

## **2024 AGM**

### **Report of the GMBCU Treasurer for 2023**

#### **Introduction**

David Castledine is our Treasurer and a GMBCU Director. David is also the Regional Finance Officer for GMB Midlands Region and has played a leading role in the development of GMBCU over the last twenty-five years.

The Treasurers report will be made available to GMBCU members registering for the 2023 AGM which will be conducted online on Saturday 23 March 2024. David will also take part in a member Q&A session during our AGM.

The Treasurer's report acknowledges the input of the GMBCU Board and the Annual Report and Audited Financial Statement provided for the year ending 31 December 2023 by our external auditors KM Business Solutions Ltd.

#### **2023 - another challenging year**

The legacy of the pandemic combined with the cost-of-living crisis continues to adversely impact GMBCU and our members. Political and economic uncertainty compounded by high levels of inflation has left many GMB members financially vulnerable.

The impact of the prevailing financial storm on GMBCU has been two-fold with significant impairment (i.e. delinquency and default on member loans) and the withdrawal of member savings. Understandably member lending has slowed. The combined impact of this was to shrink the size of our balance sheet in 2023.

GMBCU is guided by its social purpose as well as its commercial and regulatory needs. We continued to do our very best to balance these needs whilst supporting our community and individual members providing financial information and signposting members as appropriate.

## **GMBCU performance to 31 December 2023**

Our business plan predicted many of the challenges that confronted us in 2023. However, because of our forward planning and strong balance sheet we were able to successfully navigate our most difficult trading year ever. The following analysis of our results for the year to the 31 December 2023 show a strong performance in line with our budget.

- Total annual income (£1,296,452) held up very well and was 7.8% higher than our budgeted figure (£1,202,000).
- Total annual administration costs (excluding impairment) at £485,685 were 13.4% lower below than our budgeted figure of £560,822.
- Loans advanced for the year totalled £3.74 million compared to same period 2022 which was £4.98 million. New loans advanced in 2023 were down 25%.
- Annual surplus in 2023 was £400,790 which was GMBCU's highest ever surplus in 25 years of trading.
- Membership is now 10,550 an increase of 5.4% on year end 2022.

## **Key stats for the year to 31 December 2023**

- Tot Savings Balances £11.06 (2022 = £14.22 mill)
- Tot Loan Balances £10.72 (2022 = £11.73 mill)
- No. of new loans 2023 total 2,736 (2022 = 3,052)
- Value of loans advanced in 2023 total £3.74 mill (2022 = £4.9 mill)
- Cash in Bank £1.66 mill (2022 = £3.52 mill)
- Tot paid into GMBCU YE Dec 2023 £10.1 mill (2022 = £10.3 mill)
- Tot paid out by GMBCU YE Dec 2023 £11.54 mill (2022 = £9.9 mill)

- 781 new members in 2023 (2022 = 848 new members)
- 477 members left in 2023 (2022 = 350 members left)
- 56 Corporate Deposit Accounts with balances of £1.32 mill
- Total membership 2023 was 10,550 (2022 = 10,011)
  
- Total Reserves £1,367,89 + £941,000 Deferred Shares = £2,338,789
- GMBCU capital to asset ratio 18.48%

### **Focusing on the future**

We anticipate that trading will steadily improve over the next few years and GMBCU will continue to adapt to the challenges and opportunities presented.

Despite the hostile trading environment which prevailed during 2023 we continued to look forward and invest in our business as follows:

- Real time faster payments, and by that we mean instant, were launched in March 2023.
- To improve member accessibility whilst modernising our image we completed a full rebrand of our corporate identity in June and launched a revamped web site in September.
- Our mobile app was launched in June and is proving to be very popular.
- We launched a savings life insurance scheme to support and encourage member savings in September.

All these projects flow from our wish to continually improve member service and fulfil our Consumer Duty objectives.

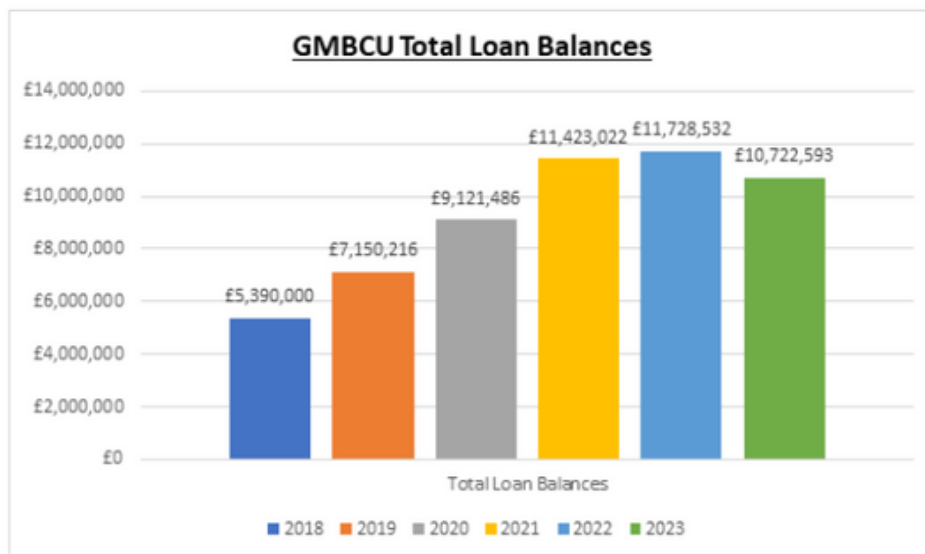
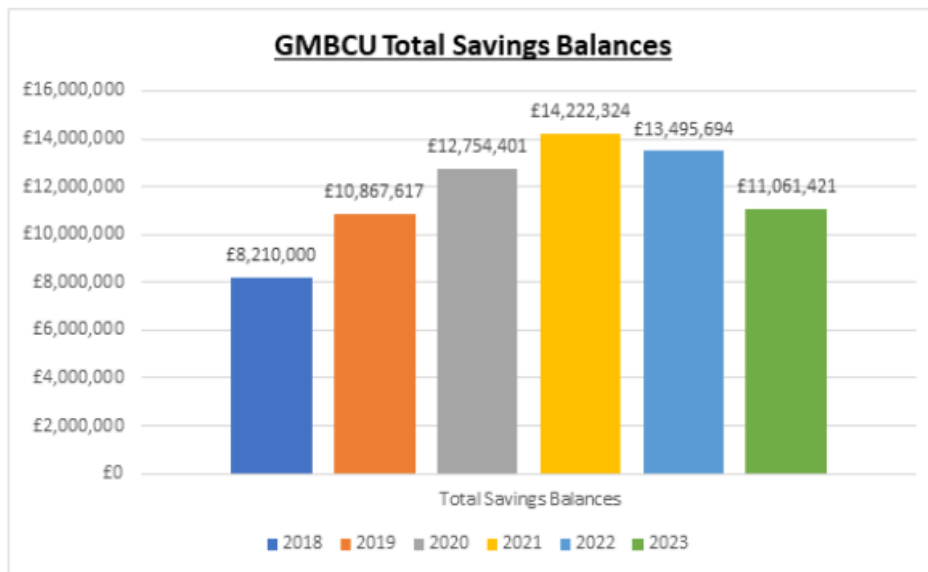
Operational and financial resilience is always a key objective. During 2023 we engaged with key sector suppliers to improve our savings and loan delivery platform and improve our credit control function. We also successfully migrated to the Azure cloud to ensure that we maintain high standards of service availability.

We celebrate our 25 year anniversary in 2024 and for this year our main focus will be on member service. We need to better understand exactly what our members want and need. We then need to apply digital solutions effectively in partnership with our new suppliers to achieve a frictionless service for both our savings and loan products.

As a GMBCU Treasurer and Director, I am pleased to present my report and the audited financial statement for 2023. This has been another very difficult year of hard work and significant change and we are proud to have supported our GMB community whilst delivering another strong trading performance as you can see from the following graphs.

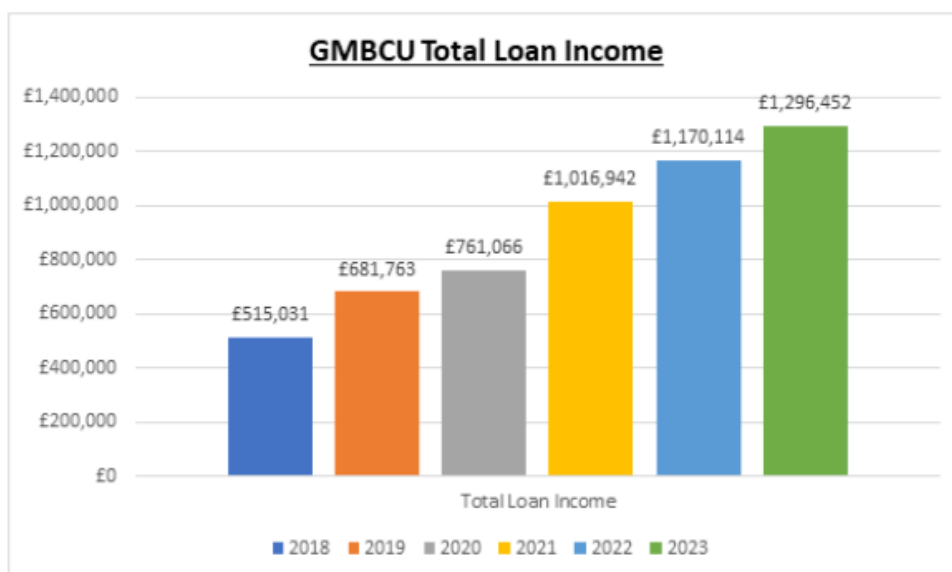
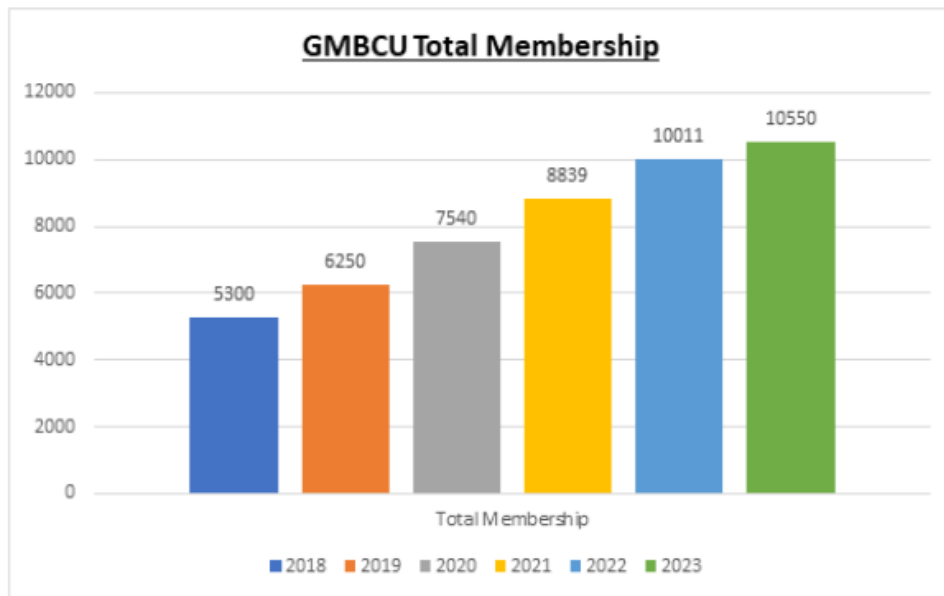
**David Castledine**  
**Treasurer & Board Director**

**15 March 2024**



## GMBCU Performance Graphs

## Appendix One



## GMBCU Performance Graphs

## Appendix One

