

The background image shows a residential street with a row of terraced houses under a cloudy sky. A blue banner with white and light blue text is overlaid across the middle of the image. The banner has a faint floral pattern on its left side. In the top right corner, a white sign for 'south manchester credit union' is visible, tilted upwards. The overall scene is a low-angle shot looking down the street.

YOUR ANNUAL REPORT 2021

south manchester
credit union

WHO ARE WE?

Our mission and values

Our Values

Cooperation

Local people helping local people

Quality

Excellence is our goal

Ethics

Trustworthy, open and fair

These values are important to us because they inspire us to be committed into giving time and energy to our members.

Our Mission

We are here to provide a secure and professional service that encourages saving and offers loans to our members. We are different because we:

- Run the credit union ourselves and are here for everyone in our community
- Keep local money within our local economy
- Reach out to people who need us the most
- Work with financially vulnerable people to find financial wellbeing
- Focus particularly on our young people
- Behave in a welcoming and ethical way

WE'RE HERE FOR YOU THROUGH THICK AND THIN

Covid-19

Throughout the past year our lives have been impacted one way or another through the pandemic. For us, our front desk has been closed but we have continuously worked through the thick of it, to provide a much-needed service to South Manchester. We have been able to:

- ✔ Provide 98% of our services through Nivo
- ✔ Support people self-isolating
- ✔ Support people experiencing reduced pay and redundancy
- ✔ Refer vulnerable people to foodbanks/ additional support
- ✔ Co-create a £15 million resilience loan fund
- ✔ Provide member wellbeing phone calls



SAVE WITH YOUR CREDIT UNION

Open Savings

- Give yourself financial peace of mind knowing you have extra money tucked away
- Grow your savings with a limit of one withdrawal per month
- Regularly deposit into your account through standing order or one-off deposits
- Easily access your savings through our mobile app, Nivo

Locked Savings

- Build these savings during your credit union journey
- You pledge these savings towards your loan
- Your locked savings are invested back into the community to provide fair and affordable loans to the people of South Manchester

PrizeSaver

- Win up to £5,000 just by saving every month
- There are also 20 prizes of £20 every month
- We are one of just 15 credit unions that offer this savings account

Christmas Club

- A savings account that will help you spread the cost of Christmas
- From 1st November until the special day, you can withdraw your Christmas Club savings
- You also get entered into a yearly Christmas Club draw with a top prize of £50

Young Saver

- A Young Saver account is for members up to the age of 16
- This account helps children understand the value of saving
- Young Savers receive a free piggy bank when they open an account

BORROW FROM YOUR CREDIT UNION

Welcome Loan

- You can apply to borrow between £150 and £700
- Your first Welcome Loan application will be processed within 2 working days
- Interest is charged on the reducing balance at APR 42.6%

Family Loan

- This loan is for members who receive Child Benefit
- You can apply to borrow between £300 and £700 depending how much Child Benefit you receive
- The interest is set at APR 42.6% on the reducing balance

Saver Loan

- For our loyal members, who have been with us for a year, we reward you with a lower rate of interest at APR 26.8%
- Borrow up to your bespoke credit level (up to £3,000)
- Apply to refinance up to 4 times a year between 1st October and 30th September

Smart Loan

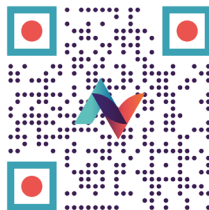
- You can apply to borrow between £3,000 and £15,000
- Applications are processed within five working days
- Interest is charged on the reducing balance at APR 14%

Southway Solutions Loan

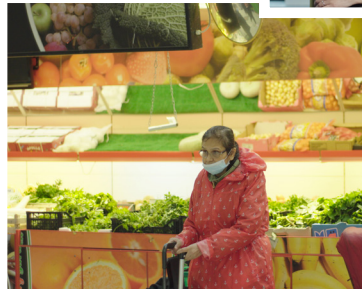
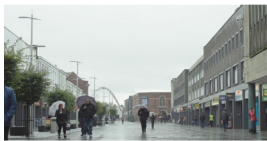
- This loan is for members who are tenants of Southway Housing
- You can apply to borrow up to £300
- The interest is charged on the reducing balance at APR 42.6%

T&Cs apply to all loan products

We work with you to arrange repayments to suit you



Scan the code to apply over
our messaging app, Nivo



£15 MILLION RECOVERY PLAN

Sound Pound Covid response

Our credit union is one of the 8 community credit unions from across Greater Manchester who have formed a consortium, known as Sound Pound. We have joined forces to raise awareness of credit unions and shout louder about all that we have to offer.

We are all based in our local communities and understand what GM residents have been going through this year, so in November 2020 we created a collective response to Covid. We have built up a £15 million fund to lend to those who are struggling financially. Together we are supporting communities throughout Covid and beyond it.

Our CEO Sheenagh Young comments

"Together we're bigger and we're stronger. Credit unions are not about profiting from people getting into debt: we lend at fair rates of interest with affordable repayment terms. Our aim is to encourage more thoughtful, forward – looking financial habits".

"We're seeing more and more young people becoming members. Covid has hit them especially hard and they are finding that we are more accessible than they realised because of our digital approach."

Darren Howard is one person who has benefitted from a loan with us to help grow his business during Covid. Back in August, Darren started his building business and soon worked out that he needed a new van. To be able to afford it he needed a loan but did not want to be hit by high interest rates. Darren says "I use my local credit union because the interest rates are low and its quick and fast. Money's in the bank within the week... and it's very straightforward". Darren appeared on the Granada TV report covering the Sound Pound Covid response and featuring our credit union. You can have a look here smcreditunion.co.uk/itv-granada/

Although it's especially important for us to work with members who may be financially excluded - having low incomes or poor credit ratings, for example - our services are open to everyone. The priority now is to expand and develop our technology together to make our services even more convenient.

Scan the code to find out more



BOARD REPORT

Mike Connolly, Chairman

Our credit union is in a strong position. This report describes a year that none of us predicted.

Our finances are stable. Members have been affected by the changes in employment and income. We think that this has made it more difficult for some to pay back at the normal rate and made others more nervous to take out loans. Therefore, fewer loans have been requested but our credit union saved for rainy days like these. We are calm and confident to lend to our members now and in normal times ahead.

Our staff are resilient. We didn't furlough our team and they have continued to provide outstanding services to members. They've coped with home working brilliantly.

Our board of directors is united and determined. We pay tribute to Janet Baddeley a founding member, director and volunteer. Her inspirational vision remains with us all. The board have stayed close to each other and to Sheenagh and we have a strong sense of how we will get through Covid times and grow our credit union.

We are refreshed: we have new directors – a new image on the shutters– new auditors to reassure members that all is as it should be and we have new members.

My role as Chair, is to work very closely with Sheenagh as Chief Exec which is a great pleasure. It is also to lead our very capable group of directors which is also a great pleasure. Sheenagh talks about our members and our credit union as if it was a person that needs to be listened to and needs to be encouraged and defended and valued. She would add that it also needs to be celebrated.

South Manchester Credit union is a precious achievement. Thank you to the volunteers, the staff and the members. We remember our members who have died but who are a part of our story. Thank you to sister credit unions and credit unionists around the world who are helping communities in these difficult months. We are all a part of their story.

It's been a tricky year and we're in good shape.

WHAT YOU CAN ACHIEVE JUST BY SAVING

Durani's story

It's not every day you make the big decision to purchase your first home, but that's the decision Durani made just last year.

Recently, Durani was able to put a deposit down for his first home out in the countryside and used his credit union savings account to build towards his goal.

He first opened his account back in 2014. Before then, Durani found it difficult to save. He had his savings account linked to his bank account and would find himself transferring money that he intended to save. Durani realised that he was spending a lot more money because it was too easy to constantly withdraw from his savings. As soon as he logged into his online banking, his savings were visible and could be transferred with the click of a button - whenever he wanted.

When Durani noticed his savings were not growing, he started to use his credit union account... and what a difference it made!

Instead of being able to move money without thinking, he was able to set it aside where he started to see them build into a healthy amount. He described "the money isn't just there in front of me, I'll only withdraw it when I actually need it".

Because of this, Durani was able to develop a resilience towards spending. He became more careful with his finances which gave him the ability to budget and create a saving habit.

"The credit union has given me the discipline to save".

Whilst saving, Durani has been able to enjoy every day life too. The advantage for him was that he could set up a standing order for the date he gets paid. This meant that he wouldn't even notice it leaving his account. He would save what he could afford as well as pushing himself to deposit when he knew he could.

Now, Durani sees himself with enough savings for a deposit for his first home. He's achieved a milestone accomplishment. He has a place that he can now call his own with his wife and start to create a family.

His next steps are to purchase a car as well as look into possibilities of setting up his own business using his credit union account along the way.

The future looks bright for Durani and the sky is the limit!

south manchester
credit union



THE ARTISTS

Mike and Sian from Berlin to Burnage

Mike and Sian are local artists that have some of their amazing work displayed in and around South Manchester. They are behind adding colour to shop shutters in Withington as well as our Fog Lane neighbours, Reasons to be Cheerful. More recently, Mike and Sian have been able to use the shutters at South Manchester Credit Union as a blank canvas to give 187 Fog Lane more life after hours.

Before displaying their signature art to the world, the couple worked for design agencies. After this, the pair decided to pack their bags and travel across Europe. During their adventures, they set up shop in Berlin to take a more hands-on approach and further embrace their own style.

Following their time in Berlin, the artists moved back to Manchester and have been working together for 2 years creating unique artwork.

Mike is Mancunian-born and bred and Sian has made Manchester her home. They have been able to share a lot of their art in different parts of the City with South Manchester being their favourite place for projects. Here they can express their unique style. They described how each project allows them to add a personal touch which gives them a real buzz.

“It’s certainly not all roses and we work hard at what we do. The fact that we haven’t had to compromise too much of our art is pretty incredible!”

One of their standout projects was working with the homeless charity Lifeshare. They were able to work with the charity on their first ever public billboard campaign. This venture meant a lot to Mike and Sian because their art was being used to promote a good cause.

Mike and Sian have a lot of new things to go for in the next couple of months with their schedule jam-packed with new projects! After they’re done, the duo wants to focus on their art as well as brightening up their local neighbourhood.

We’re excited to see what Mike and Sian create next!

OUR CREDIT UNION NUMBERS

As at 30th September 2020



4,319

Adult savers

£3,301,081

Adult savings



4,507

Active members



59.2%

Of members
borrowing

Young savers **188**

Young Savings

£105,378



Member
Loans



£2,203,154

Christmas
club 

198 Members

We've supported our community with over £22,500,000 in loans since 2000

OUR CREDIT UNION NUMBERS

During financial year 2019-20

4,713
Loans
Issued



Savings deposited

£2,534,377

Amount lent

£2,149,677

Total Expenditure

£547,406

Total income

£562,410



New members

617

Loan Book Growth **-6.5%**

Adult member growth **3.1%**

Adult savings growth **12.3%**

CEO REPORT

Sheenagh Young, CEO

This has been a year like no other.

The global pandemic has now been impacting our lives here in the UK since March 2020 and we are currently living through our third national lockdown. There has been relentless uncertainty, as well as damage to the economy, to mental and physical health, education and skills, social fabric, financial security and hope for the future. The long term burden for young people is a persistent concern.

Our credit union has been here throughout the pandemic for loyal members and for newcomers. We have needed to close 187 Fog Lane and our community collection points for everyone's safety and, whilst we have missed face to face contact with our members, we are proud that we have kept you as our top priority and focused on calm delivery of our services remotely.

We have found that the virus has acted like a magnifier so if finances were already fragile, it made situations worse. Some of our members have suddenly lost what seemed like secure jobs and their finances have become very challenging. At the same time others have been able to work more hours and save more during the lockdown.

It has been a time to focus on wellbeing for each other and on stabilising finances and future prospects. We have been

keeping company all the way through and we appreciate the forbearance and immense patience that members have shown in dealing with the impacts of Covid.

And it's been a time to draw out the positives. We are thankful that we already had the technology we needed to help with remote working and we were able to make the switch in a straightforward way.

We enjoy the fact that our presence on Facebook, Instagram and Twitter keeps growing and our refreshed website attracts interest. Our new shutters are a breath of fresh air and colour here on Fog Lane.

We are pleased to have received funding from the Fair4AllFinance Covid Resilience Fund and see this as an expression of confidence in our potential to keep growing and becoming ever more accessible to new joiners.

[The solidarity of our membership continues to be a source of solace and safety and we continue to receive positive reviews and grow strongly through word of mouth.](#)

Once more I salute our staff team and directors for their dedication and steadiness through difficult times and I look forward to facing fresh challenges together in the coming year.

“THERE WAS A HUGE PRESSURE TO GET THE NEW GADGETS”

Lee's Story

With huge pressure to have the latest gadgets, Lee got himself into high-cost debt with rent-to-purchase stores and doorstep lenders. It had got to the point where he couldn't afford a fridge/ freezer .

Lee has been a member with us for 8 years and this is his story.

Back in 2012, Lee opened his account with us. His wife introduced him to the credit union when he was struggling financially. Lee initially thought the credit union was a good way to save but didn't realise the borrowing opportunities a credit union could offer.

This is when he turned to the credit union.

Since becoming a member, Lee's financial position has changed dramatically and he is no longer in a harmful cycle of debt. He has access to affordable credit when he needs it and enjoys the fruits of saving.

Lee has said goodbye to high cost lenders and has been able to get the better of costly interest. He now benefits from our credit union services that work more smoothly for his financial needs.

South Manchester Credit Union has helped Lee develop his financial planning skills. Now, Lee worries less about unforeseen expenses and it has helped him create a budget that suits his family and him.

“I have less worries going forward. I haven't got to worry if the washing machine, television or the computer breaks”

"So, it just means I can put myself in a better position to plan for things. I am able to budget myself for birthdays and Christmas. The way the loans work, I know how much I am saving and get a better understanding of my finances".

Over the years, Lee has shown commitment to his financial wellbeing. This has helped him escape financial hardship and end what he thought would be an endless cycle of debt. Sometimes things can arise and it can be hard to take care of your financial health but it's the steps you take to overcome the issues that make all the difference.

MEET THE TEAM



Aimee



Andrea



Ed



Ryan



Sandra



Sheenagh

MEET THE TEAM



Ginka



Qasim



Raqeeb



Tricia



Trish

OUR INTERNATIONAL TWITTER EVENT

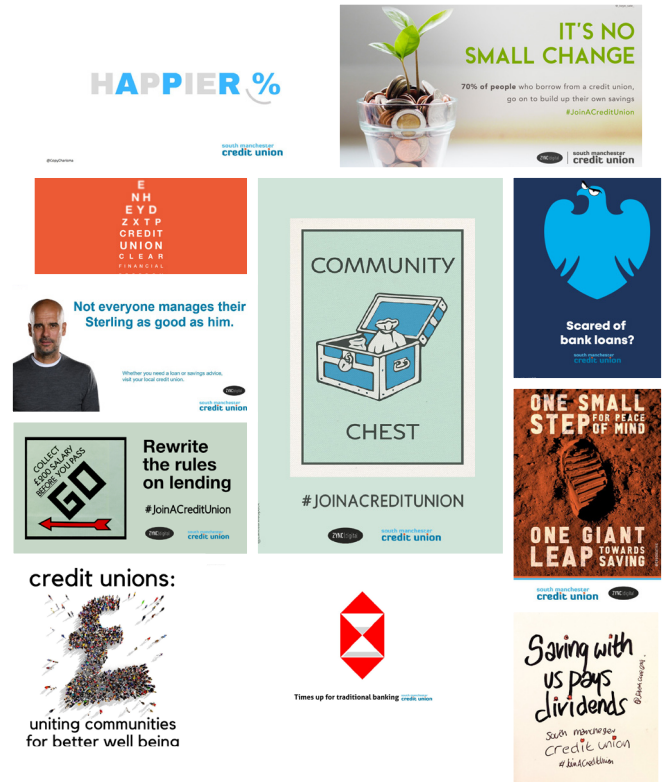
One Minute Briefs

On Wednesday the 16th September, we partnered with Zync Digital to hold our very own credit union themed 'One Minute Brief'. The Twitter event encouraged creatives to design a poster to promote the benefits of joining a credit union for the chance to win £100. The day brought together the One Minute Brief creative community as well as bringing the artistic side out of some of our members and sister credit unions.

We were overwhelmed with the number of entries. We had almost 200 in total... and they were all sensational! The artwork was seen 750,000 times by 80,000 different Twitter accounts (these numbers still give us goosebumps!). Better still, each Tweet had the hashtag #JoinACreditUnion which helped us create more awareness for our revolutionary credit union sector.

Although we had almost 200 entries, there could only be 1 winner which, trust us, it wasn't easy to judge. After considerable thought, we picked the top ten. Then, we worked together to pick the top entry. The outcome was @LancashireSpock taking the prize with his unique Monopoly community chest concept. This encapsulated our fundamental values into one design and was a worthy winner in our eyes.

If you want to see all the entries check out the One Minute Brief Facebook photo album: <https://bit.ly/37uazVP>



AFFILIATIONS



One Minute Brief entries : @LancashireSpock, @Faz791, @ZedTrafficker, @_Kaye_Sale_, @cjunluck93, @irishpunman, @CruCreative, @CopyCharisma, @SarahCure09

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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

Here to help, here for you

Secure savings and affordable loans