



Credit Union

the savings & loans co-operative

Payday Loans - A Message from the Board

Just a year or so ago it was rare for us at the credit union to see our members using Payday Loans, but now we see about 10% of new members having previously used this very expensive way of borrowing. Most Payday lenders do not allow you to make part payment of a loan, so people find themselves taking one payday loan to pay off another, with interest escalating at an alarming rate. With typical interest rates at about 2,000% to 5,000% we see so many people trapped into a never ending cycle of debt, poverty and misery. We are now looking at ways to make more people aware that the credit union offers an alternative to this shocking way of borrowing. Encourage your friends to start saving with us, so we can offer a way out of problem debts for many more local residents.

Research Results - Ethical Savings

In September 2011 a leading city bank provided three bright young graduate trainees to the credit union for two days. They conducted a thorough analysis of where our members borrow from, before they joined the credit union, and calculated the amount of money saved as a result of moving to the credit union. It shows that for every £1 saved with the credit union we save people from paying £1.25p in interest. This is a community benefit of over £1m this year, and £13m in the next 5 years. So every time you add money to your savings account you are helping your fellow members. If you started borrowing from the credit union rather than a payday lender you probably know how much you are saving, but savers benefit too! So when a member saves £100 that allows other members to save £125 interest over the year. That's £125 that stays in the local community, supporting local businesses and keeping local people in employment.

We want more people to set up savings accounts knowing that their money is being put to good use by reducing the use of high interest lenders by those on low or moderate incomes. This research will also be used to encourage employers to provide payroll deduction savings facilities for staff to promote saving and increase access to our low cost loans.

Young Savers Accounts

The member satisfaction survey showed that over 40% of members were still unaware that we offer savings accounts for children under 16. We want to encourage kids to learn the value of saving from the earliest age so they are less likely to face problem debts as adults. If you have children of your own or grandchildren, why not open an account for them? You can save for them; the forms are available from the office or on our website www.credit-union.coop



Join The Credit Union Online

To make it easier for people to join the credit union and benefit from our savings and loans products we have introduced an online membership application process. Tell your friends to visit www.credit-union.coop

We Are Growing Stronger

In the last 12 months to the end of September 2011 the credit union has continued to grow significantly. Key figures include:

- Membership up 65%
- Savings up a further 40%
- Loans up 78%

Increasing Your Savings

With increased uncertainty about job security, inflation rising and wages not changing many members are increasing the level of saving a little to provide additional security. Why not join them and save that little bit more?

Financial Appeal

We need to purchase new IT equipment such as an upgraded server and additional computers to serve the needs of our growing membership. We are launching an appeal to raise £10,000 to equip ourselves to serve you in years to come. If you receive a request for a donation please consider helping out. If each member gave £3 of their savings we could meet this target. Please give generously.

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Top Up' Loans

Remember, you don't have to finish paying off a credit union 'Saver Loan' before you can apply again. We offer top up loans that allow you to borrow a little more at times when you need to, and avoid you having to pay more by borrowing elsewhere.

Member Satisfaction Survey

9.3 out of 10 for Service

A big thank you to the many members who took time to complete the membership survey during the summer. Once again the survey shows a high overall level of member satisfaction with the services we provide, with a total average score of 9.3 out of a possible 10. One issue raised by members was the time taken for savings withdrawals. We have now taken steps to minimise this, by introducing the online share withdrawal process.



Welcome to Haringey

After many long delays we are pleased to report that the FSA finally approved the extension of our 'common bond' area to include Haringey in April 2011. This means that anyone who lives, works, or studies in Haringey, or Islington, or the City of London can now become a member of the credit union. Please tell your friends. A big thank you goes to Haringey Council for helping us to get this far.

BACS Payments & Payday Loans

We want you to keep your savings for a rainy day, but when that day comes we want to make it easy to get your money out. We now have a BACS system in place that allows you to have savings withdrawals sent direct to your bank account with a simple telephone call, email to the office, or using our website. This is quicker than the old cheque system and means you no longer have to visit the office to get your savings. To sign up for the service, simply visit us, together with your bank details and proof of ID, then complete a quick and simple form.

Money Saving Tips

Before setting off for the supermarket, why not make a list of the things you need so you are less likely to impulse buy? Make that list and stick to it.

Meet the Staff - Ms Shiwani Bansal, Loans Support Officer

Shiwani Bansal lives with her husband in Kilburn, having come to the UK in 2008. She started volunteering with the credit union in 2009 before taking up this paid role in 2010. Her main role is to help our members to pay credit union loans if they are struggling for money. She graduated from Kurkshetra University in India and has since qualified as a Chartered Financial Analyst earlier this year. She said: "It has been great experience within the credit union while helping our members resolve their debt problems."



Other Employees of the Credit Union Include:

- Chris Booth - Office Administrator
- Martin Groombridge - Manager & Dogsboddy
- Patricia Harvey - Member Services Officer
- Lucidia Rodrigues - Finance Officer
- Anthea Williams - Assistant Member Services Officer

In addition to the paid staff we have over 30 volunteers in various capacities, without whom the credit union could not function. We would once again like to express our appreciation for all of our hard working team.

Who Loves a Bank?

The reputation of the banking sector has never been so low as senior executives continue to draw massive bonuses while charging high overdraft interest and bank charges. Many of your friends, family and colleagues at work will be looking for an alternative. Tell them to join the credit union by visiting www.credit-union.coop or calling our office for a form.



Contact us - Please note our email and web addresses have changed

- Monday to Wednesday 09.30 hours to 17.00 hours
- Thursday CLOSED for accounting, internal audit and training
- Friday 09.30 hours to 17.00 hours

We can be contacted during office opening times every weekday except Thursday. All forms that members might need are available on our website www.credit-union.coop and you can apply for membership, request a savings withdrawal, apply for a loan, or get a loan quotation at any time of day or night.

Our postal address: Jeremy Hopgood Rooms, Caxton House, 129 St John's Way, Archway, London, N19 3RQ

Telephone: 0207 561 1786 | **Fax:** 0207 272 8192 | **Email:** info@credit-union.coop

Credit Union Volunteers - Co-operation in Practice

Do you have any spare time to offer as a volunteer to help run your credit union? This might be a regular commitment helping in the office or some specific project work such as marketing. Even an hour or so delivering leaflets to your neighbours helps us to spread the word about our work and help many more people escape from or avoid debt problems. If you can help in any way, please contact the office for a volunteer information pack.

Great Deals on Electrical Appliances from the Co-operative Group for all our members!

We are pleased to offer a scheme with the Co-operative Group to provide electrical appliances for our members. Simply click on the 'Co-op Electrical' link on our website home page at www.credit-union.coop, to enjoy the fantastically low prices and paying with your savings or a low cost Saver Loan. In the unlikely event you find the item cheaper, they will even price match against Comet, Curry's & Argos. Simply call their expert sales team on 0845 7000 100 for more information.



So, whether it's a new TV or kitchen appliance you are looking for, or maybe you want to treat yourself to a new laptop – The Co-operative has a great deal for you. As an additional exclusive offer, The Co-operative will remove your old model free of charge when you buy any major kitchen appliance.

Once you have selected your item you can select a delivery date to suit you. The Co-operative will then e-mail or text you on the evening before the delivery of larger items to confirm a two hour delivery slot so you don't have to wait in all day, with 99.8% of all deliveries on delivered on time. The Co-operative values– Good for everyone

New Payroll Deduction Schemes

We now have 21 different employers offering their staff the facility to have savings deducted direct from salary. The latest employers to join are:

- Circle 33 Housing
- London Metropolitan University
- EF Solutions
- Partners for Improvement in Islington
- Hyde Housing Group
- Veolia Ltd
- Islington & Shoreditch Housing Association

Why not ask your employer if they can provide this service for you and your work colleagues?

Meet the Board - Ms Kathleen Egan

Kathleen has lived in Islington for nearly 30 years. She began working life as a nursery nurse on the Caledonian Road and ended up running a community nursery for the Greater London Council. Kathleen has seen many changes in the borough including the gentrification of half of it but says that many parts still look very much the same as in the early eighties, a borough of extremes with many residents precariously balancing their weekly finances whilst working hard to support their families. Her involvement on the Board of the Credit Union began through an interest in providing alternatives to the mushrooming high cost lenders. She said "It has been an enjoyable and worthwhile experience seeing the real difference the Credit Union makes to peoples' lives."



Retirement of Paul Thurlow

After 5 years of service as a volunteer with the Credit Union Paul Thurlow has stood down from the Board. He helped guide it from being a small loss making organisation to one of the fastest growing credit unions in London. He served as Chair of the Steering Group that was established to create the borough wide credit union, and more latterly as the Secretary of the Board, guiding the credit union through the changes in common bond and the necessary rule changes. We extend our appreciation for his contribution to making us what we are today.



Payroll Deduction - Making it Easier to Save Money

Other employers offering payroll deduction savings include:

- Camden & Islington NHS Trust
- Cambridge Education
- City & Islington College
- Enterprise Ltd
- Haringey Council
- Homes for Islington
- Homes for Haringey
- Islington Council
- Kier Ltd
- Moorfields Eye Hospital
- Southern Housing Group
- Strictly Education
- Whittington Hospital

Employees of the above can have regular savings or loan payments deducted directly from salary. If you are working for any of these organisations and want to take advantage of this simple savings scheme please contact the office or download the payroll deduction form from our website. Why not ask your employer if they can provide a payroll deduction savings scheme you and your work colleagues?

Unique 'Saver Loans'

We have several advantages with mainstream lenders when compared on a like for like basis. We charge interest on the reducing balance of a loan, so each time you make a payment, you owe us less so we charge you less. This is an example of a credit union loan of £2,000, although lending limits can be lower or higher. The example is based on a loan repaid over one year in 12 monthly instalments.

Loan Sum	12 Monthly Repayments of:	Total Interest Paid To Credit Union 12.7% apr	Value of Your Extra Savings @ End of Period*
£2,000	£178 * Only	£133	£300

* Borrowers must continue to save not less than £25pcm throughout the repayment term of the loan. The accumulation of savings reduces your need to borrow over time.

This makes our loans extremely competitive on price, plus we have other advantages. We have no set up fees, no early repayment charges, flexible repayment terms, and finally and most importantly, you continue to build your savings as you repay the loan.

For a no obligation, free loan quotation contact the office on 020 7561 1786 or email info@credit-union.coop

How Your Savings Help Others...

Real Life Loan Comparisons

Help us by increasing your savings a little so we can provide help to people who otherwise use Payday Loans. Below are some published apr interest rates (correct at Sept 2011);

- Pounds2payday 5,569% apr
- Wonga 4,214% apr
- Speed-E-Loan 2,243% apr
- Payday Express 1,737% apr
- PaydayUK 1,737% apr

This is just a small random sample of a much larger number of payday loan providers. On average every extra £1 you save with us helps someone save an average £1.25p in interest!

Money Advice

Many members have taken the opportunity of meeting with our in-house money advisor, Ian Fitzgerald. Ian works for the Money Advice Service, and provides free independent advice on any financial matter, including dealing with debt. Contact the office if you would like to make an initial 20 minute appointment.

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Web: www.credit-union.coop

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Credit Union Pays Dividends

In 2011 the credit union returned its surplus to members in the form of a 1% dividend on savings and also a 1% rebate of loan interest paid. We redistributed nearly £10,000 to members in this way.

Recruiting Friends Earns Members Over £1,900

In the 12 months to the end of September 2011 our members have been helping to recruit their friends, family and workmates into credit union membership. For each person you recruit we pay £10 into your savings account once they have started saving. Just remember to be sure to clearly add your name to the top of the membership form and get your friends to sign up and start saving.

Saving Money with Credit Union 'Saver Loans'

In our 2010 - 11 financial year we will have issued loans to the value of £1,600,000. It is estimated that our borrowing members will have saved over £900,000 in interest payments during the financial year by using our low cost 'Saver Loans' instead of using credit from higher interest lenders. Tell your friends to talk to us about their borrowing needs.

The New Website - Online Services

At our new improved website you can access all sorts of information and download all the forms you might need to operate your account, including joining, share withdrawals, balance checking and loan quotations. The website can be found at: www.credit-union.coop

Number Crunching

A Government survey in 2009-10 (HBAI) showed that 13.5 million people in the UK (22%) are income poor. (source ; CPAG)

In 2010 the entire FTSE100 directors pay themselves more than £1 billion (source ; The Guardian)

Secure Savings | Ethical Investments
Low Cost Loans | Young Savers Accounts
Profit Sharing Dividends

Authorised and Regulated by the Financial Services Authority
Firm No. 214094 | Reg. No. 513c

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