Johnstone (Treasurer)**

**McNabb Laurie (Complaints Officer)**

**Daniel McKeever (Chairman)**

**INCORPORATION**

Solway Credit Union was set up in 1999 by a group of local people interested in promoting the credit union philosophy of thrift, low-cost loans and the encouragement of savings.

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was the operation of a credit union. The Credit Union consists of a Board of Directors elected by the membership for the membership and adhering to the Financial Conduct Authority's Rules for Approved Persons.  The board meets regularly approximately every six weeks. The Loan Committee meets as required. Solway Credit Union has ad hoc arrangements in place for the prompt processing of loan applications. All loans require to be approved by 2 members of the Loan Committee.

The members of the Credit Union are said to have a "common bond"; in this case the common bond is living and working in Dumfries and Galloway close to the Solway Firth.

The objectives of the Credit Union are as follows:

      The promotion of thrift

      The creation of sources of credit for the benefit of its members at a fair and reasonable rate

      The use and control of members' savings for their mutual benefit

      The training and education of members in the wise use of money and in the management of their financial affairs

* Participation in Dumfries and Galloway Council’s Financial Inclusion Strategy
* The amelioration of the impact of Universal Credit in the common bond area.

Besides the help available from ABCUL (the Association of British Credit Unions Ltd) Solway Credit Union (SCU) employs one part-time Administrator and maintains an office in George St, Dumfries.  The Administrator handles all the day to day running of the organization and liaises closely with the Board.  Members can come to the office to deposit money and some prefer to do it this way, others use PayPal or our electronic banking arrangement.  We are in the process of expanding our digital offering.

SCU receives a grant from Dumfries & Galloway Council which assists with the administrative costs of running the business. The Common Bond and Rule Book allow Corporate Members to join. This helps us to forge links with local organizations and provides the potential for deposits from Corporate Bodies to strengthen our capital base.

A strategy to grow the membership through Payroll Deduction Schemes has been introduced with DGHP and Dumfries and Galloway Council. We are in discussion with another enterprise to expand this option We continue to work with the Registered Social Landlords to encourage their tenants to use the credit union to help them cope with the changes that Welfare Reform is bringing.

A Supervisory Committee for the Solway Credit Union is operating under ABCUL guidelines.

We have continued to receive financial support from Dumfries and Galloway Council and a grant from Scottish Government has allowed us to seek an operating system up-grade and to invest in the creation of a Solway Credit Union App. to ease our Member’s ability to use the services we offer remotely. We trust both developments will ultimately enhance our contribution to tackling poverty and financial exclusion in Dumfries and Galloway. We continue to operate our ASAP loan scheme on a limited underwritten basis.

Through separate funding from Scottish Government, we expanded our work with schools by setting up new savings schemes and providing financial education. This work has been negatively impacted by the pandemic but is an area we are keen to maintain and develop.

**FUTURE DEVELOPMENTS**

The reduction in financial support to the Solway Credit Union from Dumfries and Galloway Council has meant that we are no-longer able to retain the services of a Development Officer or a second Administrator and our Treasurer has voluntarily agreed a significant temporary reduction in his stipend. Two Board Members have resigned but nevertheless we continue to sustain our Audit and Risk Committee, our Loans Committee and to ensure oversight from the Supervisory Committee.

The current Board is accurately aware of the need to refresh its composition and to recruit new members to our Board this will be the major focus of our efforts in the coming months. We remain vigilant and keep our position under review and have agreed an orderly exit strategy should that become necessary



Daniel McKeever

Chairman of the Board of Directors

02/11/2021