

HALLIDAYS HELP TO TURNAROUND CREDIT UNION

Calderdale Credit Union is a community based Credit Union located in the Calderdale area.

Like many Credit Unions, Calderdale has been funded by DWP grants, and when Hallidays took over as accountants and advisors, the financial position and controls required some improvement.

The Financial Services Authority (FSA) was also paying particular attention to the Credit Union and during our first year, the Finance Manager passed away unexpectedly.

Before:

- Controls and procedures were in need of strengthening.
- The FSA's interest was high due to the internal control weaknesses.
- Bad debt was increasing due to weak and inconsistent debt collecting procedures and the general economic climate.
- New finance staff needed mentoring and training.
- Improvements required to Financial Management Information.
- The statutory audit report was submitted as Qualified. It was imperative therefore that this was addressed to restore the confidence of the members.

After:

- Through specific testing in key risk areas via internal audit procedures, Hallidays identified the problem areas and weaknesses in internal controls and were able to make recommendations on how to improve the control environment.
- Hallidays carried out significant one-off internal control reviews, including testing significant samples, to allow the Credit Union to report back to the FSA about their position.
- Simple explanations to the new Finance Manager to ensure the figures are up to date and reliance can be place on them.
- Unqualified audit report for the first time in two years, proving the recommendations have been taken on board and significant improvements made.

Outcome

Although the FSA continue to review the Credit Union, the continued progress of ensuring the correct controls are in place, which strengthen the financial position of the organisation, means there is less interest.

Hallidays continue to work as an advisor to the Credit Union on various aspects of the organisation, which proves to be invaluable to the board and management.

“ On behalf of the board, can I say thank you both for the amount of time and energy that you have put in to achieve this result. It has not been easy for a couple of years, and the board is absolutely delighted. It has given us the boost we needed to go forward. ”

Frances Burns, Chair, Calderdale Credit Union

“ Thank you and your staff for the hard work and the degree of detail which you have gone to establish the position. The board meeting on Tuesday expressed their appreciation. ”

Graeme Murgatroyd, Treasurer, Calderdale Credit Union

To find out more about how our Credit Union team can help you,
call us on 0161 476 8276