

The Board's Annual Report

for financial year 1 Oct 2010 – 30 Sept 2011

(as presented to the Annual General Meeting)

Membership numbers in the year increased by 590 from 1,790 to 2,380. Today we have 2,500 members.

Savings rose from £280,000 to £423,000, an increase of £143,000

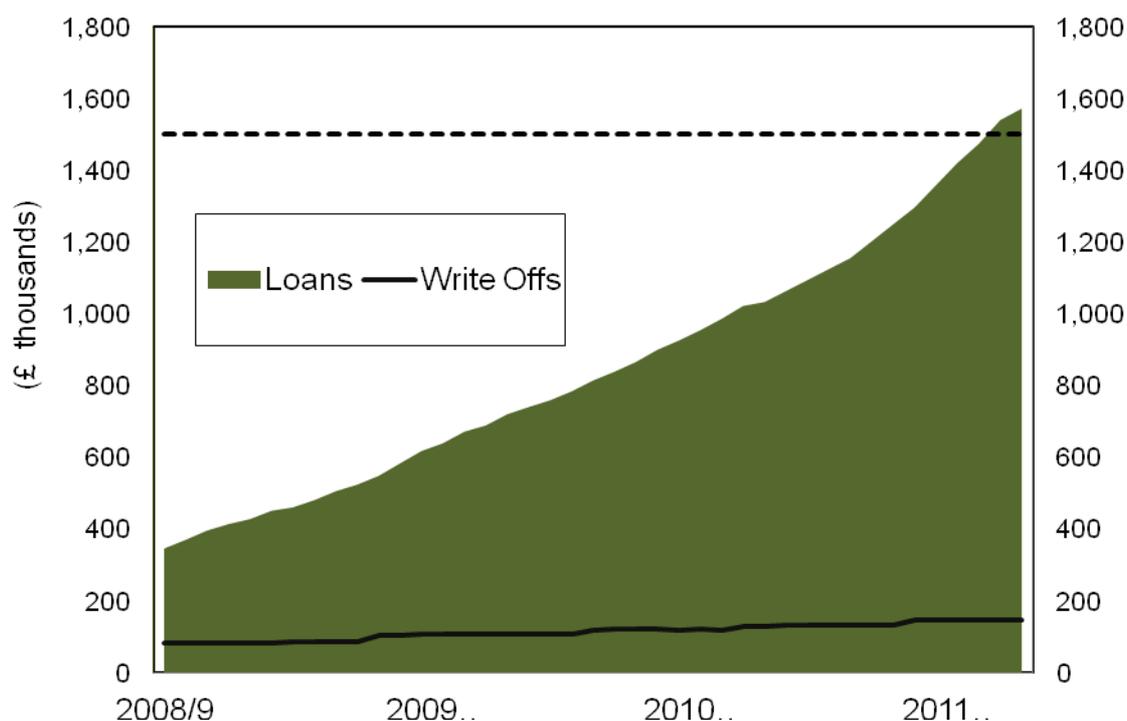
Total loans this year up £400,000 from £900,000 to £1,300,000 and are now over £1.5 million

Interest earned on loans this year was £44,000. This is a long way off covering our running costs of £165,000 for the year.

Service Points - widening access across Essex – we still have 25 points across Essex, some new, several now function twice a week and some areas where we have consolidated now we are better known. Plans are already in place to go into 3 more districts to provide a local service but we are waiting on volunteers as well as local support to achieve this.

More Accounts for members this year – our Budget account can now be allied to a Debit Card. This functions as a simple current account. It is proving very popular and helps members with their money management. More people are using the Budget account to pay in their wages, pension or welfare benefits rather than the Post Office or bank. Not everyone can open a bank account which is vital if they are to be able to accept a new job.

Loans hit £1.5 million

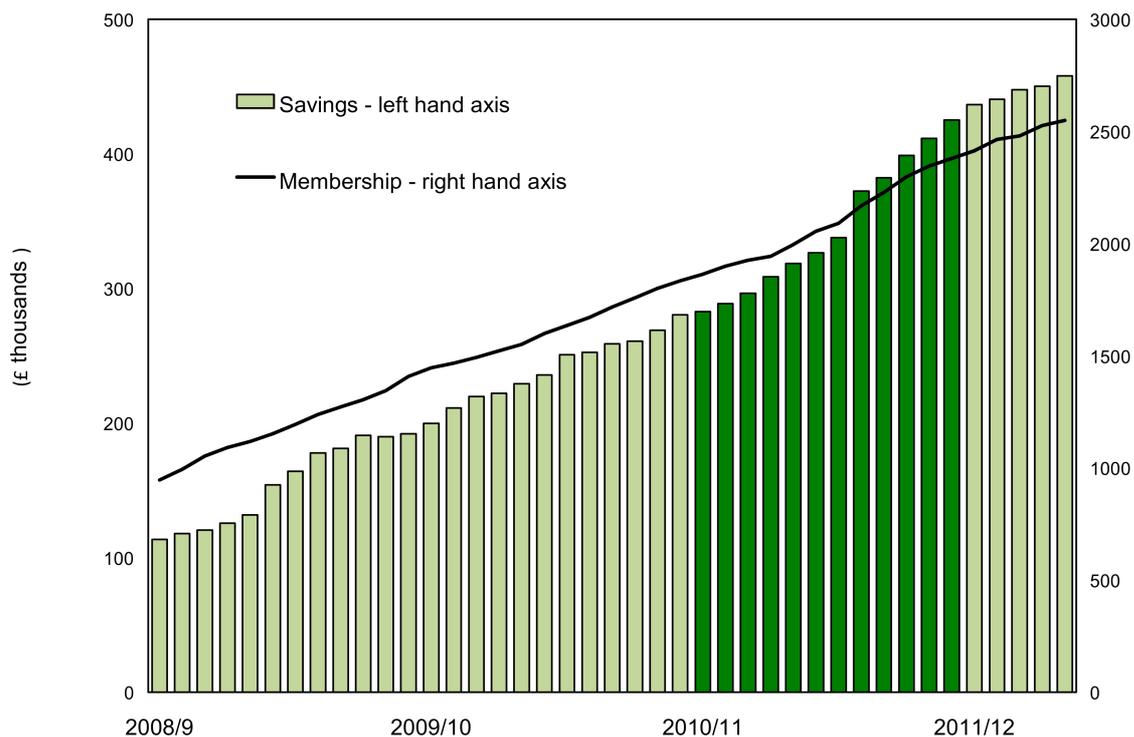


This year has been quite a challenge – even more so than usual. We have received very little funding to cover our costs so have not been able to employ the staff we need to cope with the enormous workload, servicing 2,500 members with a dozen loans to be processed and disbursed across Essex each week. This year the FSA has been more rigorous in its regulation and this will only increase as regulation moves over to the Bank of England. This is a further drain on limited resources. It is therefore vital that we find further income to allow us to have a paid staff team to provide the professional consistent services we would wish.

In these times of economic uncertainty, it is prudent for us all to ‘squirrel away’ some money as savings. **Essex Savers** is the place to do it. Your savings have a positive impact on the community, helping those who are struggling, until you need it. Your money is safe with us. As with all banks, we are covered by the Financial Services Compensation Scheme.

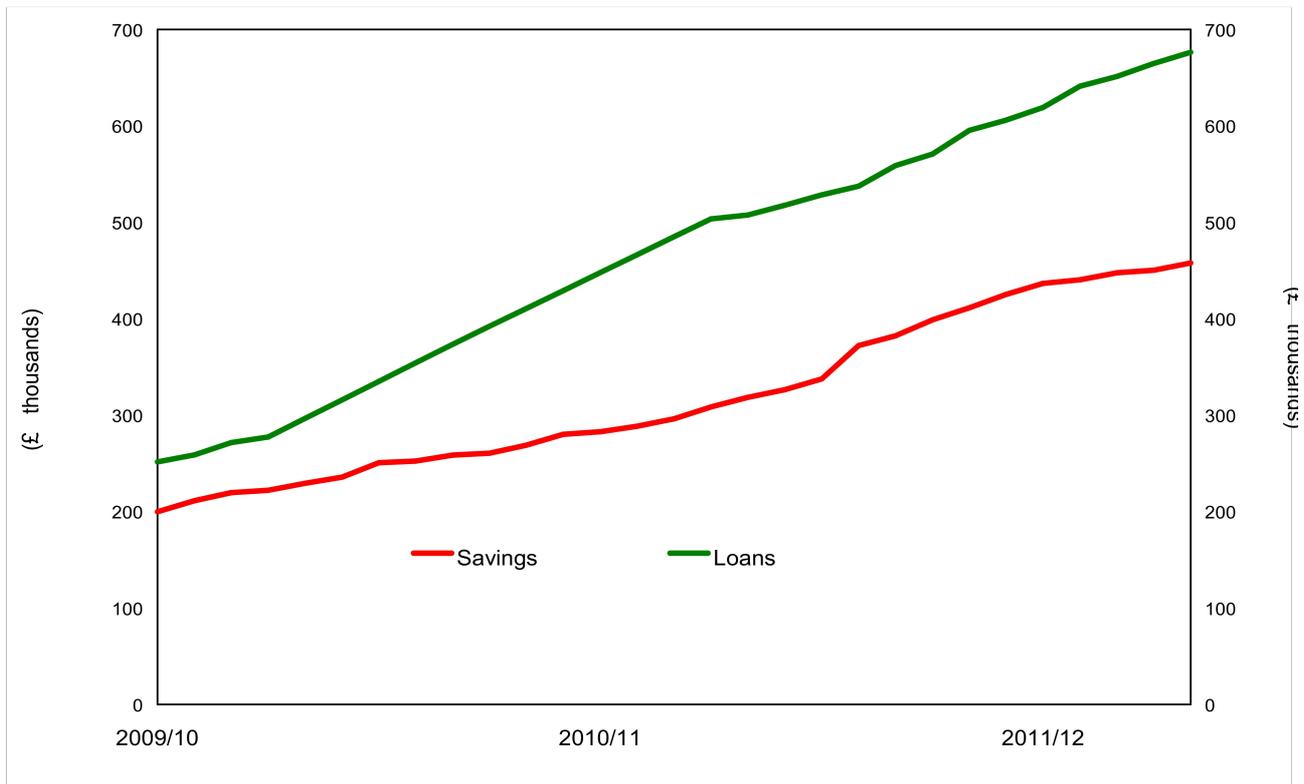
Too many people come to **Essex Savers** in crisis wanting substantial loans though they are not yet our members. This limits the help we can offer. If only they had joined us before! In contrast our members are able to come to us repeatedly to borrow when they need to while saving regularly with us.

Savings rose consistently through 2010/11



We need the majority of people throughout Essex to save with us so that we can meet the increasing demand for credit. The majority of our loans help the least well off, those faced with redundancy and struggling families, whose only option otherwise would be the growing array of predatory lenders on our High Streets, TV, Internet and doorsteps, charging interest rates between 200% -15,000% APR. PayDay loans seem to have become very popular and used even by those in well paid jobs. Business is booming for these lenders - people are desperate!

Demand for loans remains strong



The repercussions of this type of lending are paid for by our communities and with our taxes! The resulting problems of: over-indebtedness, family breakdown, crime and other social troubles require additional services and more social care.

Essex Savers lends members small amounts so that they do not have to resort to high interest lenders, so avoiding the associated problems, while paying less for credit, leaving them with more 'money in their pockets'.

Essex Savers services are increasingly needed as an alternative to: our High Street banks, who are reducing services and charging more; Building Societies, who are now 'few and far between'; Post Offices, whose 'plastic card' has less functionality than the card Essex Savers offers and the high interest lenders, who are 'having a field day'!

Essex Savers must scale up its business to meet the growing demand and become sustainable, able to provide its services indefinitely without resorting to external funding. To achieve this, we need to greatly increase our membership among those who can save, so please do consider this. The sooner we are in profit the sooner we will be able to give a return to our saving members in the form of an annual dividend. Save something with us, even if you are still a happy High Street bank customer! You will then be assisting us in providing for those without access to banking services: the vulnerable, those in rural isolated areas or on irregular incomes, while reducing the costs to yourself and the community that result from predatory lending and the lack of access to banking services. You will also have access to an affordable loan should you need one.

A reminder as always that we need volunteers, particularly in the boroughs and districts of Essex to oversee and run service points and promote us. If you are passionate about economic justice, a 'level playing field' for all, then call to chat over the options.

And finally but most importantly we recognise all our volunteers, across the network of Service Points and centrally so a HUGE THANK YOU to them all. Without you none of this would be possible. The Board and members appreciate all your hard work and support.

ALISON DAVIES

President

February 2012

