

The Board's Annual Report 2009/10

(As presented to the Annual General Meeting)

First the good news:

Essex Savers has lent its first £1 million!

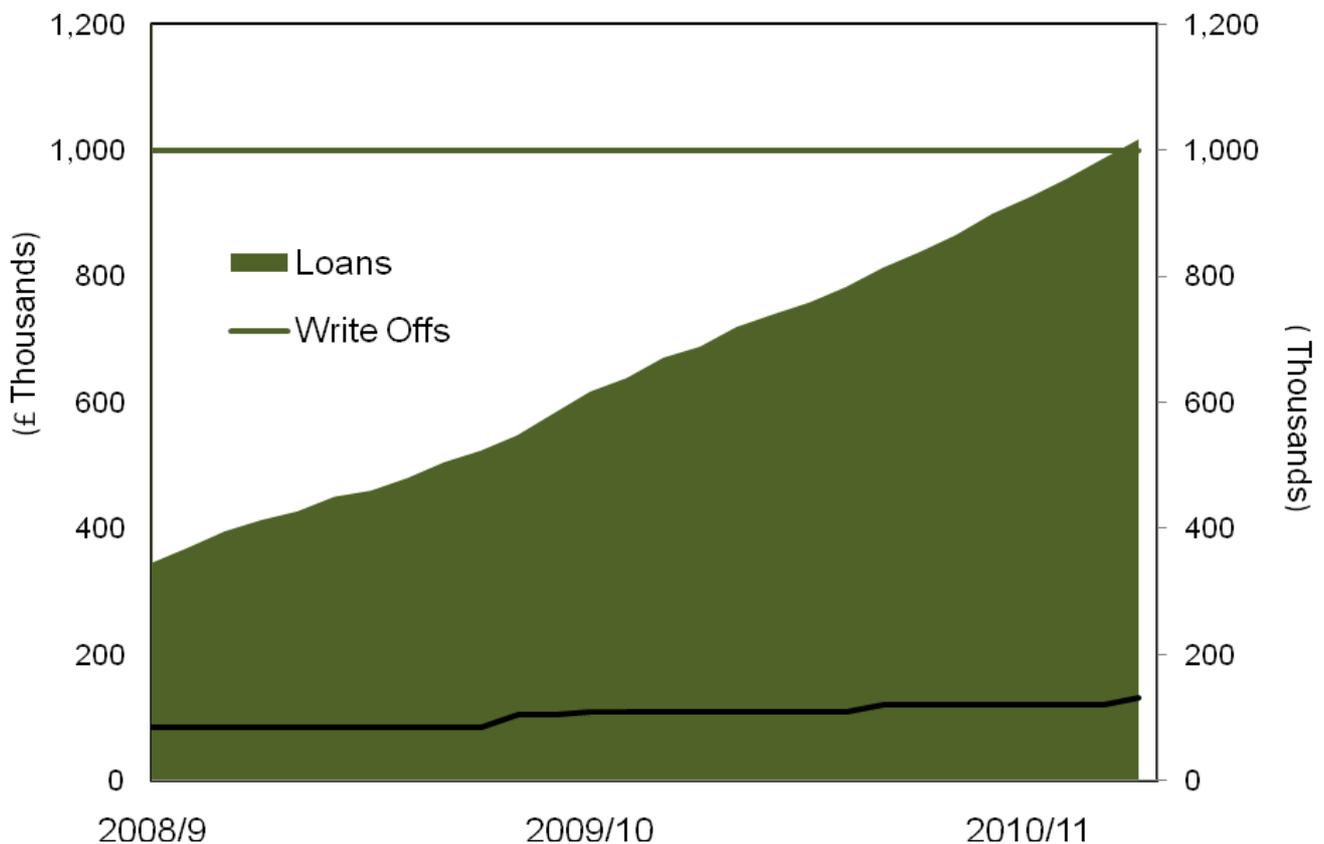
We now have 2,000 members.

25 weekly collections across Essex, 9 in libraries - we plan to be in all Essex libraries

Essex Savers is now active in Thurrock – with plans to develop throughout the area

All this is quite an achievement having had run on 'a shoe string' for our first five years. The consequences of our increasing level of business is that we are saving Essex £ millions, relating to housing, family breakdown, health, employment caused by the stress of living on limited income. (the poorest pay more for their services including credit). So the residents of Essex all benefit from Essex Savers activities whether as members able to access affordable loans or residents whose taxes pay for the additional services needed by vulnerable people.

The Magic Million has been achieved

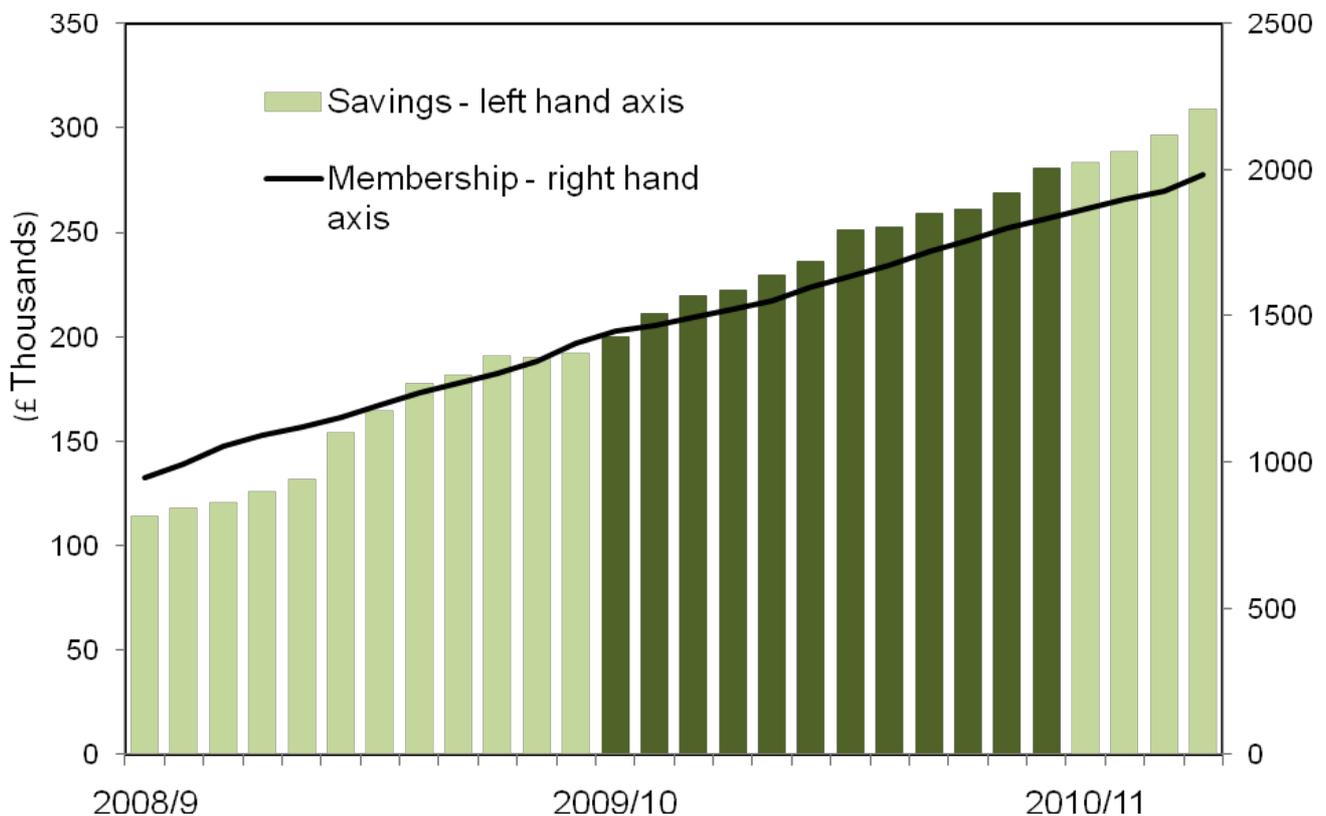


September was the end of our sixth year operating as a credit union. At the end of our financial year, 30 September 2010:

Membership reached 1,795 compared to 1400 a year ago

Members Savings reached £280,300 from 192,000 - up £88,000 on last year

Total Loans in the year were 324 with value of £145,321, since October, we have issued a further 140 loans to the value of £70,500. This means that today we have issued a total of 2,000 with a value over £1,000,000.



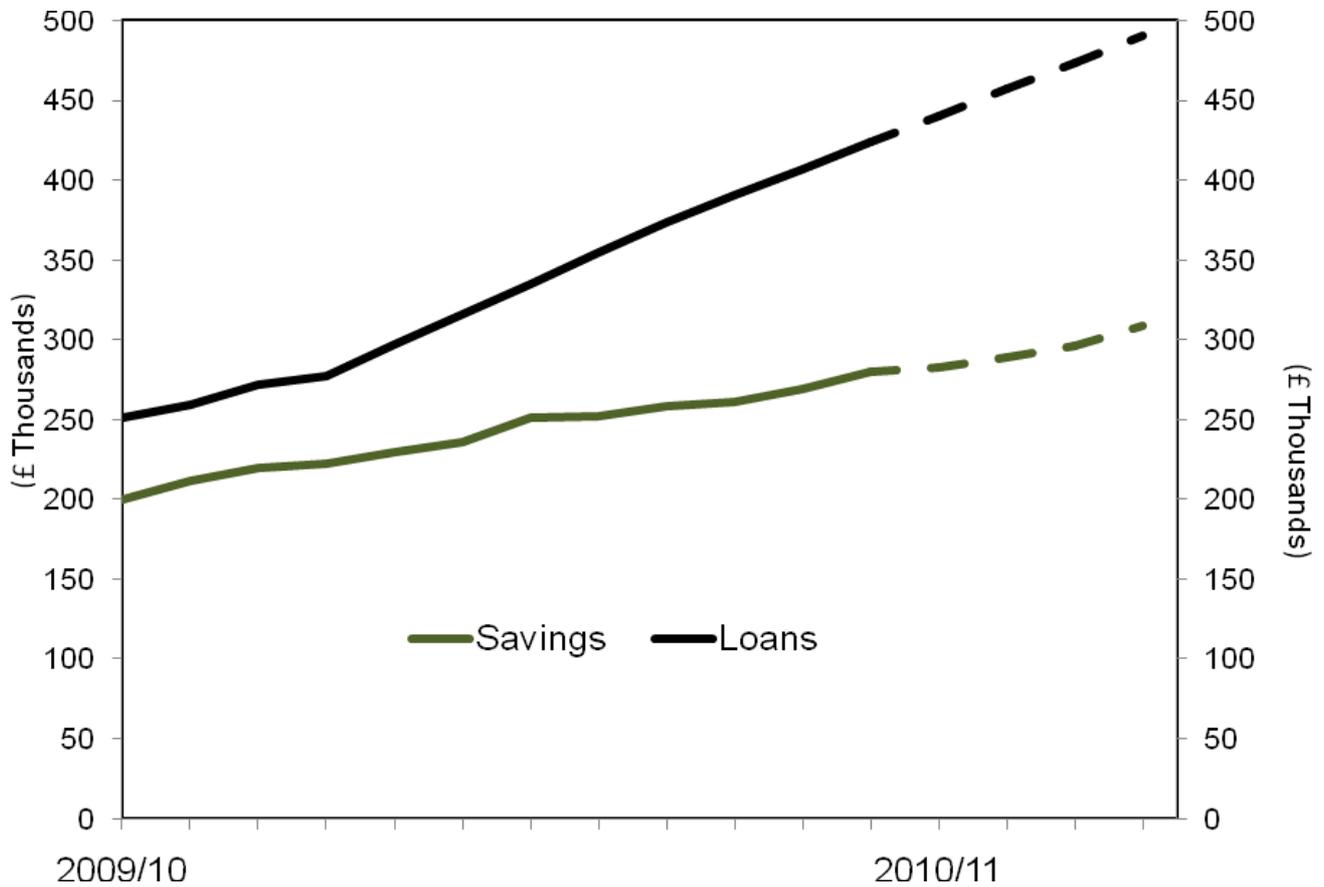
Our goal is to provide simple local banking services for Essex, easily accessible and used by the majority, as they are in Ireland and most of the rest of the World. Also our services must endure, so we need to be sustainable. To reach a sustainable level we do continue to need grant funding to enable our growth in membership and loan activity. £2 million on loan would generate the income to run centrally so the current £1/2 million Loan Book needs to quadruple and savings also need to grow to accommodate this. Quite a challenge!

Credit unions are now on the agenda as part of the BIG SOCIETY, they are local and run in the community by volunteers. With changes in legislation later this year, we will be able to service businesses as well as individuals so assisting Essex with new and developing businesses.

People are increasingly attracted to mutual ethical banking, such as Essex Savers, looking to the interest of customers/members not just maximising profits. We therefore need to seize the moment and fill the gap to become a real alternative not just the high interest predatory lenders, which are now multiplying on our high streets as well as our doorsteps, but also to the High Street banks. Our interest rates are quite competitive for our members with savings.

We are very grateful to Essex County Council for their support, both 'in kind', particularly giving us the use of libraries but also the funding to cover some of our central costs enabling us to continue. This funding is almost exhausted so we hope that with our continued development, to ensure a universal service for Essex and the associated cost benefits, and the opportunity to assist businesses will encourage them to support us further to become a sustainable social enterprise.

We also appreciate the support of Thurrock Council as we have started to set up services there. This year will see development there towards a universal service.



We can only lend what members save though the graph would indicate otherwise! This is due to the money we had in previous years to lend from HM Treasury, Financial Inclusion Fund via the DWP.

Essex Savers is only able to continue to lend because of a committed core of members who save as much as they can or are allowed to, currently £10,000 but we need more members to save smaller amounts regularly. We are part of the Financial Services Compensation Scheme so your savings are safe with us. We urge members to be our ambassadors, recruiting new members, as well as continuing to save themselves.

None of this would be possible without our 60+ volunteers centrally and across Essex. So a BIG 'THANK YOU' to them for their continued hard work and loyalty.

ALISON DAVIES, President
February 2011