



Annual Report

30TH SEPTEMBER 2021

25 years of TransaveUK

In 1996 Worker-Directors of a mutually owned South Yorkshire bus company called Mainline formed a credit union for their staff. At the end of their first year of trading they had about a hundred members, £110k in savings and £7.5k loaned to members.

Little would anyone know that a quarter of a century later that credit union would serve 16,000 members with almost £40 million in savings and a similar amount out on loan.

Thanks to the hard work and dedication of those pioneers and the support of the members and other stakeholders, TransaveUK Credit Union as it is now known, has grown out of all recognition and is one of the UK's largest and most successful.

TransaveUK continues to serve transport workers but also now partners with employers in Health Care, Police, Manufacturing, Consultancy and many more sectors across the UK.

The approximate value of benefits to members over those 25 years is £15 million (based on interest savings compared to other lenders rates, dividends paid on savings and bereavement payments, etc).

A big thank you to everyone who has made this success possible – especially our members.

Happy Silver Anniversary TransaveUK and here's to at least 25 more!



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Report from the CEO & President

The financial year ended September 2021 turned out to be a landmark one for TransaveUK. Not only did we enter our 25th anniversary year but we were also able to maintain our track record of steady growth despite the challenges presented by the global pandemic.

Autumn 2020 saw the reinstatement of national lockdowns and the resultant closure of our offices with all members of staff having to work from home once again. Despite this, we are proud of the fact that we were able to continue to offer a first-rate service to members, including the increased number of individuals experiencing difficulties as the pandemic impacted on their financial wellbeing. My thanks go to our fantastic team at TransaveUK for their flexibility and resilience in the most challenging of circumstances.

It also became clear to us as the year progressed that economic conditions in the UK were improving and that we needed to ensure that our product offerings reflected our member's

increased appetite for credit as consumer confidence returned. In response we made the decision to relax some of the lending restrictions on our loan products to ensure that as many members as possible were able to access affordable credit.

We are pleased to say that this contributed to our loan book growing strongly in the second half of the year with income and overall profitability also improving as a result. Being ever mindful of the need to also promote member savings we re-launched our Junior Savings account during the same period which resulted in a large increase in the number of members setting up savings accounts for their children.

Now looking forward to the year ahead our focus will be on reviewing our technology and refining our internal processes to ensure that we keep up with today's digital world and continue to meet the demands and expectations of our members and other stakeholders.

We are excited by the opportunities and potential this presents for future growth. And although our ethos remains unchanged from that of our founders a quarter of a century ago, it will help ensure that we can be confident of continued success in a fast-changing world.



Rachael Hardman-Jones
CEO and Finance Director

Ian Davies
President

Highlights of 2020 – 2021



TOTAL MEMBERS
15,947
Increased by 14%

Loans made since inception (1996)

£197m



TOTAL LOAN BALANCE
£38,514,469
Up by 35%

Bank and Investments balances
£7,276,280
-35%



14%
CAPITAL RESERVES
£5,672,585



TOTAL SAVINGS BALANCE
£39,973,647
Increased by 15%



6 NEW EMPLOYER PARTNERS ADDED

← TOTAL ASSETS →
£45,866,261
Annual increase 15%

HOW OUR MEMBERS RATE US
2021



Financial statements to 30th September 2021

The following set of accounts are extracted from the full and independently audited financial statements.

Whilst every attempt has been made to transcribe the figures as given in the audited statements as accurately as possible the accounts shown on the following pages should be viewed as an abridged view of the financial position of TransaveUK Credit Union Limited as at the 30th September 2021 and not the definitive audited financial statements.

These abridged accounts are merely intended to simplify the position while giving a true and accurate state of the credit union for members information and comparison. Copies of the full independently audited statements (including auditors, opinion and statement, etc) are available to members online and may also be requested by members and others entitled to view them from the TransaveUK office.

Please note that the full financial statements were audited by: **Alexander Sloan, 38 Cadogan Street, Glasgow, G2 7HF**

Balance Sheet as at 30th September 2021

| | 2021 | 2020 |
|---------------------------------------|-------------------|-------------------|
| | £ | £ |
| ASSETS | | |
| Cash and balances at central banks | 153 | 200 |
| Loans and advances to banks | 5,322,428 | 9,285,461 |
| Loans and advances to customers | 38,514,469 | 28,529,932 |
| Investments - Debt securities | 1,953,852 | 1,935,864 |
| Tangible fixed assets | 71,376 | 81,109 |
| Prepayments | 3,983 | 10,238 |
| Total assets | 45,866,261 | 39,842,804 |
| LIABILITIES | | |
| Customer accounts | 39,973,647 | 34,627,873 |
| Other liabilities | 67,538 | 100,615 |
| Provisions for liabilities | 152,491 | 130,000 |
| | 40,193,676 | 34,858,488 |
| General reserves | 4,665,773 | 3,974,034 |
| Other reserves | 1,006,812 | 1,010,282 |
| Total reserves | 5,672,585 | 4,984,316 |
| Total liabilities and reserves | 45,866,261 | 39,842,804 |

Proposed distribution to members

The Directors are proposing the following dividends based on the results for the year October 2020 to September 2021. If approved this dividend will be included in next year's financial accounts once it has been paid to members.

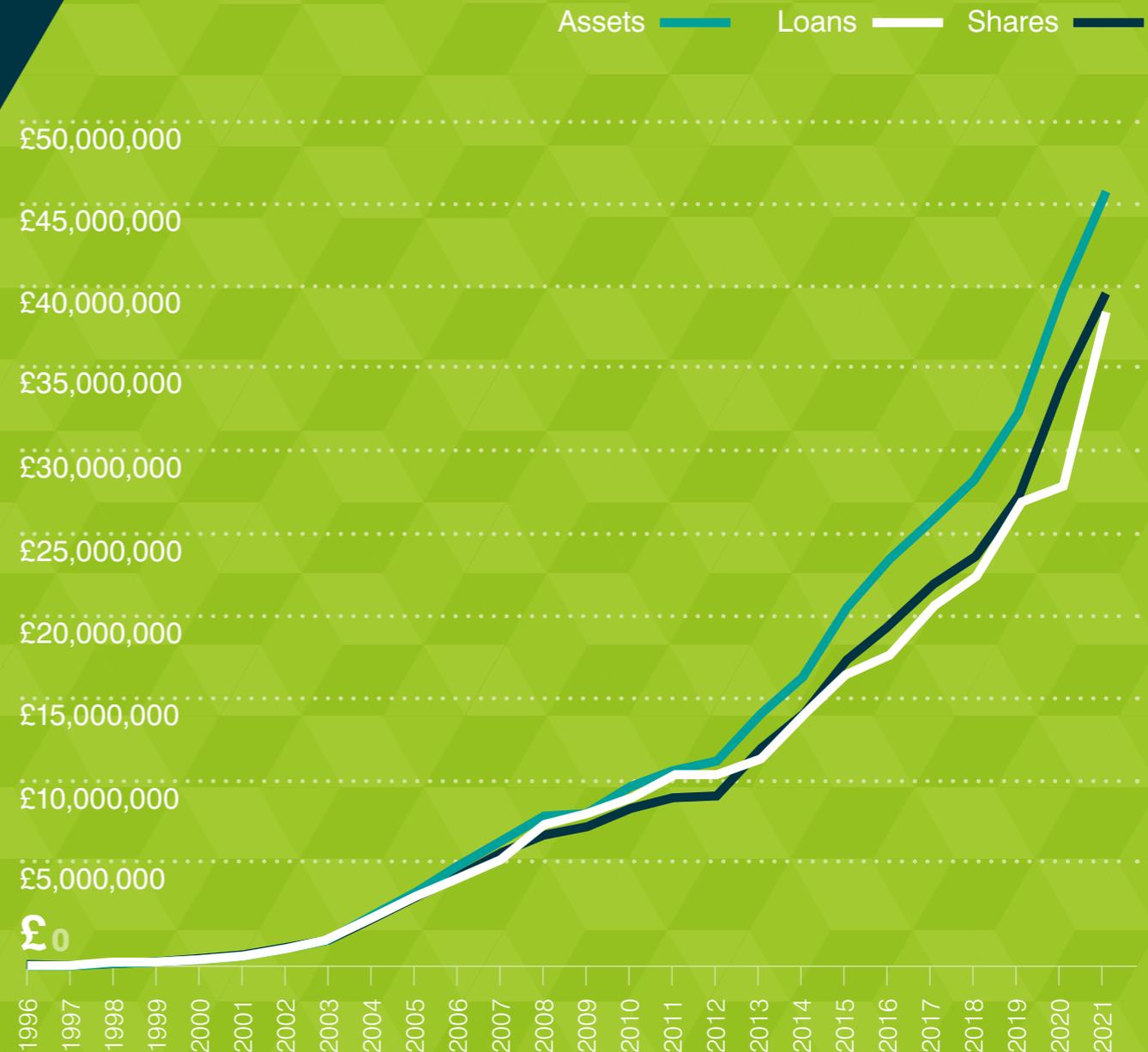
| | 2021 | 2020 |
|--------------------------------------|------|------|
| | % | % |
| Proposed dividend on juvenile shares | 1.50 | 1.00 |
| Proposed dividend on ordinary shares | 1.50 | 1.00 |

Revenue Account for Year Ended 30th September, 2021

| | 2021 | 2020 |
|--|------------------|------------------|
| | £ | £ |
| INCOME | | |
| Interest income on loans | 3,411,930 | 3,050,147 |
| Interest income on bank deposits | 40,018 | 716 |
| Income from investments | 27,884 | 32,055 |
| Fees and commission receivable | 62,798 | - |
| Other income | 56,259 | 31,799 |
| | 3,598,889 | 3,114,717 |
| EXPENDITURE | | |
| Staff costs | 886,379 | 913,019 |
| Death benefit insurance | 144,000 | 140,875 |
| Auditors remuneration | 17,460 | 15,994 |
| Member communications & advertising | 137,497 | 103,576 |
| Legal, professional and credit costs | 99,876 | 106,467 |
| Computer & software expenses | 156,366 | 138,236 |
| Travel costs | 2,917 | 51,454 |
| Bank charges | 33,574 | 23,013 |
| Donations | - | 750 |
| General administration costs | 49,296 | 43,439 |
| Costs of occupying offices | 156,922 | 145,609 |
| Depreciation & amortisation | 9,733 | 11,060 |
| Impairment on loans for bad and doubtful debts | 906,253 | 687,111 |
| | 2,600,273 | 2,380,603 |
| SURPLUS BEFORE TAXATION | 998,616 | 734,114 |
| Corporation tax | (11,205) | (6,091) |
| | 987,411 | 728,023 |
| Distributions | (299,142) | (506,852) |
| Surplus for the year | 688,269 | 221,171 |

Financial growth 1996 to 2021

| | Assets | Loans | Shares |
|------|------------|------------|------------|
| 1996 | 111,308 | 7,150 | 110,440 |
| 1997 | 235,692 | 207,620 | 221,175 |
| 1998 | 345,595 | 299,150 | 318,945 |
| 1999 | 405,733 | 358,550 | 352,869 |
| 2000 | 547,016 | 519,969 | 471,138 |
| 2001 | 882,642 | 815,121 | 750,730 |
| 2002 | 1,166,303 | 1,043,201 | 1,050,378 |
| 2003 | 1,744,894 | 1,467,741 | 1,594,857 |
| 2004 | 3,058,500 | 2,785,462 | 2,800,404 |
| 2005 | 4,415,672 | 4,122,545 | 4,040,864 |
| 2006 | 5,838,694 | 5,327,398 | 5,393,926 |
| 2007 | 7,392,283 | 6,425,972 | 6,783,497 |
| 2008 | 8,773,049 | 8,139,667 | 7,806,696 |
| 2009 | 9,078,870 | 9,019,343 | 8,280,189 |
| 2010 | 10,507,295 | 9,905,511 | 9,396,565 |
| 2011 | 11,395,550 | 11,313,118 | 10,023,069 |
| 2012 | 12,226,661 | 11,313,118 | 10,253,417 |
| 2013 | 14,857,520 | 12,304,145 | 12,927,330 |
| 2014 | 17,136,738 | 15,116,590 | 14,912,262 |
| 2015 | 21,267,080 | 17,204,766 | 18,217,485 |
| 2016 | 24,084,448 | 18,653,035 | 20,374,276 |
| 2017 | 26,570,825 | 21,188,763 | 22,536,713 |
| 2018 | 28,955,126 | 23,208,827 | 24,415,154 |
| 2019 | 32,874,817 | 27,525,325 | 28,042,162 |
| 2020 | 39,842,804 | 28,529,932 | 34,627,873 |
| 2021 | 45,866,261 | 38,514,469 | 39,973,647 |



Technological developments

Over the 25 years TransaveUK have operated the pace of technological change has been astounding.

In 1996 the credit union used rather large and clunky PC's with capacity and functionality a fraction of what is commonplace today. Mobile Phones were quite new and basic and social media didn't exist!

Now, we have 5G smartphones with immense functionality and digitalisation and social media have transformed our world. There is a whole 'FinTech' (Financial Technology) sector developing which companies like TransaveUK can and do utilise.

TransaveUK has adopted much of the new technology and members can now use our App to do many things, view and interact via our social media platforms and transact digitally, swiftly and safely.

Here are just 2 examples of recent and forthcoming developments:

Open Banking

In a nutshell, Open Banking is an extremely secure way for members to give the credit union access to their financial information.

All financial institutions have a duty to be 'responsible lenders' and find out about disposable income, debts, and commitments, etc. This can often involve asking for copies of bank statements, making other checks and/or asking people to fill in Income and Expenditure details.

Open Banking cuts through these stages in a couple of 'clicks', saving members time and effort and speeding up the application process. It is becoming an increasingly accepted, popular and safe way of working.

Agency Banking

This will be introduced to TransaveUK very soon (summer 2022 est.) and will provide extremely fast inward and outward payments 24/7 (e.g. Savings deposits and withdrawals, loan repayments, etc). Again, this is secure, data protected and complies to the highest legal, GDPR and technological levels.

Directors & Staff September 2021

Non-executive directors

Ian Davies
Andrew Smith
Bruce Swann
David Mason
James Sallows
Nigel Hiller
Paul Rogers
Phil Boden
Philip Spencer Smith
Taj Salam
Mike Foster
Paul Newman
John Townson

Executive Directors

Rachael Hardman Jones
(Chief Executive Officer)
Ken Dunn
(Deputy CEO & Business Development)
Ian Sibbald
(Operations Director)
appointed 18/01/2021

Managers

Claire Naylor
(Compliance & Development)
Carly Slater
(Finance)
Roger Shelton
(Marketing / Business Development)
Marie Oxley
(Administration)
Sean Haughian
(Member Solutions)

Operational Staff

Charles Clark
(appointed as an advisor
19/01/2021)
Debra Mitchell
(Finance Assistant)
Jo Pollard
(Finance Assistant)
Molly Stroyan
(Finance Assistant)
Gareth Davies
(Legal Collections Officer)
Lesley Smith
(Member Solutions Officer)
Sarah Woodcock
(Loans Supervisor)
Sarah Watson
(Admin Controller)
Sara Fox
(Admin Controller)
Gemma Graves
(Admin Controller)
Jan Thackeray
(Admin Controller)
Ruby Bowler
(Admin Controller)
Simon Jenkins
(Admin Controller &
Member Solutions Officer)
Olivia Sharman
(Digital Marketing)

Working through a pandemic at TransaveUK

Exactly two years ago the whole world went into a global pandemic due to the COVID-19 virus. TransaveUK had to act fast and quickly implement a work from home strategy for our staff.

It was a very challenging time but our staff adjusted to what was needed from them so we could continue to run a successful credit union. Days turned into weeks, then months later unexpected things started to happen...

Members stopped borrowing money because they had fewer expenses and started to deposit more into their savings because there was nowhere to go or nothing to do that involved spending money. We saw a massive rise in mental health problems. Members were being furloughed and dismissed, so as well as being a responsible lender we sat and listened to

our members, had chats with them and helped them as much as we possibly could on a professional and personal level.

We froze interest rates on over 200 loans to help members who were in financial difficulty. Our members were so grateful, and the majority started paying back their loans as soon as their furlough had finished – this showed loyalty and integrity.

We proved that we could run the entire operation remotely if we needed to.





Celebrating



YEARS

1996 - 2021





HEAD OFFICE

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TransaveUK Credit Union Limited trading as TransaveUK.
Authorised by the Prudential Regulation Authority and
regulated by the Financial Conduct Authority and
the Prudential Regulation Authority: Firm Ref No 213773.