

holloway friendly NEWS

A Newsletter for Holloway Friendly Members
Summer 2009

2008 – Standing Firm

Unfortunately, this year I must start my statement with the desperately sad news that Vic Oliver, the Society's Vice Chairman died suddenly on 28th October 2008. Vic was also the Senior Independent Director and sat on a number of Board Committees.

Vic was elected to the Board in 1997 as a non-executive director and throughout his time on the Board was dedicated to the success of the Society. In particular Vic gave sterling service in reviewing and monitoring internal controls and the internal audit function. Vic will be greatly missed by the staff and his fellow board members.

We witnessed some unprecedented unrest in the financial markets during 2008, with the collapse of major institutions, turmoil in the stock market followed by significant reductions in the bank base rate. The Society has a very low level of exposure to the equity market and the falls therefore did not unduly damage the level of solvency. However, a very significant amount of our assets are held in cash which worked to our advantage for most of the year, however the returns for 2009 will be substantially lower than previously seen. The overall membership did fall during the year as a result of a higher number of members leaving the Society combined with a slowdown of new policies being introduced.

I am pleased to report that the Society's total funds under management increased by £463k during 2008 to £38,774k and we are well positioned to not only weather the difficult financial climate, but to also show further growth during 2009.

The Society participated in a comprehensive survey issued by our regulators the F.S.A., and as a result of our response received a follow-up visit to Holloway House. The review by the F.S.A. concluded that the Society had clearly demonstrated a very good grasp of the Treating Customers Fairly initiative and subsequently even included some of the Society's statements on their TCF best practice website. Surveys continued to be issued during 2008 and for the first time also included the staff, who are undoubtedly extremely well positioned to provide honest feedback regarding fair treatment of our membership. As before, this important initiative will continue to evolve and we will strive to improve all aspects of membership wherever and whenever possible.

Although 2008 witnessed the highest percentage payouts in recent years at 96.9% of all claims received, the total benefit paid actually fell by around £13k compared to 2007, with the amount paid totalling £819k. As a percentage of Income Protection premiums, sickness benefits fell from 18.01% to 15.25%. We can remain justifiably proud of our outstanding claims record and will continue to pay all valid claims with maximum speed and minimum fuss.

With regards to service to the membership and as an ongoing commitment to upholding the highest possible standards of Treating Customers Fairly, we have continued to develop and issue surveys to various sections of the membership. These results are analysed monthly and whenever there is an opportunity to address areas of concern or improve our service to the membership as a whole, appropriate action is always taken.

It is always extremely disappointing to report when developments have not gone to plan, especially when the initiatives had been well researched. Unfortunately, the third party that had agreed to distribute a new product for us was forced to concentrate their efforts on their existing product lines as a direct result of the economic turmoil at the time.

The new Personal Income Protection launch finally went live during February 2009 which was a little later than planned. The early feedback from the Independent Financial Advisers has been exceptionally positive.

David Macgregor, Chief Executive

Notice of Annual General Meeting

Notice is hereby given that the One Hundred and Twenty Eighth Annual General Meeting of The Original Holloway Friendly Society Limited will be held at Holloway Chambers, 69 Eastgate Street Gloucester, at 4.00p.m. on Tuesday 23rd June 2009, for the following purposes:-

1. To confirm the Minutes of the Annual General Meeting, held on 24th June 2008
2. To receive and, if approved, adopt the Report of the Board of Management and the Society's Accounts for the Year ended 31st December 2008
3. To elect Board Members

The following Board Members are retiring by rotation and, being eligible, offer themselves for re-election for the stated term of office:-

Mr. M. J. Matthews	1 Year
Mr. C. A. Organ	1 Year
Mr. R.J.W. Perks	3 Years

The following Board Member having attained the age of 65 year and, being eligible, offers himself for election for the stated term of office:-

Mr. I. G. Gardner	1 Year
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4. To appoint as Auditor
Messrs. Moore Stephens, Chartered Accountants,
30 Gay Street, Bath, BA1 2PA
5. To confirm the alteration of the Rules in accordance with the provisions of Rule 28(5)
6. To transact any other business not requiring notice of motion

Martin Collins, Secretary 1 April 2009

Board Members Standing For Re-election

The Board have discussed those standing for re-election and consider that each have an important role in running the Society during the term of office for which they are being elected. The Board have agreed to implement the recommendations of the Combined Code with regard to the term of each appointment. Details of board members standing for re-election are set out below.

Ian Gardner - Chairman

Ian, aged 65, originally joined the Board of Management in 1977. He was in legal practise in Gloucester for 32 years before joining the Society's management in 1992 and becoming Chief Executive in 1993. Upon his retirement in 2003 he was invited to join the Board and was elected Chairman which position he continues to hold.

Mike Matthews

Mike, aged 59, is chairman of the Audit Committee having been appointed to the Committee of Management in 1991 subsequently joining the Board upon incorporation. He was Production and Finance Director of a commercial printing company in Gloucester for 25 years.

Colin Organ

Colin, aged 59 was appointed as a non-executive director in 1997. He has spent most of his career in sales and marketing in the property and construction industry, a former director designate of Westbury Homes plc and is the owner of The Estate Agency in Clarence Street, Gloucester.

Bob Perks

Bob, aged 50, has been a non-executive Director since 2005. He has spent most of his career in Financial Services with Natwest and latterly as Sales and Marketing Director at Britannic Money PLC. He now runs his own consultancy practice as well as being a Director of Intermediary Group, Financial Synergies PLC.

Extract of Financial Statements

Outlined below is an extract of significant figures taken from the financial statements. A copy of the full Report and Financial Statements for the year ended 31st December 2008 can be requested from the Society's Head Office or downloaded from our website at www.holloway.co.uk/members/governance

	2008 £	2007 £	2006 £
Investment income	1,963,238	1,817,948	1,445,443
Income protection premium income	5,365,308	5,303,782	5,174,613
Gains/(losses) on investments	(1,123,034)	248,003	322,742
Net operating expenses	1,940,451	2,142,505	2,328,910
Sickness benefit net of reinsurance	808,521	958,402	834,291
Surplus apportioned to members	1,653,760	1,150,382	1,250,082
Bonus on Members' Fund	786,051	881,793	693,614
Retirement Fund balance	21,273,509	21,190,200	21,253,556
Sickness Reserve	3,975,744	2,865,471	2,831,568
General Reserve	9,436,354	10,045,493	8,553,499
Total Assets	38,774,343	38,310,678	36,730,856

Allocation and Bonuses for 2008

	Holloway		PRFS	
Allocation	Table	Rate per unit	Table	Rate per unit
	Old Table	£1.30	Standard	£1.30
	New Table	£1.50	D13	£0.95
	New Classic	£1.00	D26	£0.70
	Classic Plus	£0.50		
	Classic Plus Guaranteed	£0.40	S26	£0.00
	Premier	£0.10		
	Commuted	£1.86	Commuted	£2.40
Compound Bonus	All Tables	4.00%	All Tables	4.00%
Terminal Bonus	All Tables	7.00%	All Tables	7.00%

Rule Amendments

Since last year's AGM the Society has received FSA approval to introduce a new schedule; Schedule 11 – Personal Income Protection Plan. This is an income protection policy with guaranteed premiums throughout the life of the policy; a range of deferment periods to suit many circumstances; a choice of retirement ages; and many other integral benefits. The policy does not have any cash value at the maturity of the policy. Further details are available on our website or on request from our Chief Executive, David Macgregor.

Reminder to Review your Benefit Entitlement

Your income protection plan is designed to replace loss of income should you be unable to work due to illness or accident. Benefit paid in the event of a claim will be based on your pre incapacity earnings. The maximum amount of benefit entitlement for Classic Plus and Classic Plan is 60% and for Personal Income Protection Plan is 50% of gross earnings which takes in to account any sick pay received from your employer. You will not be entitled to claim benefit whilst you continue to receive full pay from your employer. Any continuing sick pay at a proportionate level will be taken into account when calculating your maximum benefit entitlement.

Important Dates for your Diary

23 June, 2009:	Annual General Meeting
22 December, 2009:	Last date for payment of premiums for 2009. All premiums received after this date will be credited in and for 2010
25 December, 2009 to 3 January, 2010 inc:	Holloway House closed for Christmas and New Year Holidays
22 June 2010:	Annual General Meeting (Provisional)

We need your Feedback

We are extremely proud of the service we offer to our members. As part of an ongoing review we welcome and encourage members to let us have their feedback on any aspect of the service given by Holloway Friendly. If you have any comments then please contact us using any of the methods listed below or send an email to memberfeedback@holloway.co.uk

Direct Dial Numbers

Please note the following direct dial numbers: **Claims Department:** 01452 782754 **Direct Debits:** 01452 782756