

**MINUTES OF THE 162<sup>nd</sup> ANNUAL GENERAL MEETING  
OF THE CHORLEY & DISTRICT BUILDING SOCIETY**

<b>DATE</b>	Wednesday 26 May 2021 at 6.00pm
<b>VENUE</b>	Virtually on My Teams via Key House Head Office, Chorley, PR7 1NZ
<b>CHAIRMANS WELCOME</b>	<p>The Chairman opened the meeting, and welcomed Members to the 162<sup>nd</sup> Annual General Meeting.</p> <p>There were 16 attendees comprising 12 Members (10 Directors and 2 Members) and 4 non-members. All non-members were members of staff with the exception of one representative from the Society' External Auditors.</p> <p>Following brief housekeeping rules, the Chairman acknowledged the virtual nature of the event and expressed his disappointment that the Society could once again not hold its traditional meeting due to the ongoing COVID-19 pandemic.</p> <p>The Chairman spoke of his delight in reporting that the Society has continued to build on its strengths and delivered strong growth with record mortgage assets and reserves as well as record savings balances.</p> <p>The Chairman invited the CEO to provide a business update.</p>
<b>BUSINESS UPDATE FROM THE CEO</b>	The Chief Executive provided an update on the Society's business performance for the last financial year.
<b>APOLOGIES FOR ABSENCE</b>	The Chairman asked the Assistant Company Secretary for any apologies. There were no apologies.
<b>NOTICE OF THE AGM</b>	The Notice of the Meeting was taken as read.
<b>MINUTES OF THE AGM</b>	<p>The Minutes of the AGM dated 03 June 2020 were taken as read and the Chairman invited any questions.</p> <p>There were no questions.</p> <p>The minutes were <i>agreed</i> and electronically signed by the Chairman.</p>
<b>PROCEDURE FOR</b>	The Chairman explained that the event was a 'closed meeting' which meant no

## RESOLUTIONS

further voting could take place with the exception of the quorum of Directors and staff Members present. The Chairman explained the procedure for the Resolutions which required a member poll in addition to the votes already received by way of proxy and asked for Members to raise their hands at each item if in favour.

The Chairman advised that there would be an opportunity to ask questions after each item.

### ITEM 1: **To Receive the Auditors' Report**

The Chairman referred to the Auditors Report, the full text of which was printed on pages 32 to 36 of the Annual Report and Accounts.

There were no questions.

### ITEM 2 **To receive the Directors' Report, Annual Accounts and Annual Business Statement for the year ended 1 February 2021**

The Chairman invited questions from the attendees in respect of the Directors' Report, Annual Accounts and Annual Business Statement.

There were no questions.

### Item 3 **To approve the Directors' Remuneration report**

The Chairman referred to the remuneration as detailed in the Summary Financial Statement and Annual Report & Accounts.

There were no questions.

### Item 4 **To appoint Mazars LLP as Auditor**

There were no questions.

### Item 5 **To pass the following resolution as a Special Resolution:**

**'That the Memorandum of the Society be amended in the manner specified in the document produced for the meeting and electronically signed by the Chairman for the purposes of identification.'**

There we no questions.

### Item 6 **To re-elect John Philip Sandford**

There were no questions.

### Item 7 **To re-elect Kevin Barry Bernbaum**

There we no questions

**Item 8 To re-elect Stephen Penlington**

There were no questions.

**Item 9 To re-elect Kimberley Emma Roby**

There were no questions

**Item 10 To elect Gail Louise Teasdale**

**VOTING RESULTS**

The Chairman requested that Members vote on each of the resolutions as detailed. There were no Members who had not already voted by proxy.

The final voting results were as follows:-

	<b>For</b>	<b>Against</b>	<b>Withheld</b>	<b>% in favour</b>
<b>Item 1: To Receive the Auditors Report</b>	<b>955</b>	<b>19</b>	<b>11</b>	<b>98.05%</b>
<b>Item 2: To Receive the Directors' Report, Annual Accounts and Annual Business Review</b>	<b>950</b>	<b>25</b>	<b>10</b>	<b>97.44%</b>
<b>Item 3: To approve the Directors Remuneration Report</b>	<b>851</b>	<b>110</b>	<b>24</b>	<b>88.55%</b>
<b>Item 4: To appoint Mazars LLP as Auditor</b>	<b>933</b>	<b>33</b>	<b>19</b>	<b>96.58%</b>
<b>Item 5: To pass the following resolution as a Special Resolution: 'That the Memorandum of the Society be amended in the manner specified in the document produced for the meeting and electronically signed by the Chairman for the purposes of identification.'</b>	<b>910</b>	<b>49</b>	<b>26</b>	<b>94.89%</b>
<b>Item 6: To re-elect John Philip Sandford</b>	<b>911</b>	<b>56</b>	<b>18</b>	<b>94.21%</b>
<b>Item 7: To re-elect Kevin Barry Bernbaum</b>	<b>907</b>	<b>58</b>	<b>20</b>	<b>93.99%</b>
<b>Item 8: To re-elect Stephen Penlington</b>	<b>911</b>	<b>57</b>	<b>17</b>	<b>94.11%</b>

<b>Item 9: To re-elect Kimberley Emma Roby</b>	<b>914</b>	<b>55</b>	<b>16</b>	<b>94.32%</b>
<b>Item 10: To elect Gail Louise Teasdale</b>	<b>926</b>	<b>39</b>	<b>20</b>	<b>95.96%</b>

The Chairman declared that all of the Resolutions had been carried and advised that the final results would be made available on the Society's website shortly after the event.

## **Q&A SESSION**

The Chairman noted that one question had been received prior to the event from Society Member, Mr Edwin Fisher which read: 'Can you please let me, with savings interest rates as low as 0.1%, who has benefited from the "excellent growth and record savings balances?"'

In response to the question, the CEO provided the following response:

I would like to begin by adding some background context to the reference to the 0.10% rate of interest. As a relatively small player, the Society is a market interest rate follower, not an interest rate setter. All institutions, no matter how big or small ultimately set their interest rates in alignment with the Bank of England Base Rate, as this is essentially the market benchmark rate and the rate which banks use to set the borrowing costs between one another.

In March last year, in response to the global pandemic and the deep recessionary impact on the UK economy, Bank Base Rate reduced to 0.10%. This is the lowest rate of interest ever in the 600+ year history of the Bank of England! Clearly, all financial institutions have had to respond by reducing interest rates accordingly and I appreciate that this has been a difficult time for all UK savers who have borne the brunt of these emergency measures.

The logic of the authorities is that in a deep recession, lower costs of borrowing will help both businesses and individuals to continue to be able to make their mortgage and loan repayments. On the other hand, low savings rates will encourage savers to spend, to help stimulate economic activity. In my experience, it quite often has the opposite effect. In times of national emergencies, people save more as a safety buffer and that has what has transpired.

The Society received record inflows of retail funding last year, despite operating in such a low interest rate environment. In terms of who has benefited, there have clearly been significant benefits enjoyed by so many. For instance, our savers have benefited from the fact that our average rate of interest across all savings products was much higher than 0.10%. In fact, at the year-end the Society's average rate was over 6x higher. Even our easy access rate at 0.10% is 10x higher than the 0.01% paid by the banks<sup>1</sup>. This, combined with the convenience of our branch network, excellent customer service standards and

the fact that we are trusted and clearly seen as a safe haven in turbulent times, has led to the record growth experienced in savers balances last year.

Our mortgage members have benefited too. As a result of receiving so many new savings balances, we have been able to lend much of this by way of mortgage, helping so many to achieve the dream of buying their own homes. The local community has also benefitted from our support.

As a community Building Society we have redoubled our donations to many local charities and deserving good causes, especially important during these most difficult of times when they have needed us more than ever, such as to the local food banks and Chorley Inspire Youth Zone.

As a result of our success, we have been able to invest further in our digital strategy and in the provision of new products and services to the benefit all of our current and future members. We have also invested in the development of our team and won a number of industry awards. In conclusion, I hope we can be equally successful in future years so that we can continue to deliver these wide range of benefits to so many people.

The Chairman invited any further questions.

There were no further questions.

**CLOSURE OF  
THE MEETING**

The Chairman concluded by expressing delight at the results produced for the Members. The Chairman advised that the Society remained secure and strong and that it would continue to meet the ever changing needs of current and future Members in order to help achieve their dreams.

Finally the Chairman thanked Members and staff for all their support and commitment throughout these unprecedented times.

The meeting closed at 18:10pm

Signed .....  ..... Chairman      John Sandford

Date of Meeting      26 May 2021      Date of Approval      24 May 2022

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<sup>1</sup>Which? Magazine – 6<sup>th</sup> May 2021