

**REPORT OF THE SCRUTINEERS and MINUTES OF THE ANNUAL GENERAL MEETING HELD ON 25<sup>th</sup> April 2017**

**Report of the scrutineers**

Vote collection, counting and scrutineering services were outsourced to Electoral Reform Services this year, with the exception that the minority of votes delivered personally to the Branches and at the AGM itself were counted in-house.

The ERS team processed and counted 2,264 votes.

A further 6 votes were received as proxy at branch. An additional 8 votes were cast on the night at the AGM along with 1 proxy voter other than the Chairman.

Fay Maskrey – Regulatory Finance Manager counted the votes and Jill Watson - Risk & Compliance Executive acted as scrutineer for the vote count. All the votes cast on the evening were made prior to the meeting starting and this speeded up the process.

The summary of all voting is attached to this report at Appendix A

The total vote received in the poll was 2,279 (2016 – 2,396)

**The Board are asked to note the content of the report.**

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**MINUTES OF THE ANNUAL GENERAL MEETING HELD ON 25<sup>th</sup> April 2017**

The minutes of the 147<sup>th</sup> AGM of The Mansfield Building Society are attached as Appendix B.

**The Board are requested to approve the minutes for signing by the Chairman.**

APPENDIX A

THE MANSFIELD BUILDING SOCIETY												
ANNUAL GENERAL MEETING 25 APRIL 2017												
SCRUTINEERS RESULT ON POLL (INCLUDING PROXY VOTES)												
	A			B							C	
	PROXY VOTES FOR	VOTES FOR @ AGM	TOTAL VOTES FOR	PROXY VOTES AGAINST	VOTES AGAINST @ AGM	TOTAL VOTES AGAINST	PROXY VOTES WITHHELD	VOTES WITHHELD @ AGM	TOTAL VOTES WITHHELD	SPOILT	PERCENT OF VOTES IN FAVOUR	
<b>(A) ORDINARY RESOLUTIONS</b>												
2. To receive the Directors' Report, Annual Accounts and Annual Business Statement for the year ended 31 December 2016.	2,216	8	2,224	40	-	40	15	-	15	-	98.2%	
3. To re-appoint KPMG LLP as auditors	2,137	8	2,145	103	-	103	31	-	31	-	95.4%	
4. To approve the DIRECTORS' REMUNERATION REPORT	1,982	8	1,990	241	-	241	48	-	48	-	89.2%	
<b>(B) ELECTION OF DIRECTORS</b>												
5(i). To elect NICHOLAS PAUL BAXTER	2,093	8	2,101	132	-	132	46	-	46	-	94.1%	
5(ii). To re-elect ROBERT JAMES HARTLEY	2,092	8	2,100	146	-	146	33	-	33	-	93.5%	
5(ii). To re-elect PAUL CLIFFORD WHEELER	2,115	8	2,123	123	-	123	33	-	33	-	94.5%	
SIGNED: ..... SIGNED:.....												
25 April 2017												
DATE:												
Column [C] is calculated taking Column [A] as a percentage of the sum of columns [A]+[B]												
Note:												

## APPENDIX B

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 of Finance and Secretary
	A Walker	KPMG LLP

Together with 63 (inc 6 staff) members and observers (2016:13)

The Chairman opened the meeting and welcomed members to the 147th Annual General Meeting. The Chairman ran through the format of the evening and introduced the Directors and Andrew Walker 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 Tamplin- 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 28<sup>th</sup> April 2016, having been signed by the Chairman, were taken as read.

### Auditors' Report

The Chairman referred to the Auditors' report on page 17 of the Report and Accounts and page 12 of the Summary Financial Statement booklet. Members were asked if they wished to ask any questions of Mr Walker (KPMG LLP).

No questions were asked.

### Voting

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.

**Q When asked at a previous meeting why the Management Expenses ratio was high the CEO advised that a key focus was on the Cost Income ratio, however, this ratio does not appear in the Summary Financial Statement (SFS). Could this be included in future and also why have the Management Expenses increased?**

The Chairman asked the Chief Executive to answer this question.

The Chief Executive advised that we are instructed as to what should appear in the SFS and asked the External Auditors if it is possible for this to appear in future. Andrew

Walker (KPMG) advised that this can be published in the SFS as an additional ratio. The Chief Executive advised that consideration will be given to adding the Cost Income Ratio into the SFS in future years. The latter part of the question was answered during the CEO's address.

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.

Mr Lynott reported that the end of year report card for the Society makes good reading as the Society continues to strengthen its financial position, which makes the Society a very safe and secure place for savings.

Mr Lynott advised that the Society has also helped hundreds of people with their mortgage needs and is going even further with its approach to supporting the communities it serves.

The financial strength of the Society is built on sustainably growing mortgage balances and over the last 3 years we have added £30m to the mortgage balances and averaged 5% compounded growth to take total mortgage balances to over a quarter of a billion pounds.

Mr Lynott advised that providing mortgages not only helps borrowing members meet their housing finance needs it is also a vital part of ensuring that we can maintain competitive savings interest rates.

2016 saw the Bank Base Rate cut to an all-time low of 0.25% so it remains a tough market for savers with the general level of market interest rates still being reduced across the industry. The Society is not immune from this downward pressure on rates but whilst we have had to make cuts to savings rates we do look to protect our local and loyal savers from some of the ultra-low rates that are out there in the market place. Mr Lynott gave examples of some of the Society savings rates that are on offer. The Society constantly reviews the competitiveness of its rates and it's encouraging to see that savings balances increased by over £18m last year.

Mr Lynott reported that we have continued to invest in the Society's people and systems, to stay abreast of IT and regulatory changes and also to ensure we can continue to deliver a sustainable growth strategy. In March this year we've just had our busiest ever month for mortgage lending and the cost base/people investments we've made in the past have enabled us to cope with the added volumes of business.

On the branch service side Mr Lynott stated that he was pleased to report that the Mansfield Branch won an Outstanding Achievement Award with a perfect score in the Mansfield Town Centre Customer Service Awards.

Unlike many banks, we do not have any plans to close any of our branches and we look forward to receiving more customers in areas such as Kirkby where Barclays and Nat West have both announced they will no longer support a local branch.

Mr Lynott reported that in summary the Mansfield has been a safe haven for over 140 years and we continue to take measured, prudent steps to safeguard your money.

2016 was another year of steady sustainable growth allowing us to continue to provide the personal service and competitive rates for our members and also to grow our Community Support activities.

Mr Lynott asked if his presentation had answered the earlier question. The member raising the question confirmed that it had.

There were no other questions raised

### **Results of Voting**

No members put forward any further voting forms for collection during the meeting and this was confirmed by the scrutineers.

The Secretary read out the results of the poll to the members.

The results of the voting were as follows:

#### **Ordinary Resolution Number 2**

The Finance Director and Secretary declared that votes were in favour of receiving the Directors' Report, Annual Accounts, and Annual Business Statement for the year ended 31 December 2016.

#### **Ordinary Resolution Number 3**

The Finance Director and Secretary declared that votes were in favour of the re-appointment of KPMG LLP.

#### **Ordinary Resolution Number 4**

The Finance Director and Secretary declared that the votes were in favour of approving the Directors' Remuneration Report for the year ended 31 December 2016.

#### **Ordinary Resolution Number 5 (i-iii)**

The Finance Director and Secretary declared that votes were in favour of electing Nicholas Paul Baxter therefore Nicholas Paul Baxter is duly elected; votes were in favour of re-electing Robert James Hartley therefore Robert James Hartley is duly elected; and votes were in favour of electing Paul Clifford Wheeler therefore Paul Clifford Wheeler is duly elected.

The Secretary advised that the full results will be on display in the room where refreshments will be taken 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.

Signed ..... Dated.....