



Letter from the Chief Executive *Paul Tilley*

Hello and welcome to the latest issue of our £notes newsletter.

The Society has enjoyed another successful year, we've seen growth in both our mortgage and savings balances, made a satisfactory profit to maintain financial strength and are continuing to control costs in what are unusual economic conditions.

For me, this year has seen many highlights including the refurbishment of our Earl Shilton branch. We also carried out significant work to comply with the new Mortgage Market Review (MMR) regulations which came into effect in April.

As a result, the Society now offers a full mortgage advice service carried out by our experienced staff.

We're set to see even more changes next year as we say goodbye to our Chairman Rupert Clarke at our Annual General Meeting on Wednesday, July 9th. Rupert will retire from the board as Chairman and Non-Executive Director after over 18 years service and I wish him well in his retirement. The board will appoint Martin Rice as his replacement.

Finally, I feel very proud to work for the Society and want to take this opportunity to thank all the staff, particularly those on the 'frontline', for their continued hard work and our members for their support.

Best wishes

A big thank you

We want to take this opportunity to say a big thank you to Society Directors Chris Newton and Rupert Clarke who are retiring.

Chris Newton retired from the Society in December last year after 28 years service with us. We wish him lots of happiness in his retirement.

Chairman Rupert Clarke, who joined the Society in 1996, is also retiring, in July, after over 10 years in his current role. Thank you Rupert for all your hard work, we wish you a very enjoyable retirement.



Mortgage lending up by £7m

We've beaten our targets and lent over £22 million this financial year, which means we're up by over 40% on last year's figure.

In the business year 2012/2013, £15.35m was advanced to borrowers to buy, refinance or improve their properties. However, at the end of this financial year we've managed to increase our lending by just over £7 million.

Lending has risen dramatically at the Society over the past few years thanks to an increase in demand and our

commitment to excellent customer service. In the year 2011/2012 £12.53m was borrowed.

Paul Tilley, Chief Executive, commented, "As a whole the Society is in a very healthy financial position and we feel confident that our lending for 2014/2015 will meet our expectations."

Earl Shilton

BUILDING SOCIETY
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Mortgage minefield has got tougher



We are advising customers who are in the process of looking to apply for a mortgage that new rules have come into place, since April, which have resulted in many lenders having to toughen up their criteria for successful applications.

Borrowers are now being asked to provide more in-depth information regarding their monthly income and outgoings and everything from travel expenses to childcare are being carefully scrutinised, resulting in an extension of the mortgage application process.

Applicants are also being assessed on how they would cope with a rise in interest rates, this means that as well as working out if a borrower can afford a mortgage at the current interest rate, the lender now also checks that they can afford monthly repayments at a higher interest rate. The new rules are part of a Mortgage Market Review by the Financial Conduct Authority, designed to prevent excessive or risky lending.

Paul Tilley, Chief Executive, comments, "Borrowers should be prepared to answer very detailed questions about their income, outgoings and realistically assess what they can afford. There will be a lot more paperwork and a lot more scrutiny of documents, such as bank statements. However, if you ensure your finances are in order before applying you'll already be halfway there when it comes to progressing an application."

We are therefore advising borrowers to be prepared and be confident that they can answer details on spending patterns, costs and debts. However, let us take the strain and help you through the process.

Society expands with new recruits



Emma York



Sharon Bolton

This year, we expanded our team to meet demand at our Earl Shilton branch by appointing a new Compliance Assistant and a Mortgage Adviser.

To help us manage high demand we welcomed Emma York into the role of Compliance Assistant, while Sharon Bolton became the latest addition to our mortgage team.

Emma joined the Society in September to support Regulation and Compliance Manager, Sally Hunt. Her new role, in our head office, involves monitoring compliance with new savings accounts and mortgages and supporting Sally in her day-to-day duties.

Emma commented, "I thoroughly enjoy

my role and it's great to be a part of such a thriving and independent mutual."

Within the mortgage team, our successful 'looking to lend' campaign lead to the appointment of Sharon Bolton.

We created a brand new role for Sharon to ensure that we can continue to provide a first class service to deal with the high volume of applications we are seeing for our lending services.

Sharon said, "All the staff provided a warm welcome and I'm very proud to be part of a mortgage team that is so well respected."

Do you have an interest-only mortgage?

As a caring and responsible Society we would like to inform our members of some choices on offer which may help those with an interest-only mortgage avoid the prospect of debt at the end of their mortgage term, should they either not have a repayment strategy, or if they do but it's not expected to reach the necessary amount:-

- We will allow any customer with a mortgage to overpay up to a maximum of 20% of the amount advanced each financial year (not including maturing endowment policies), without incurring any charges for doing so.
- Customers can switch some or all of their mortgage account(s) from interest-only to repayment. This is subject to a minimum amount of £10,000, or the whole balance if less than £10,000. This also applies to interest-only customers with a repayment strategy already in place, who can still convert some or all of their mortgage to repayment and then use the repayment strategy as a savings plan for back up.
- On changing to a repayment mortgage the Society can also look at extending the term so you can afford the repayment.

Terms and conditions apply.
For further information on the options available, please contact a member of our Mortgage Team on 01455 844422.



Help drive the Society to success

We wish to appoint up to two Non-Executive Directors to our board as part of our succession plan and will be seeking applications from members and other interested parties towards the end of the year.

For further details including required experience, time commitments and remuneration keep an eye on our website.



New apprentice

Your Society helped Charlie Lowndes (18) take his first step on the career ladder this year by hiring him as our first young apprentice.

Charlie, from Burbage, took up his position last August, as part of a Government-backed apprenticeship scheme.

Read his blog here www.esbs.co.uk/blog





A piggy adventure!

If you're jetting off somewhere nice this summer or planning a fun family holiday closer to home then don't forget to take your Earl Shilton piggy bank with you.

We're asking all our children's account members to get involved in our competition by snapping their piggy bank (free when you open any children's account) in an unusual location.

All you have to do to take part is take a picture of your pig in an unusual spot and email it to enquire@esbs.co.uk, and the best ones will get to appear on our Twitter page.

If you're not going away this summer then don't worry, there will still be plenty of time to enter as the competition will be running throughout the year, with a prize of £20 up for grabs each month for the most original photo, which will be credited directly into your Earl Shilton Building Society account.

Charity Choice

It's time to select which charity the Society is to donate towards in 2015. Last year we sent £250 to the Headcase Cancer Trust and following your votes, LOROS Hospice has been chosen by members' to receive a donation this year. We will be donating 20p per valid vote received (up to a maximum of £1,000) to the charity. This year your two options are:-



Hope Against Cancer is Leicestershire and Rutland's local cancer research charity. It was established in 2003 to help bring cutting-edge research to the area and make clinical trials available to local people. Since launching, the charity

has funded over 30 research projects tackling many different forms of cancer, working in partnership with local universities and hospitals.

www.hfcr.org Charity Registration No: 1091480

If any members would like to propose a charity that we might put forward to receive future donations related to the number of votes at our AGM, then please contact the Society.



Parkinson's UK is the support and research charity leading the work to find a cure, and helping to improve the lives of the 127,000 people in the UK who live with the disease.

The charity also works to bring people with Parkinson's, their carers and families together via its network of local groups, website and free helpline.

www.parkinsons.org.uk Charity Registration No: 258197



Society opens newly refurbished branch

Last year the Society underwent a major refurbishment, the first in over 30 years, at our Earl Shilton branch.

The branch has been completely transformed and now benefits from an open and spacious banking area with four new counter positions, two new interview rooms and an updated and refreshed external look to the building, complete with new signage. During the refurbishment we managed to keep the branch open throughout, enabling us to provide members with uninterrupted customer service.

To celebrate our new look we invited members, villagers, local dignitaries and business representatives to join us at the branch and Chairman, Rupert Clarke, and Chief Executive, Paul Tilley, cut the ribbon to mark the beginning of a new chapter in the Society's history.

Paul Tilley, Chief Executive, comments, "The refurbishment was well overdue. The new look branch now has greater accessibility, provides a pleasant, light and appealing environment for staff and members, and reaffirms our commitment to Earl Shilton by providing a fresh and modern presence on The Hollow."

All about the new ISA

The Government has announced that from July 1st this year the ISA (Individual Savings Account) will be reformed as a simpler product, called the New ISA (NISA), with equal limits for cash, and stocks & shares.

Existing cash ISA account holders won't need to do anything as ISAs will automatically become NISAs and the Society will take care of the background details.

Currently the ISA limit is £11,880 of which £5,940 can be kept in a cash ISA, but as of July 1, the tax free limit will rise to a total sum £15,000 with no restriction on the type of ISA the money is invested in. The Junior ISA (JISA) current cash limit of £3,840 will increase to £4,000 which can be divided between a junior cash ISA and a junior stocks & shares ISA. Figures correct for the current tax year.

 We're on Twitter

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Standing for Election

This year, Directors Audrey Green and David Crooks are seeking re-election, while candidates Martin Rice and Paul Beardsmore are standing for election for the first time.



Audrey Green

Audrey Green (53), the Society's Business Development Director, joined the Society in 1999 as Development Manager for savings and mortgages. Prior to that however, she spent 19 years working in the residential estate agency market, in Leicester and across Leicestershire.



David Crooks

Retired Chartered Surveyor David Crooks (58) has been a director at the Society for the past five years. However, he originally began work with Earl Shilton in 1979 when he joined a firm of Leicester Chartered Surveyors who were agents and surveyors for the Society.



Martin Rice

With a long standing background in the financial sector Martin Rice (57), a qualified Solicitor from Leicester, currently runs his own company specialising in interim consultancy services for the financial services industry. Martin's diverse career has also seen him work for many of the country's well-known banks and building societies at all levels.



Paul Beardsmore

Paul Beardsmore's career in the building society industry dates back to 1971. He came to Leicestershire in 1986 and spent 25 years with Market Harborough Building Society where he became Secretary and then Executive Director in 2001, he left in March 2012. Now retired, Paul (62) works as a trustee for two charities.

Further details on all four and their thoughts on the Society can be found in the 2014 Summary Financial Statement.



Cast your vote online

You can now vote without leaving your own home! Last year we introduced online voting and it was a big success. Some 264 votes were cast using the internet, out of the overall 919 votes cast and we expect that this year that figure will be even higher.

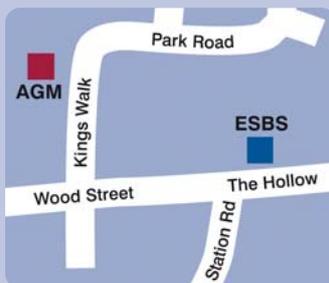
To cast your vote online using your proxy form, visit our website (www.esbs.co.uk) and click on the button on the home page or go direct to www.votebyinternet.com/esbs2014

AGM 2014

All members are invited to attend the 2014 ESBS AGM, which will be held on Wednesday 9th July at 6pm at The Hall, Age UK Senior Citizens Centre, Kings Walk, Earl Shilton, LE9 7NL.

A buffet will be available after the meeting, during which you will have the opportunity to chat to Society Directors and employees. We look forward to seeing you there.

The Hall, Age UK Senior Citizens Centre, Kings Walk, Earl Shilton LE9 7NL



Can you guess the famous pigs?

To tie in with the launch of our piggy bank adventure competition we are asking members to guess the names of these popular pigs. To be in with a chance of winning £50 just guess the pigs from our 5 clues below.

This is 'Some Pig'

Lives in the 100 acre wood

Kermit's true love

A pig that thinks it's a dog

'That's all Folks'

Send your answers by post to Natalie Webb, Enotes Editorial, Unsworth Sugden, De Montfort House, 19B De Montfort Street, Leicester LE1 7GE. Alternatively you can email your answers, complete with your name and address to natalie@unsworthsugden.co.uk.

The closing date is Monday 28th July 2014 and the winner will be drawn at random from the correct entries received by this date. ESBS will credit the winner's account with £50, or if you don't have a savings account, we'll open one for you. Staff from Earl Shilton Building Society are not eligible to enter.

COMPETITION WINNER

Congratulations to Mr J Aldgate from Cheshire who was selected as the competition winner from the last issue of Enotes.

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