



**MINUTES OF THE 149<sup>TH</sup> ANNUAL GENERAL MEETING (AGM) OF THE MANSFIELD BUILDING SOCIETY**  
held at Mansfield Library on 25 April 2019 at 4:00pm

Present:	J Cross	Chairman
	R Clifford	Senior Independent Director
	R J Hartley	Director
	A Chmiel	Director
	C Bradley	Director
	N Baxter	Director
	G Lynott	Director and Chief Executive
	P Wheeler	Director and Deputy Chief Executive, Finance Director and Secretary
	J McLelland	KPMG LLP

Together with 82 (inc 24 staff) members and observers (2018:68)

The Chairman opened the meeting and welcomed members to the 149th Annual General Meeting. The Chairman ran through the format of the evening and introduced the Directors and Jake McLelland to the meeting.

The Chairman gave a short address outlining the scheduled format of the meeting.

#### **Apologies**

The Chairman stated that apologies had been received from former Chairman Nigel Carnall - there were no further apologies for absence

#### **Notice of the Meeting**

The Chairman reported that notices of the meeting had been issued to all eligible voters by post or e-mail, that there was a meeting notice published in the entrance to the meeting and that a copy was issued on entry to the meeting. The Chairman asked if the meeting would accept the notice as having been read. *This was approved.*

#### **Minutes**

The minutes of the last Annual General Meeting of members held on 26<sup>th</sup> April 2018, having been signed by the Chairman, were taken as read.

#### **Agenda Item 1- to receive the Independent Auditors' Report**

The Chairman referred to the Auditors' report on page 24 of the Report and Accounts and page 14 of the Summary Financial Statement booklet. Members were asked if they wished to ask any questions of Mr McLelland (KPMG LLP).

No questions were asked.

#### **Agenda Items 2-5 – Voting on Ordinary resolutions**

The Chairman asked if there was anyone in the room that had not already voted. It was established that everyone had voted prior to the commencement of the meeting.

The Chairman invited questions from the floor.

There were no questions

The Chairman confirmed that the results of the voting would be announced later in the meeting.

The Chairman handed over to the Chief Executive to address the meeting.

## Chief Executive's address

Mr Lynott said he was delighted to see so many people in attendance and reported the following:-

- *once again the Society has made excellent progress achieving a second consecutive year of best ever mortgage lending. Savings balances growth was the highest since 2006 and we continue to strengthen the Society's financial position ensuring that we remain a very safe and secure place for savings.*
- *today's presentations will also confirm that we remain very active in providing charitable support to the communities we serve.*
- *the financial strengthening we have achieved has been driven by growing the Society's mortgage balances in a sustainable way. 2018 trumped 2017 which in itself had been a record year for lending. In 2018 mortgage completions reached £94m of new lending which enabled us to grow the Society's mortgage balances by just under 12%. The combined mortgage balances growth across both years equates to 25% which is more than the Society was able to achieve in all of the 10 preceding years combined.*
- *we need to manage future expectations, whilst 2017 and 2018 have been exceptional years for mortgage lending we will not be chasing double-digit growth targets every year. 2018 presented an opportunity to support a number of borrowers particularly in Self Build and Shared Ownership mortgages. However, a combination of increased competition from other lenders and our own safeguarding measures of not growing too quickly, means that we can expect a more modest level of growth in 2019, nearer to the 5%-6% average level of mortgage growth that we aim for over a 5 year period.*
- *I focus on delivering the growth in mortgage balances because not only does this help our borrowing members meet their housing finance needs it is also a vital part of ensuring that we create sufficient profitability to be able to maintain competitive savings interest rates.*
- *the Bank Base Rate was increased by another 0.25% to 0.75% in August 2018, whether it continues to increase depends on a number of factors not least which will be how the UK economy performs once the Brexit situation is finally resolved.*
- *we have always sought to protect our local and loyal savers from some of the ultra-low rates that are still out there in the market place. We constantly review the competitiveness of our rates and it's encouraging to see that the Society's total savings balances increased by over £25m last year.*
- *to ensure that the Society remains in good shape we need to continue to invest in a number of areas. We need to attract, retain and develop good quality people with the appropriate knowledge and skills. We also need to invest in our IT systems, keep up with IT developments and continue to strengthen our cyber security defences. We are also finding that there are lots of projects and additional activities required to ensure we keep up with all the various regulatory changes. So looking after all of these things cost money and the comparisons across our sector confirm that the resources needed to run and develop a building society that is fit for future needs, are increasing costs faster than inflation. Our management expenses ratio for the year ended 2018 compares favourably to our peer group of similar sized building societies. However, a number of cost areas, particularly IT systems, are requiring significant investment. I therefore expect to see the management expenses ratio continue to rise as we invest in the Society's people and systems infrastructure. This is a similar story to what we see at other building societies.*
- *having Mansfield Building Society above our doors means that we are committed to proving support and assistance to people in our surrounding communities.*
- *in 2018 the Society set aside over £76,000 (another record) for donations towards local charities via our Community Support Scheme and the Charitable Trust Fund we established, benefitting over 40 worthwhile causes. We have a mixture of smaller donations, typically to around 40 local charities and then the Charitable Trust makes larger donations to provide a more enduring legacy.*
- *our staff have targeted their own fund raising efforts towards the Macmillan Cancer Support charity for 2017 and 2018 across the two years they raised over £14,000.*



- *we also allow each member of staff 2 days paid leave to provide practical support to local community groups and some of the activities include – providing advice on CVs/Job Interviews to young adults, helping with Community gardens and variety of local school projects*
- *whilst financial results are important it's great to see the contribution your local building society can make and we are regularly recognised by various awards including the Commitment to The Community from Mansfield & Ashfield 2020 Business Club.*

Mr Lynott summarised by saying that:-

- *The Mansfield has been a safe haven for 149 years and whilst we have achieved a recent spike up in record growth from two exceptional years, I can assure you that the Board and I continue to take controlled, measured and prudent steps to safeguard your money and build a solid platform for the next 149 years.*
- *Having a healthy financial position has enabled the Society to continue to provide the personal service and competitive rates for members and also to grow the community support activities.*
- *We have invested in our people, systems, branches and indeed our new branding in order to ensure we remain fit for the future. We look forward to helping more savings, mortgage and community members in 2019.*

Finally, Mr Lynott said that *he would like to add his personal thanks, as well as the Board's, to the tremendous commitments and collective achievements of our 90 staff in delivering a record breaking year for mortgages completions and a tremendous contribution to the community work and fund raising.*

Mr Wheeler, the Deputy Chief Executive, Finance Director and Secretary, formally announced the results of the AGM voting.

#### **Agenda Items 2–5 - Results of Voting on Ordinary Resolutions**

Mr Wheeler advised that the scrutineers had confirmed that no further voting forms had been submitted during the meeting and announced that the voting results from the AGM poll were in favour of:-

**Ordinary Resolution Number 2** - receiving the Directors' Report, Annual Accounts, and Annual Business Statement for the year ended 31 December 2018.

**Ordinary Resolution Number 3** - re-appointment of KPMG LLP.

**Ordinary Resolution Number 4** - approving the Directors' Remuneration Report for the year ended 31 December 2018.

**Ordinary Resolution Number 5 (i-iii)** - re-electing Colin George Bradley, Alison Joan Chmiel and Jeremy David Cross

Mr Wheeler confirmed that Colin George Bradley, Alison Joan Chmiel and Jeremy David Cross are duly re-elected to the Board and that the full results of the AGM voting poll would be on display in the room where refreshments would be served after the meeting.



### **Any Other Business**

The Chairman stated that the Secretary had not been informed of any other business that may be brought before the meeting by the Board.

The Chairman then closed the Annual General Meeting.

