

CREDIT UNION AGM FAQs

1 What is an AGM?

It means Annual General Meeting. Most organisations, including firms, clubs, societies, charities and community groups hold one at some time during their year.

2 Why does a Credit Union hold an AGM?

Credit Unions are owned by their members – the people who save with them and/or borrow from them. They have no other shareholders. As they are the owners, they must have an opportunity at least once a year to receive reports from the directors and managers about how their credit union is doing, and to ask questions and vote on any important matters.

3 Who can take part?

All Credit Union Members with at least £1 in their Membership Account at the date of the AGM are legally entitled to attend the AGM along with their fellow members. This right is set out in the Credit Union's Rule Book. There must be at least 15 members present to hold a meeting, but normally we get many more than that.

4 What happens at the AGM?

The Credit Union's President (Chair of the Board of Directors) opens the meeting, welcomes everyone and keeps the meeting on track, working through the items of business (agenda) in turn. Other people – the Chief Executive, other directors and members – have their chance to speak throughout the meeting. The President decides when to close discussions, ask members to vote and move on to the next item.

5 How can members attend?

This year's AGM is an Online Meeting, which members can join in via computer, laptop, tablet or smart phone, from the comfort of their own home, or at work or even on the move. Members simply need to register in advance by clicking the Register button on our website.

6 Why is this year's AGM online?

We know that some members would prefer to meet in person, as we used to do. But we also get some great feedback about an online AGM, as it allows many more members living further away, and those with travel problems, to take part. Ideally, we would have a hybrid AGM, with some joining online along with others in a meeting room. Without a big investment in technology systems, that won't be possible this year.

7 What is meant by the Minutes of last year's AGM?

Minutes are a written record of the proceedings of an AGM. They are placed before the next AGM so that those who were there can confirm their accuracy. Minutes then become part of the history of the organisation.

8 What is a Directors' Report?

Credit Union members elect directors to govern the organisation for them, who must make an annual report to the members showing how they have gone about it, what they've achieved and how the Credit Union is progressing under their stewardship. After the report is presented, members can ask questions about it and the President, CEO or other directors will respond.

9 What is meant by Consideration of the Accounts?

Organisations like credit unions are legally obliged to prepare a set of accounts each year showing the state of their finances at the year-end date (in our case – 30th September). The accounts must be audited by an independent auditor, approved by the Board and then presented to members at the AGM. Again, members may question the directors about the accounts.

10 What is an Auditor's Report?

It's a report prepared by the independent auditors explaining the work they've done to check over the financial accounts and assess whether they meet internationally-accepted accounting standards and give a true and fair view. A clean audit report gives reassurance to the members of an organisation that has been audited.

11 What is meant by Declaration of Dividends?

If the Credit Union has made a surplus, the Board of Directors may recommend that a Dividend be paid to members to reward them for saving. Before the funds can be posted to members' accounts, the proposed Dividend must be declared (voted upon) at the AGM. Only then does it become the property of the members entitled to it.

12 Who appoints the Auditor?

The Auditor is appointed each year by members voting at the AGM. The Credit Union Board will recommend a suitable accountancy firm to the AGM after making various checks. Every 10 years they invite audit firms to tender for the work but, unless the auditor has expressed a wish to retire, in other years the members would normally vote to re-appoint the existing auditors. Having the members appoint the auditor rather than the Board is a safeguard.

13 How is the Board of Directors elected?

The Credit Union has 12 non-executive directors (volunteers) who each serve for 3 year terms. Each year, 4 of them, in turn, must either seek re-election or step down. At the AGM members are given a list of those who have been validly nominated (the candidates), together with some biographical notes about them. Members are asked to cast their votes, which are then counted by tellers (people chosen at the AGM to conduct a fair election) and the candidates with most votes are declared elected. Members can have one vote for each vacancy to be filled (normally 4 votes).

14 What do the Credit Union Directors do?

The role of a director is to bring your skills, experience and own perspective to contribute collectively to shaping our strategic direction, making future plans and monitoring progress. Directors govern our Credit Union, making sure it acts in members' interests and upholds our ethical values.

15 How can someone become a Credit Union Director?

Some weeks before the AGM, we invite members to seek election to the Board. Those interested can complete a **Nomination Form**, with the name of two other members (a Proposer and Seconder). Nominations must be received by the Credit Union 2 weeks before the AGM to give time to prepare the candidates' notes and ballot papers. Anyone who may be interested in serving as a Director but is not sure, is welcome to contact the Chief Executive or one of the directors for an informal chat to find out more.

16 Why should Credit Union members attend the AGM?

When you are the owner of something valued, it's only natural to want to look after it. All our 16,000 members are owners of something valued – HEY Credit Union. If possible, they should try to join the AGM to show interest in what their Credit Union is doing for its members and to encourage the directors and staff team to keep on making it the best it can be. Keeping up to date with Credit Union news, reading our newsletters and reports, responding to surveys, asking questions at the AGM and voting when asked, are all ways that our active members can help.

17 What else happens at the AGM?

Sometimes we have short presentations about topics that we think our members will be interested in; there's usually a Prize Draw, with everyone who attends given a free ticket, to win some nice prizes.

And if we need to change the Credit Union's Rule Book, we explain the changes to members and then ask them to vote to accept or reject them. If accepted, the changes are then sent to the Financial Regulators for approval.

18 When is the AGM?

This year's AGM is on **Tuesday 12 December at 5.45 pm**. It is likely to last just over an hour.

We plan to donate **£10** to one or more local charities for every Member who registers for, and attends, the 2023 AGM.

19 How can I register to attend the AGM?

Click on this link: [Registration \(gotowebinar.com\)](https://www.gotowebinar.com)

Hope to see you there!