



## Strengthening a Credit Union

Calderdale needed support to improve its financial position and controls. Their statutory audit had been submitted as 'qualified' and bad debt was on the increase. This is the story of how Hallidays helped turn this credit union around.

### Before

- ✘ Controls and procedures were in need of strengthening which resulted in a high level of interest from the Financial Services Authority (FSA).
- ✘ Bad debt was increasing due to weak and inconsistent debt collecting procedures and the general economic climate.
- ✘ New finance staff needed mentoring and training and improvements were required to Financial Management Information.
- ✘ The statutory audit report had been submitted as 'qualified'. It was imperative this was quickly addressed to restore the confidence of their members.

### After

- ✔ By specific testing in key risk areas Hallidays quickly identified the weaknesses in their internal controls and made recommendations to improve the control environment.
- ✔ Hallidays carried out significant one-off internal control reviews, including testing 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 placed 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

With Hallidays support, Calderdale Credit Union were able to demonstrate to the FSA their commitment and continued progress with improving their internal controls. This strengthened their financial position and enabled the credit union to move forward with confidence.

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

## What the client said

“ On behalf of the board, can I say thank you 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