

Dan Wass, CEO

Annual General Meeting 18 April 2024

Good afternoon, everyone.

Attendees at last year's AGM may remember that I mentioned that I was struck by two things since joining the Society in 2022:

- The pride our Society has in its heritage.
- The genuine commitment, right across the Society team, to help and support members day in, day out.

One year on, those two things feel as strong as ever. It is a pleasure to share the progress that we have made in 2023.

As Dick mentioned in his opening remarks, 2023 presented more than its fair share of challenges. The path down from the highest peak in inflation for many years has been challenging and slow. Cost of living pressures still weigh on many households and despite base rates changes easing last year (just 5 vs the 8 the year before!), competitiveness in both savings and mortgage markets has remained constant.

I expect market conditions to remain delicate in 2024 but draw strength from the Society's resilience and performance in 2023 - a performance which was balanced to deliver member value in the short and longer-term.

The Society saw new mortgage lending of £59m and grew its overall mortgage balance to £298m – a growth of 8% (£22m). Savings balances grew by £30m – a growth of 10% which in turn preserved a strong liquidity position.

Our total assets increased to £381m (+7%) and our lending portfolio remained resilient, with low levels of arrears thanks to our very personalised approach to both underwriting and member contact.

As a mutual, we always seek to balance the interests of our savers and borrowers. Our total income grew to £7.3m (+7%) and our costs increased to £5.8m (+8%) as the Society faced into the same inflationary pressures of the wider economy and moderated its investment in capability and systems for the prevailing conditions.

As a result, the Society's profits closed at £1.3m before tax – a small reduction on 2022 – and a strengthened capital base of £29.5m, which remains well ahead of regulatory requirements. All in all - a measured set of financial results, achieved in the context of tough trading conditions.

Alongside our financial headlines, our 2023 annual member survey saw 93.8% of members saying they were satisfied with the service they had received (an increase on 2022). I'm also pleased to report that our overall membership grew to 11,759 over the course of the year and our charitable donations topped £19,000 to local causes.

With our mutual model (and lack of shareholders) we feel a real sense of duty to take a long-term view and I am particularly pleased that the Society has been able to sustain its future investment in our member proposition and support the community within which we are rooted.

To focus our energies over the longer-term, in 2022 we re-framed our strategy under the heading of:

Sustainably Strong | Member Centred | Community Rooted

.... under which we identified five distinct priorities. I'll draw out one deliverable from each – but further information is shared in our Business Review booklet.

Fit For Purpose – is all about placing financial stability and resilience at the centre of our growth ambitions.

We were pleased to extend our investment in technology (particularly security) and member experiences (digital).

Enduring Savings – is about how we seek to nurture growth in our membership through lasting savings relationships.

We launched a brand-new journey for savings members to apply online and refreshed the branch environment for our visiting members.

Crafted Lending – is at the heart of our purpose – bringing the best of our capabilities to craft lending solutions.

To that end, we launched a new Direct Advice service to provide first-hand advice to new and existing mortgage members.

Engaged Colleagues – reflects our commitment to investing in our people and making the Society an exceptional and inclusive place to work.

We believe strongly that values count and are what set us apart – which is why we took great pride in the collaboration that informed our refreshed values. These will guide how we go about our business in a way that is true to our heritage and relevant in today's world.

Greater Good – captures our pride in supporting our local community and collaborating locally for the good of our communities and the environment.

And we were pleased to forge new local partnerships with CAB Bucks and Bucks SME awards – both sponsorships championing a positive impact within our community.

In 2024 our plan is to advance each of our five priorities in a balanced way, with: further investment in technology; enhancing our member experiences for both savings and mortgages; supporting our colleagues through new well-being and development initiatives; and extending support for community through a re-vamped local member proposition.

Last year you voted to award our charitable donation to ageUK Buckinghamshire and I'm delighted to welcome Mark Russell, CEO of ageUK Buckinghamshire to our AGM this year.

As always, in partnership with the Heart of Bucks, we have carefully shortlisted three other fantastic local causes for you to vote for at this AGM – and we look forward to understanding who you would like to support next year. I'd also like to welcome Mark Bradbury, Chair of the Grants Committee at Heart of Bucks.

I will invite both Marks to say a few words shortly but to close...

Over the last few years, we have become accustomed to geo-political and macro-economic uncertainties. Current events in the Middle East, a record year for elections across the world, and ever-faster advances in technology will be just some of the factors that will shape the backdrop over the next period.

What is clear and certain, as the Society enters its 118th year, is that our purpose remains as relevant today as it was when the Society was first incorporated in 1907.

Whatever the conditions, we will continue to be guided by our primary commitment to help people achieve financial security and home-ownership – the Bucks way.

I would like to thank all my colleagues for their hard work and you, our members, for your loyalty and support.

Dan Wass
CEO