



# South Manchester Credit Union

**Your Annual Report 2024**

## Who are we?

### Our vision and values

We are a member-owned organisation that works within South Manchester's communities to provide affordable loans and convenient savings. Being run by like-minded local people, we treat our members as individuals, not over-charging those with a poor credit history and keeping our community-first ethos at the front of everything we do.

#### Vision

Our vision is simple - to run a community credit union which is a significant asset to the people and the economy of South Manchester. Our members make us and are the only reason we are able to continue to achieve our asset.

#### Values

##### Quality



Excellence is our goal

##### Cooperation



Local people helping local people

##### Ethics



Trustworthy, open and fair

## A fresh look for 2024

### Our brand refresh

When you picked up this very Annual Report, you probably noticed something slightly different. Well, you would be right! We are proud to present our updated look for 2024 and beyond. Don't worry - we haven't completely changed the South Manchester Credit Union branding you all know and love. Let us show you a few of the key changes.

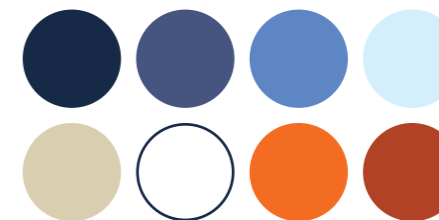
#### Logo

**South  
Manchester  
CreditUnion**

Our new logo is designed to allow our brand personality to shine through, welcoming everyone who wishes to join our credit union.

The new, more rounded font displays our logo exactly how we want to portray ourselves - as friendly and positive.

#### Colours



We have stayed loyal to a similar colour scheme. Blue remains our primary colour, although we now have a range of shades on our palette.

We always aim to be clear, inclusive, and accessible. Our warm colours on the bottom row help us express this.

#### Personality

**Positive  
Inclusive  
Fun  
Trusting**

Our brand personality is a definition of how we deliver our services to members and what we're like to work with.

We are all about your wellbeing, putting some fun into finance, and here as the place people know they can trust.

# What have we been up to?

Our year in pictures



## Saving made simple

Your saving options

### Open Savings

- Give yourself **financial peace of mind** knowing you have money securely tucked away
- Deposit whenever you like with a standing order or one-off deposits
- Access your savings with ease through our secure messaging app

### Locked Savings

- Build these savings over your time with us
- You can pledge these savings towards loans
- **All savings are invested back into our community**, allowing us to continue to provide fair and affordable finance to everybody who lives, works, or studies in South Manchester

### Dream Saver

- **Achieve your dreams by saving here**
- Set your dream goal with us and we will keep your savings safe for you until you reach your goal
- Don't lose sight of your dreams - we'll help you work towards achieving them

### Christmas Club

- Plan ahead and **feel ready for Christmas**
- Save all year round and withdraw your savings from 1st November right up until the big day
- Anyone with Christmas Club savings is entered into an annual draw with a top prize of £50

### Prize Saver

- **Win up to £5,000 just by saving every month!**
- Every £1 you save here counts as an entry into a monthly prize draw with other credit unions
- You can have up to 200 entries per month
- There are also 10 £50 prizes and 10 £20 prizes

### Young Saver

- Young Saver accounts are for anyone up to the age of 16
- **Help children understand the value of saving**
- When young savers turn 16, they become an adult member here

## Andy Burnham backs SoundPound Loan Launch

Greater Manchester Consortium of Credit Unions

Back in February 2023, our Greater Manchester consortium of Credit Unions (GMCU) launched a brand-new loan product, the SoundPound Loan, as backed by Mayor of GM, Andy Burnham.

The SoundPound Loan provides a safe borrowing solution for local people experiencing a financial squeeze, perhaps for the first time, brought on by the Cost of Living crisis.

The launch was an opportunity for representatives from all eight community credit unions in GMCU offering the SoundPound Loan to come together with senior figures from across Greater Manchester to celebrate the milestone of launching a joint-loan product between multiple credit unions, the first of its kind in the UK.



Andy Burnham gave his full backing for the innovative loan initiative – he even took part in our #SoundPoundChallenge, thanks to some persuasion from our marketing team, Ryan and Sam.

Speaking at the launch, Mayor of GM, Andy Burnham, said,

**“Credit Unions represent a positive, safe solution to short term credit pressures. I’m delighted to see them come together across Greater Manchester to provide a local and ethical alternative to the high-interest payday loan companies and loan sharks”.**

Our CEO, Sheenagh Young, also commented on credit unions,

**“Credit unions have existed in local communities across the UK for over 50 years and responsible lending is in our DNA. We work with individuals to help them through challenging times so that they can grow their financial resilience and kickstart savings habits for the long term, whatever their income level”.**

# Borrowing made better

## Your loan options

### Welcome Loan

- This is usually a **member's first loan** with us
- You can apply from £150 up to £700
- Applications are assessed the same day
- Interest is charged at 42.6% APR

### Smart Loan

- To achieve any of your **bigger goals in life**
- Apply from £1,000 up to £15,000
- Applications are assessed within 5 working days
- Interest is charged at 14% APR for loans above £3,000, and at 26.8% APR below £3,000

### Saver Loan

- **Loyal members** are rewarded with a lower interest rate of 26.8% APR
- Borrow up to a bespoke credit level (max. £3,000)
- Apply to re-finance up to 4 times every financial year, between 1st October and 30th September



Scan the QR code to apply or ask any questions on our messaging app

### Family Loan

- This is for members who receive **Child Benefit**
- You can apply from £300 up to £700, depending on the amount of Child Benefit you receive
- Interest is charged at 42.6% APR

### Green Loan

- Make **sustainable changes to your life**
- For every loan issued, **we plant a tree locally**
- Apply from as little as £500 up to £15,000
- Interest is charged at 10.5% APR for loans above £3,000, and at 21.9% APR below £3,000

### Secured Loan

- **Protect your savings** with this loan
- Locked savings are equal to your loan balance
- You can apply from £150 up to £15,000
- Interest is charged at just 5.1% APR over £3,000
- **Anyone with over £150 in savings can apply**

T&Cs apply to all loan products

All interest is charged daily on the reducing balance

# Achieve your dreams

## David's Story

David always had big ambitions, dreaming of becoming a doctor as a child.

Although he wouldn't go on to study medicine, David studied Biochemistry in Nigeria as his first degree.

Whilst in Nigeria, David spent time working with terminally ill patients. The misdiagnosis that led to people being there struck him. He knew that quality of life could be improved if first diagnosed properly.

This work in Nigeria inspired David to seek a Master's in Public Health. When an opportunity for a scholarship at the University of Salford arose, he couldn't turn it down.

David researched Foetal Alcohol Spectrum Disorders as part of his Master's and wanted to continue and complete his PhD to achieve his dream. However, as an international student, David wasn't entitled to student loans or benefits and was limited to working up to 20 hours a week. David had to consider his wife and 2 young daughters when making his next move, but giving up on his PhD was never an option. He had the full support of his wife, but David still had to raise more

funds from somewhere. David was not aware of credit unions until a friend recommended talking to us about a loan.

**"I thought I might as well try. What's the worst that can happen?"**

He applied for a Smart Loan to go straight towards his tuition fees, which would mean he could carry on with his PhD. A few days later, his application was accepted!

**"Wow! The feeling was out of this world, it felt like a miracle. Even now it's like a brand-new feeling"**

David completed his PhD and achieved his dream and offered a permanent position at the University of Salford.

David's advice to people still chasing their dream? **"Keep trying every option you have. Magic can happen".**

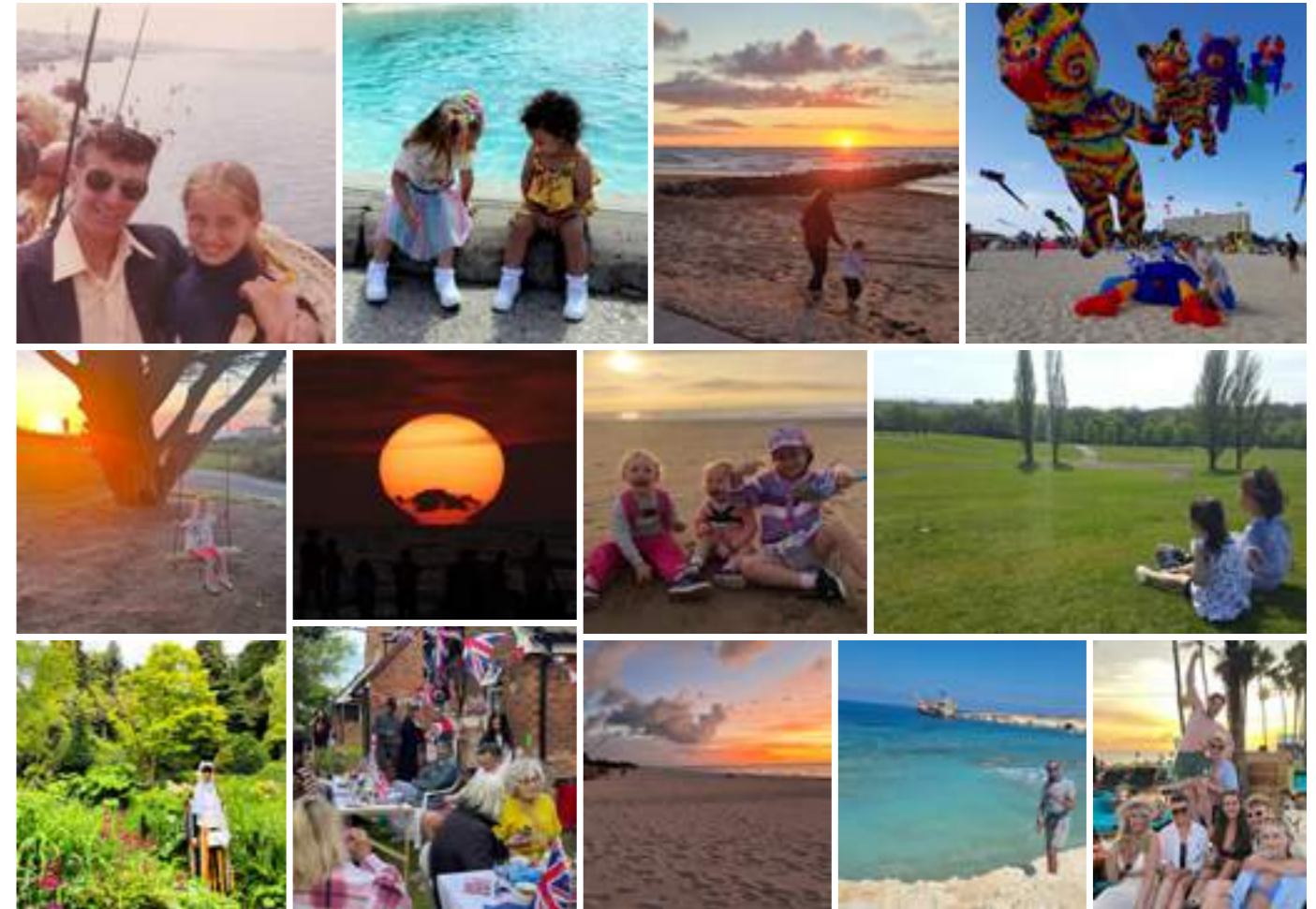


# It's competition time!

Your year in pictures



Best moment of 2023



Summer memories

# £30 million total lending milestone

Celebrating £30 million in total lending

We have smashed the £30 million milestone of total amount lent out to our members since we opened back in 2000! Keeping local money within the local economy and reaching out and supporting people to improve their financial wellbeing has been at the heart of this for us,

This milestone represents a great achievement for community finance in South Manchester, displaying the growing strength and significance of the inclusive borrowing solutions provided by credit unions.

We exist only to empower the people of South Manchester, to work together to improve financial wellbeing and to be an anchor for safe financial services in the local social economy. £30 million in total lending shows an expanding credit union presence and sustained trust held with our community.

Jeff Smith, Labour MP for Manchester Withington, congratulated the achievement, **“I want to send my congratulations to South Manchester Credit Union for achieving their £30 million lending milestone”.**

“As a member, I know the **fantastic strides** the credit union has made since it started nearly 25 years ago in the church hall on Fog Lane, Burnage. SMCU has been a **constant resource and support for the local community** ever since. This achievement demonstrates the extensive support provided to local residents, steering many away from high-interest lenders, and the support that local residents have given back. **Congratulations to everyone involved in making this happen”.**

Thank you so much to each and every one of our valued members. We appreciate you all so much - here's to the next milestone!



# In your own words

Our latest Google reviews

**T Tokendira Mpendembe**  
1 review  
★★★★★ 3 months ago  
One of the best Credit Unions in UK. The staff are excellent at communication and handling business. Keep it up, please.

**A Ashya Reuben**  
2 reviews  
★★★★★ 2 months ago  
One of the best financial choices I made in 2023 was becoming a member of the South Manchester Credit Union. They proved to be a source of relief when I faced difficulty paying my school fees, despite having joined only a few months prior and not having gathered substantial savings. The Credit Union has an exceptional team that consistently offers support and efficiently aids in the loan application process. They have truly been an invaluable resource for me, and I would confidently recommend them at any given time.

**R Rob Birch**  
1 review  
★★★★★ 5 months ago  
Friendly non-judgemental quick service with welcome reassurance and support. Lovely people great organisation to be a proud member of. Thank you.

**D Darren Hales**  
1 review  
★★★★★ 6 months ago  
Fantastic staff, went above and beyond to help us.

**L Lisa Southworth**  
1 review  
★★★★★ 3 weeks ago  
Fabulous and so helpful - Treat you like a human not a credit score.

**p pauline welsh**  
11 reviews  
★★★★★ 5 months ago  
These people were so helpful even when I was struggling they worked through the best solution for me and helped me out massively thank you.

**Kia Khan**  
5 reviews  
★★★★★ 10 months ago  
The team are so friendly, they have really helped me from moving out independently to simply enjoying life a little with a holiday. They make you feel part of a real community.

**M Marie Gallagher**  
2 reviews  
★★★★★ 10 months ago  
Absolutely brilliant! Staff are so helpful, friendly and hardworking. Haven't got a bad word against them! Had a new bathroom and now a sorting a new boiler and radiator. Payments are clear and easy and set up for a date that suits you. Any worries they're at the end of the phone or use NVO - quick to log into and easy to navigate. Give them a call... they're there to help!

## Our credit union in numbers

As of 30th September 2023

Active members

**4,708**



Christmas Club

members **190**



Young savers

**155**

Young savings

**£118,811**



Member loans

**£2,899,878**



**60.7%**

of members borrowing

Adult savers

**4,190**

Adult savings

**£3,922,037**

We've reached a milestone of **£30,000,000** lent out since our formation

## Our credit union in numbers

During financial year 2022-2023



**466**

New members

Loans issued

**4,565**

Amount lent

**£2,671,493**



Total income

**£554,718**

Total expenditure

**£544,261**



Savings deposited

**£3,087,111**



Adult savings growth

**0.7%**

Loan book growth

**4.9%**

Adult member growth

**2.7%**





# Board Report

Mike Connolly, Chair

## It's a Wonderful Life

I watched the 1946 film 'It's a Wonderful Life', for the first time this Christmas. It's about the usefulness of a life. It's about a community savings and loans scheme which keeps decency and self-respect in the community. 'Bailey Building and Loan' provides a reliable alternative to predatory lenders who would get rich as they make others poor. James Stewart plays the manager who struggles to appreciate the value of what he's done with his life. It's the credit union story for sure.

We in South Manchester Credit Union are the trusted and safe alternative to taking a loan from a person who sees your vulnerability and ties you in a web of debt and fear. Such people are active in our community. They always have been.

So like George Bailey (James Stewart), we are determined. **Our work is useful and it is transformational.** We focus on the people who need us most and we change their lives. We focus on their wellbeing and we iron out the financial ups and downs of their lives. We can do this because we're organised,

as they say in another great film, Chicken Run (2000).

We have developed our Board of Directors this year and with Sheenagh's unfailing support, we are internally strong and externally focused. Internal and external auditors have approved our operation and we are close to completing our next five-year strategic plan. We plan a community credit union, focused on the wellbeing of the people in our community. We will be outward-looking and collaborative with other credit unions in Greater Manchester. We will innovate and we will grow in size through technology, through our reputation for member services and with social enterprise lending. I salute our staff team and my fellow directors for their commitment and friendship.

Thank you in particular, to directors Paul Murphy and Martin Logan for your long and distinguished service to South Manchester and its credit union.



# CEO Report

Sheenagh Young, CEO

## Yes Mike, it is a Wonderful Life.

Even through difficult times like the last few years.

Credit unions like ours continue to grow in numbers and reputation because we focus first on what's right for our members.

Here in South Manchester, we have achieved two significant milestones together; our loan book is now over £3 million for the first time and we have lent more than £30 million since we started in October 2000. It is testament to the loyalty of our members that 97.3% of loan repayments are honoured.

Growing awareness of our Smart loan offer led to a further 23% growth in Smart loans during this financial year. Existing members tell us they are delighted to find out they can deepen their trusting relationship with us to finance home improvements, holidays, visa applications, cars and much more. New members are attracted by the rates and the flexible terms.

We can now approve new loans up to £1,000 in one day due to improvements we have made behind the scenes. The number of applications doubled in the run-up to Christmas 2023. It is good to have the Nivo messaging app available in our own name and a website refresh with an option to join and borrow directly from the webpage.

We have deepened our marketing knowledge through working with Mike Pye & Co in 2023. They have developed a strategy and brand refresh with us. Plans are well ahead for a campaign this Spring as we

push forward with fresh energy into 2024.

Listening to members is vital to us and we are proud that 15% of our membership have taken time to leave us a 5-star Google Review. We are now also introducing the 1872 Temperature Check to further measure member satisfaction. We want our members to thrive financially.

It has been a pleasure to welcome Emily and Abdullah to our lending team and see them bring a positive impact this year. Our staff work hard to serve members and also want to enjoy the days - you can see us on social media as we celebrate staff birthdays in the Fog Lane birthday 'throne'. **We believe in the feel-good factor.**

This has been another solid year of development for GM Consortium of Credit Unions which is now a collaboration of 14 sister credit unions all based in GM. Together we have 76,108 members, assets of £242m and a loan book of £139m. We have partnered with GMCVO who designed the Enterprising Communities Fund as an innovative way for local credit unions to invest in GM social enterprises. It is the first fund of its kind in the UK so we were excited to celebrate the launch with Andy Burnham in January 2024.

I have been working with our directors on our strategy for the next five years and we have ambitious plans. We want more people to know that we are a community anchor for safe, friendly, affordable financial services. True to ourselves and to members. **Improving lives, together.**



## Statement of financial position

As of 30th September 2023

	2022/23 £	2021/22 £
<strong>Assets</strong>		
Bank and cash balances	1,986,003	2,027,073
Loans and advances to members	2,575,203	2,511,974
Tangible fixed assets	5,905	5,391
Receivables	20,332	9,201
	<strong>4,587,443</strong>	<strong>4,553,639</strong>
<strong>Liabilities</strong>		
Member's deposits	4,040,848	4,008,123
Other loan capital	12,504	17,241
Payables	54,381	56,194
	<strong>4,107,733</strong>	<strong>4,081,558</strong>
Retained earnings	479,710	472,081
	<strong>4,587,443</strong>	<strong>4,553,639</strong>

## Statement of comprehensive income

For the year ended 30th September 2023

	2022/23 £	2021/22 £
Loan interest income	501,242	487,399
Interest paid (dividend)	-11,395	-9,321
Other Income	64,871	94,473
<strong>Total income</strong>	<strong>554,718</strong>	<strong>572,551</strong>
Staff cost	-262,127	-265,162
Impairment losses on loans to members	-122,028	-108,749
Marketing	-28,972	-23,090
Depreciation	-4,987	-19,420
Operational costs	-126,147	-122,544
<strong>Total Overheads</strong>	<strong>-544,261</strong>	<strong>-538,965</strong>
Surplus before Corporation tax	10,457	33,586
Corporation tax	2,828	-269
<strong>Distributable surplus</strong>	<strong>7,629</strong>	<strong>33,317</strong>

## Financial wellbeing for the next generation

Our visit to Moss Hey Primary School

In the summer of 2023, our marketing team, Ryan and Sam, visited Moss Hey Primary School to deliver an engaging workshop on different topics all to do with money and finance.

Financial education lies at the forefront of our mission to work with local people to improve their financial wellbeing. Providing this education directly to the next generation represents a huge step towards improving the financial wellbeing of these children when they become young adults and face their first real financial obstacles in life.

Real-world topics, such as finance, may not be covered enough in today's schools, leaving some lacking the necessary know-how for the challenges adulthood can bring. We are committed to improving the financial skills of our community through quality service, resources, and education.

Marie, a member of South Manchester Credit Union and teacher at Moss Hey Primary School, described the visit, **"As well as learning valuable lessons about money, the children really enjoyed the class. These skills are**

**necessary when growing up, so it's great that they have had the opportunity to learn at a young age".**

Keeping sight of your dream goals and saving up to achieve those goals is something we believe is vital to maintaining financial wellness and positive mental health, and that is exactly the message we gave to the children. They even got to make their very own dream savings box!

Sam Coleman, a member of our marketing team, said, **"I believe financial education is a very important subject for the younger generation, as it's something that I wasn't taught at school".**

Making sure that children of this age are equipped with some basic understanding of real-world finance is something we believe is essential in preparing their financial awareness for adulthood.



## What are South Manchester's children dreaming of?

Southway Fun Day

We had a great time talking to everyone who came to the Southway Fun Day on Westcroft Road back in August. Our money quiz proved quite the treat, as 34 children took part in our quiz and told us their dream goals. Take a look at them for yourself below.



## Get to know us

Meet our team



Abdullah



Aimee



Andrea



Emily



Ginka



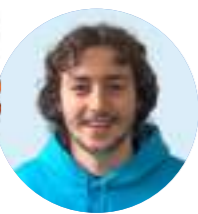
John



Raqeeb



Ryan



Sam



Sheenagh



Trish

## In our community

Our connections



### Contact us

Download our messaging app  
0161 448 0200  
hello@smcreditunion.co.uk

### Visit us

187 Fog Lane  
Burnage  
M20 6FJ

### Follow us

@SmCreditUnion



South Manchester Credit Union is authorised by the Prudential Regulatory Authority (PRA) and regulated by the Financial Conduct Authority (FCA), and the Prudential Regulation Authority. FRN 213666

# South Manchester Credit Union

0161 448 0200

[www.smcreditunion.co.uk](http://www.smcreditunion.co.uk)



Congratulations to all of our competition winners from 2023: **Sara, Jean, Carole, Donna, Marie**