



**Croí Laighean**  
CREDIT UNION

# 2019

# ANNUAL REPORT



## Credit Union Invocation

*LORD, make me an instrument of Thy peace;  
where there is hatred, let me sow love;  
where there is injury, pardon;  
where there is doubt, faith;  
where there is despair, hope;  
where there is darkness, light;  
where there is sadness, joy.*

*O DIVINE MASTER, grant that I may  
not so much seek to be consoled as to console;  
to be understood as to understand;  
to be loved as to love;  
for it is in giving that we receive,  
it is in pardoning that we are pardoned,  
and it is in dying that we are born to eternal life.*

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## 2 AGENDA

Notice is hereby given that the AGM of Croí Laighean Credit Union will take place on Wednesday, December 11th, 2019 at 7pm, in MU Barnhall Rugby Football Club, Parsonstown, Leixlip, Co. Kildare, W23 V56N.

The agenda for the AGM is as follows:

- Acceptance by the Board of Directors of the authorised representatives of clubs/organisations
- Ascertainment that a quorum is present
- Adoption of Standing Orders
- Reading & approval (or correction) of the Minutes of the last AGM
- Report of the Board of Directors
- Report of the CEO and Consideration of the Accounts
- Report of the Auditor
- Report of the Board Oversight Committee
- Declaration of Dividend and Loan Interest Rebate
- Report of the Risk and Compliance Committee
- Report of the Audit and Finance Committee
- Report of the Nominations Committee
- Appointment of Tellers
- Election of Auditor
- Election to fill vacancies on the Board Oversight Committee
- Election to fill vacancies on the Board of Directors

### Motions

- Motion 1 – that €0.90 affiliation fee to Irish League of Credit Unions be deducted from the savings of each adult member at 30th September 2019.

### Any Other Business

- Announcement of election results
- Adjournment or close of meeting

Yours sincerely,

**Board of Directors**

Croí Laighean Credit Union

## Directors

Brian Manning  
*Chairman*

Eugene Kearney  
*Vice Chairman*

Eamonn O'Farrell  
*Secretary*

Michael Devine  
Josephine O'Neill

Niall Kenna

Henry Byrne

Kulwant Gill

Denise Larkin

Donal Daly

Aida Best

## Board Oversight Committee

Michael Whelan

Sheila Flynn

Sean Fitzgerald

## CEO

Paul Kennedy

## Operations

Caroline Daniels  
*Deputy CEO and  
Head of Operations*

Denise Thompson

## Risk

Bernard Hunter

## Compliance/Data Protection

Brona Byrne

## Regulation

Noelle Wallace

Pauline O'Flanagan

## Marketing

Joanne Shelley  
*Head of Marketing*

Niamh Boland

Martin Fitzgerald

## Finance

Shane Corcoran  
*Head of Finance*

Liz Rickard

Bernardine Farrell

Stephen Mooney

## Lending & Business Development

John Cummins

Niamh Mahon

Bernadine Sheridan

Catherine Boyce

Edel Bagnall

Conor Barcoe

Charlene O'Shea

## Member Services

Charlene Hoey

## West (Edenderry & Carbury)

Amanda McLoughlin

Andrew Forde

Caitriona Coates

Caroline McNamee

Elaine McCloskey

Emily Harte

Emma Forde Judge

Jackie Groome

Katie Gallagher

Kevin O'Brien

Olive Rowe

Patrice Cave

Sandra McLoughlin

## Central (Allenwood, Coill Dubh, & Prosperous)

Deirdre Harris

Emily Cosgrove

Lorraine Smullen

Theresa O'Neill

## East (Clane)

Ber Power

Gemma Donnelly

Monica Cross

Amy O'Rourke

## North (Leixlip)

Annmari Mackey

Claire O'Neill

Monica Cribbin

Veronica Dunne

Michael Hyland

*Community/Schools*

Lorraine Murphy

*Training Officer*

Annemarie McNamee

*Executive Assistant*

## Member Services Centre

Aine Heffernan

Carol Flynn

Mary Dunne

Olive Hughes

## Internal Auditors

Moore Ireland

## External Auditors

Grant Thornton

## Investment Advisors

Goodbody Stockbrokers

## 4 CHAIRMAN'S REPORT

Dear Members,

Welcome to the third annual report of Croí Laighean Credit Union, and the first where we had one full year after two years of mergers.

This annual report is a representation of the work carried out by your Board of Directors, your Board Oversight Committee and your staff during another busy year. The report is structured as follows, to give you an overview of all the work carried out:

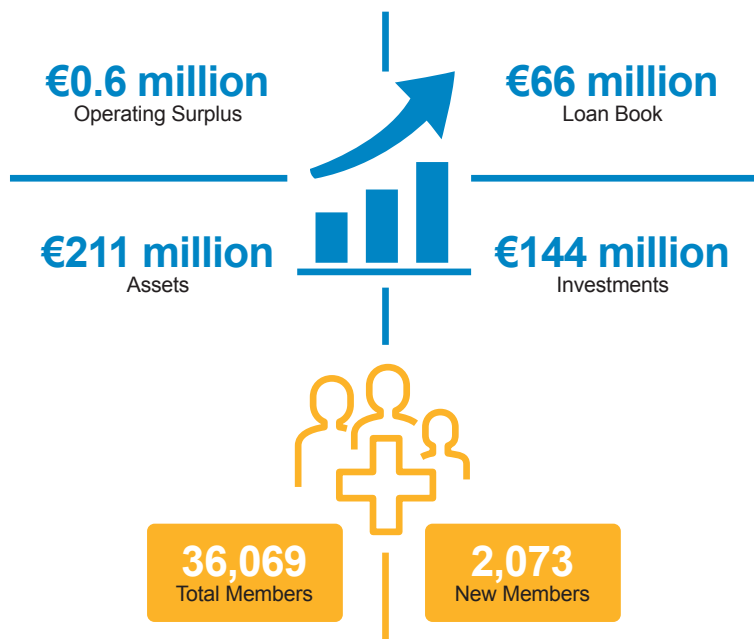
- **Risk & Compliance Committee Report** – this committee has the hugely important role of dealing with regulation overall and ensuring Croí Laighean Credit Union has robust policies and procedures in place in the areas of risk management, and compliance.
- **Audit & Finance Committee Report** – this committee are responsible for oversight of external audit, internal audit, investments and financial reporting.
- **Board Oversight Committee Report** – this committee are the overseers of the work of the Board of Directors and ensure, on members behalf, that the work of the board is in line with legislation.

- **Nominations Committee Report** – this committee must ensure the Board of Directors has the necessary skills and knowledge to direct the course of Croí Laighean Credit Union, and constantly review their work in the appropriate manner.
- **CEO Report** – our CEO will update our members on several areas, including results for the year, overview of lending, credit control, investments, community involvement and membership.

This is my final year as chairman however, I am extremely proud of our achievements since the mergers in 2017 and 2018. We came together to grow, and I am hugely enthused by the amount of lending, community involvement and positivity in the last three years. All our external reviews have been positive, which is a huge compliment to our entire team. I would like to thank our Board, our Board Oversight and our staff for making Croí Laighean Credit Union one of the strongest Credit Unions in the country, and certainly at the Heart of Leinster.

**Brian Manning**  
*Chairman*

## A YEAR OF GROWTH



### Transactions

**€180 million**

Member Savings

**1.34 million**

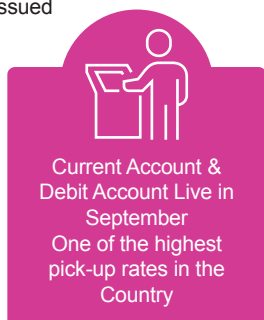
Automated Transactions

**414,700**

In-branch Transactions

**9%**

Increase in Loans Issued



# 6 CEO REPORT

My role as CEO is to have overall responsibility for the day to day management of Croí Laighean Credit Union, including operations, finance, regulation and overall performance, including the implementation of the Strategic Plan.

It would be impossible for one single person to perform this role, and my job is aided by an unbelievable team of people who are responsible for:

Member Services	34
Lending	7
Marketing	3
Regulation	4
Finance	4
Other departments	6
Total	58

This report is a summary of the work of this dedicated group of people, who work tirelessly on behalf of Croí Laighean Credit Union.

## How are our results presented this year?

This is the third year of Croí Laighean Credit Union.

- 2019 – full year of Croí Laighean Credit Union
- 2018 – full year of Croí Laighean Credit Union and six months of Leixlip and District Credit Union.

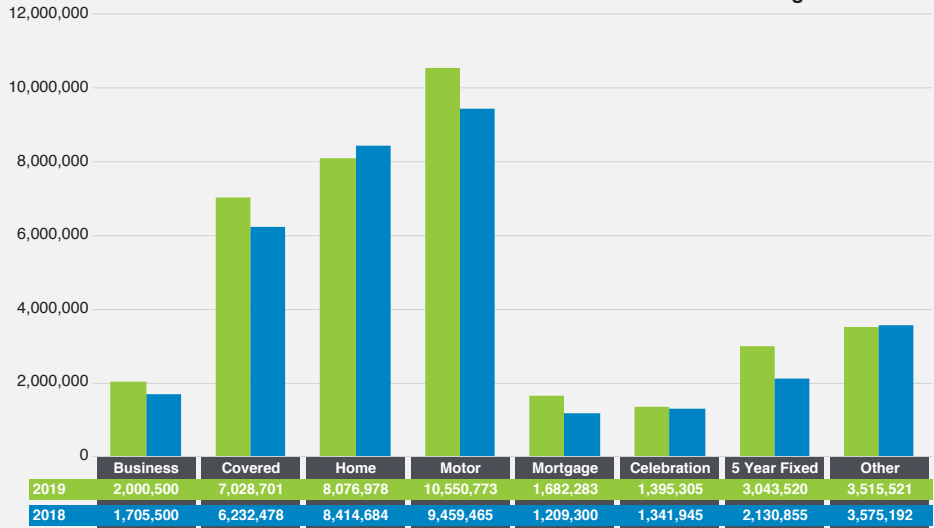
## What do our results represent this year?

You will see from our Income & Expenditure Account that our overall result for the year was €0.6m. From an overall perspective, this is a very positive endorsement of both mergers, and allows us to provide a return to our members this year. I would now like to go through the main areas contained in the results.

The growth achieved here is well ahead of our targets, so it is a major positive for our lending team. With such poor returns on investments, the growth in lending is a massive achievement and bodes well.

**Lending** The graph below shows the growth in lending overall and is a huge achievement for Croí Laighean this year.

Lending 2019 vs 2018





## Investments

Our overall investment portfolio is now €144m. This is a significant amount of money to seek some return on, however it is vital for the continued future of Croí Laighean that we do obtain as much return as we can. At present, the returns being offered on some demand deposit accounts are negative, we would basically be charged by other financial institutions for holding our money. Unfortunately, given the global economic uncertainty, this is unlikely to change in the near future.

## Credit Control

The levels of loans in arrears, which reflects the hard work of our credit control team, is shown on page 38. As you can see, accounts in arrears are falling, meaning we are lending better, and collecting better.

Collections on charged off accounts this year have been very strong, with an average of over €40k per month.

## Expenditure

Some of the larger changes in costs are outside of our control, however the primary categories which have seen changes are as follows:

	Change %	Explanations
Professional fees	↑ 11%	The cost of ensuring we are reviewed and measured correctly is vital for the protection of all members interests.
Salary costs	↑ 11%	We have added resources to member services, lending and marketing this year to expand our offerings to members
Regulatory fees	↑ 22%	These costs are outside our control and are based on the size of our assets
LP/LS	↑ 20%	The cost of insurance rises based on the growth in savings and loans. A new provider selected in 2019 will assist with cost savings in this area.
Community, schools and marketing	↑ 13%	We continue to promote our community involvement with new sponsorships and schools initiatives in 2019
Current account costs		All Credit Union's in Ireland who rolled out this service have had to pay the cost for ensuring the platforms are safe, secure and standardised



## 8 Current Account/Debit Card Launch

In July 2019, Croí Laighean Credit Union was among a number of Credit Unions who launched exciting new services for members – a fully functioning industry standard current account and worldwide accepted debit card. While this service involved significant cost and internal resources, it was part of our strategic plan to offer more competitive services to members, now and for the future.

## New Regulations – PSD2

In September 2019, rules changed in relation to payment services, which led to updates to our online service, ensuring members can transact more securely online, in line with European Payment Regulations.

## Member Services Centre

Following feedback from members about our new phone service, we set up a new Member Services Centre in Coill Dubh in mid-2019, dedicating 4 staff to dealing with members over the phone and online. I am hugely proud of the team, who have answered all calls and achieved growth in phone lending since going live.

## 2020

We are ambitious, and want to continue improving our services to members, and interaction with our communities. Some of the initiatives we have planned for 2020 are

- » New insurance portal for all Credit Union members to avail of cheaper insurance online, in branch and over phone.
- » Improvement in IT and online service and new website to make lending easier.
- » Lending – new products with more competitive offering for members.
- » Launch of major sponsorship at underage competition level with Kildare GAA.

I could not report on the above without the direction and support of the Board of Directors, together with the professionalism and drive of our management team and staff. On a personal level, I thank them for making Croí Laighean Credit Union something to be proud of.



**Paul Kennedy**  
CEO



# DIRECTORS' RESPONSIBILITIES STATEMENT

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The directors are responsible for preparing the financial statements in accordance with applicable Irish law and regulations. The directors are also responsible for preparing the other information included in the annual report. The Credit Union Act, 1997 (as amended) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the credit union and of the income and expenditure of the credit union for that period.

In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reason for any material departure from those standards; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the credit union will continue in business.

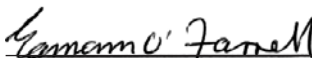
The directors are responsible for ensuring that the credit union keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the credit union, enable at any time the assets, liabilities, financial position and income and expenditure of the credit union to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Credit Union Act 1997 (as amended) and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the credit union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This statement was approved by the board on 14 November 2019 and signed on its behalf by:



**Brian Manning**

Chairperson of the board of directors




**Eamonn O'Farrell**

Member of the board of directors

## BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES STATEMENT

The Credit Union Act, 1997 (as amended) requires the appointment of a board oversight committee to assess whether the board of directors has operated in accordance with part iv, part iv (a) and any regulations made for the purposes of part iv or part iv (a) of the Credit Union Act, 1997 (as amended) and any other matter prescribed by the Central Bank of Ireland in respect of which they are to have regard to in relation to the board of directors.

This statement was approved by the board oversight committee on 14 November 2019 and signed on its behalf by:



**Sheila Flynn**

Member of the board oversight committee

## 10 | BOARD OVERSIGHT COMMITTEE REPORT

As in previous years, the functions of the Board Oversight Committee as set out in the Credit Union and Co- Operation with Overseas Regulators Act 2012 may be summarised briefly as follows:

- To assess whether the board of directors has operated in accordance with Part IV and IVA of the Act
- To assess whether the board of directors has operated in accordance with any other matters prescribed by the Central Bank in respect of which they are to have regard.

We attended all meetings of the Board of Directors and a sample of their committee meetings. Having regularly reviewed the procedures of these meetings, the Board Oversight Committee is satisfied that the actions and decisions of the Board of Directors were compliant with current rules and legislation.

We extend our thanks to the directors, the management team and staff for their courtesy, assistance and co-operation during the year. I would also like to thank my fellow committee members, Sean Fitzgerald and Sheila Flynn for their commitment and dedication during the year.

**Michael Whelan**

*Chairman*

Board Oversight Committee



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CROÍ LAIGHEAN CREDIT UNION LIMITED

## Opinion

We have audited the financial statements of Croí Laighean Credit Union Limited, which comprise the income and expenditure account, the statement of other comprehensive income, the balance sheet, the statement of changes in reserves and the statement of cash flows for the financial year ended 30 September 2019, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law including the Credit Union Act, 1997 (as amended) and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

In our opinion, Croí Laighean Credit Union Limited's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the credit union's affairs as at 30 September 2019 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared so as to conform with the requirements of the Credit Union Act, 1997 (as amended).

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the credit union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, namely

the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the credit union's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

Other information comprises information included in the annual report, other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## 12 INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CROÍ LAIGHEAN CREDIT UNION LIMITED (CONTINUED)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by the Credit Union Act, 1997 (as amended)**

Based solely on the work undertaken in the course of the audit, we report that:

- we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- in our opinion proper accounting records have been kept by the credit union;
- the financial statements are in agreement with the accounting records of the credit union; and
- the financial statements contain all primary statements, notes and significant accounting policies required to be included in accordance with section 111(1)(c) of the Act.

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS 102, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the credit union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the credit union or to cease operations, or has no realistic alternative but to do so.

### **Responsibilities of the auditor for the audit of the financial statements**

The auditors' objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CROÍ LAIGHEAN CREDIT UNION LIMITED (CONTINUED)

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgement and maintain professional scepticism throughout the audit. The auditor will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the credit union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the credit union's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause the credit union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the

financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

## The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the credit union's members, as a body, in accordance with section 120 of the Credit Union Act, 1997 (as amended). Our audit work has been undertaken so that we might state to the credit union's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the credit union and the credit union's members as a body, for our audit work, for this report, or for the opinions we have formed.

## Denise O'Connell FCA

for and on behalf of Grant Thornton  
Chartered Accountants & Statutory Audit Firm  
Mill House, Henry Street, Limerick

## 14 AUDIT & FINANCE COMMITTEE REPORT

Our Audit & Finance Committee's terms of reference are based on overseeing the following areas of Croí Laighean:

- External Audit
- Internal Audit
- Investments
- Financial reporting

This committee, who meet each month, is responsible for the audit function, both internal and external. This involves liaising with the external auditors, Grant Thornton, in relation to the financial statements and the findings of their audit testing. There were two audits carried out during 2019, and while we are constantly seeking to improve our systems, controls and procedures, we have made significant progress in ensuring CLCU is properly operated and managed in financial terms, including a clean audit opinion and no year end adjustments.

The committee also has overall responsibility for internal audit and ensure that the committee sets out the role of internal audit in an annual charter, sets out the work of the internal auditor in a comprehensive plan, reviews the reports of internal audit and reviews the performance of this very important function.

Internal audit is outsourced to Moore Ireland, who visit quarterly for detailed testing in relation to several areas. The themes selected this year were:

- Lending
- Membership
- Anti-Money Laundering
- Prize Draw
- Provisioning
- Risk Management & Compliance
- Fitness & Probity
- Strategic Planning
- Data Protection
- IT
- Cash Procedures
- Board Governance

- Branch Reporting and Management Information

The results of these reviews were shared with the committee and board, which give satisfactory assurance in all areas above, which is a positive endorsement of the work undertaken by the Board and Staff.

The committee also review all management and branch accounts every month to ensure, on your behalf, that all areas of finance, including income and costs are tracked and measured with sufficient oversight. This culminates in the budget being set, which underpins the strategic plan for the next four years. We have set ambitious targets to grow and provide a return to our members, while also using members funds to invest in services for the future.

I want to commend the work of our staff, board of directors and board oversight committee for making sure that Croí Laighean Credit Union is well managed, well measured and well-reviewed in financial terms. I would also like to thank my fellow committee members for all their hard work during the year, Brian Manning, Henry Byrne, Denise Larkin and Aida Best.

**Josephine O'Neill**  
*Chairman*

Audit & Finance Committee





Our Risk & Compliance Committee's terms of reference are based on overseeing the following areas of Croí Laighean:

- Risk Management
- Compliance

Risk Management deals with overseeing and advising the Board of Directors on the risk management system and its appropriateness for CLCU. It also sets the tolerance levels in relation to risk and keeping any risks within this level. It reviews and updates the risk register annually, which details all risks that we are exposed to. It receives reports from the risk management officer who measures and tests all aspects of CLCU. I am pleased to say that CLCU does not currently overly expose itself to any significant risks, and when any risks have been identified during the year, they have been mitigated or dealt with efficiently. A Risk Management culture is also well embedded across our branch network since our mergers which is testament to everyone involved.

This committee is also responsible for overseeing and advising the Board on the compliance programme, in conjunction with the compliance officer, to ensure CLCU remains on track to sign its compliance statement to the Registrar of Credit Unions at year end. The compliance function carries out testing in relation to compliance with policy, procedures, best practice and legislation. There were no material matters reported to the committee during the 2018/19 financial year.

I want to commend the work of our staff, board of directors and board oversight committee for creating a strong regulation culture in Croí Laighean Credit Union.

**Niall Kenna**  
*Chairman*

Risk & Compliance Committee



# 16 COMMUNITY COMMITTEE REPORT

At Croí Laighean Credit Union, our community is the lifeblood of our business.

## Community Fund

The Community Fund is created by our members and its aim is to support voluntary groups in our common bond. In 2019, we provided €50,000 and supported over 70 clubs & organisations through this fund. The Community Fund has been running since 2017 and in those 3 years our members have generously donated €100,000 to voluntary organisations in our common bond.

## Local Club Sponsorship

Beyond our members' Community Fund, we provide €60,000 of additional funding annually to support local clubs through sponsorship programmes. To date, we have sponsored a wide variety of local club activities from team jerseys and kits, to events and ground upgrades. Page 18 of this report provides a list of our key sponsorship agreements throughout our common bond area.

## Kildare GAA Sponsorship Agreement

We are delighted to announce we have become official sponsors of Kildare GAA's Bord Na nÓg underage club competitions for the next 3 years. This partnership with Kildare GAA is a very exciting opportunity for Croí Laighean Credit Union as we look to further strengthen our presence throughout our common bond area.

## Local School Development

In 2019, we provided €46,000 to support the development of local primary & secondary schools in the common bond area. Our School Savers scheme has been rolled out to 7 new schools with approx. 500 transactions per week, bringing the total number of schools we visit to 22. The scheme helps teach children the basics of good financial management for the future and encourages regular saving practices.

The Pat Jones Student Bursary Award is one of the most popular bursaries for third level applicants in the common bond area. Over the past 7 years, our Bursary has contributed over €60,000 to students in the common bond.

## Members Draw

Our members draw continues to be a popular event, this year we issued prizes totalling €220,000 with 55 lucky winners across our branch network.

## Marketing campaign Current Account & Debit Account

In 2019, Croí Laighean Credit Union was among a number of Credit Unions to introduce an exciting new service for members – a fully functioning industry standard current account and globally accepted Mastercard® debit card.

From September 2019, we launched a marketing campaign to promote this service to existing and potential members. Following the success of this campaign, Croí Laighean Credit Union has enjoyed one of the highest pick-up rates for this service in the country.



## Member Service

In the past 6 months, we have launched the Member Services Centre - a dedicated telephone and online service which has been set-up to ensure members can contact the credit union quickly and efficiently to access services, loans or to have queries answered.

Our branches operate a Happy or Not survey, and we are proud to share that we have achieved a 95% average satisfaction rating across all branches, between Oct 2018 to Sept 2019. This rating has increased to an average of 96% since October 2019, signalling our commitment to continuously improve Member satisfaction ratings across our network. In 2018/19, our branch network handled 414,700 counter transactions, while there were 1.34 million automated transactions via our online and mobile banking services.

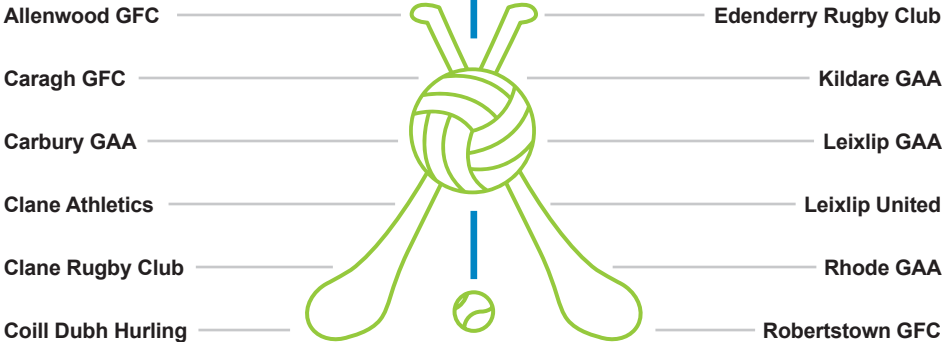
### Henry Byrne

Chairman

Community Committee

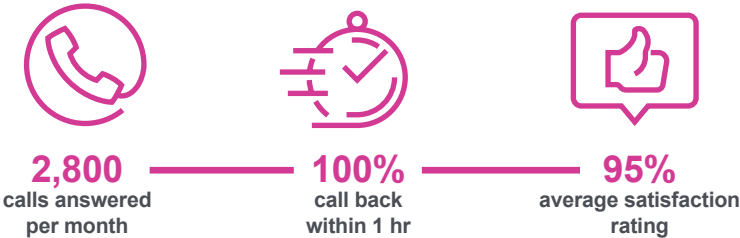


COMMUNITY UPDATE



Local Club Sponsorships

Member Services



Member Draw



## SOCIAL MEDIA

19

Total Followers  
on all channels

**7,072**

↑ 41.4%  
YoY increase

Number of Social Media  
Competitions

**8**



### FACEBOOK

Followers

**5,344**



**28.5%**

Likes

**5,309**



**28.18%**

Avg. Reach

**1,491**

### MESSENGER

Number of Queries

**72**

Response Rate

**80%**



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**834**

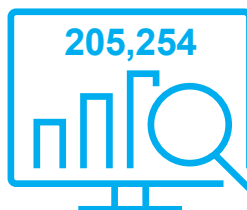


### LINKEDIN

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Page Views



Website users

**38,076**

Website sessions

**106,356**



## WEBSITE

20

NOMINATIONS COMMITTEE REPORT

The role of the Nominations Committee is to ensure that the Board of Directors and related committees have the necessary skills and knowledge to direct the course of Croí Laighean Credit Union on behalf of members. It also has the following functions as outlined in its terms of reference:

- Identifying and accepting candidates to be nominated for appointment to the board of directors
- Proposing candidates for election by a general meeting
- Proposing additional person to be co-opted to the board
- Assisting credit union with obligations with Pre-Controlled Functions (PCF) and Fitness and Probity regulations
- Inform candidates of time commitment expected and give training
- Ensure appropriate succession plan in place
- Ensure record kept of directors' board duration
- Developing and maintaining an annual training plan for the Board of Directors
- Carrying out a performance review of each Director annually

This work has involved us preparing the following:

- **Annual Work Plan** to ensure we cover all areas around nominations every year
- **Governance Competency Framework and Board Competency Model** which outlines the necessary balance of skills and levels of understanding the board of directors should ideally have
- **Candidate Nomination Pack** to ensure every person proposed as a volunteer or potential board member is measured against a consistent standard
- **Role definition** for key members of our Board, including Chairman and Secretary to make sure our Executive are aware of the expectations of their roles

We have also shown the involvement of our Board of Directors and the committees and involvement they have had this year.

	Board Meetings	Risk & Compliance	Nominations	Audit & Finance	Community
Director					
Brian Manning					
Eamonn O'Farrell					
Denise Larkin					
Niall Kenna					
Eugene Kearney					
Henry Byrne					
Josephine O'Neill					
Kulwant Gill					
Michael Devine					
Donal Daly					
Aida Best					
No. of meetings	12	8	9	10	2

The work of the committee would not be possible without the involvement of all our committee members. We are constantly looking for people to join our Board as Directors. If you are interested in joining a group of committed individuals and benefit as follows:

- Obtain Education and training in a highly professional industry.
- Receive skills and experience at director level.
- Be part of Teams and Committees working on business and community projects.

Then come and talk to us at AGM, or Branch Open Days. Email us at: [welcome@clcu.ie](mailto:welcome@clcu.ie) or call 1800 232 425 you won't regret it. I would like to thank the committee for their commitment during the year.

Eugene Kearney  
Chairman

Nominations Committee

# DIRECTORS' REPORT

For the financial year ended 30 September 2019

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2019.

## Principal activity

The principal activity of the business continues to be the operation of a credit union.

## Authorisation

The credit union is authorised as follows:

- Insurance/reinsurance or ancillary insurance intermediary under the European Union (Insurance Distribution) Regulations, 2018.
- Entitled under the European Union (Payment Services) Regulations 2018 to provide payment services.

## Business review

The directors are satisfied with the results for the year and the year-end financial position of the credit union. The directors expect to develop and expand the credit union's current activities and they are confident of its ability to continue to operate successfully in the future.

## Dividends and loan interest rebates

The surplus for the financial year is set out in the income and expenditure account on page 9. The directors are proposing a dividend in respect of the year ended 30 September 2019 of €83,199 (0.05%) (2018: €339,335 (0.25%)) and a loan interest rebate of €453,916 (10.00%) (2018: €382,453 (10.00%)).

## Principal risks and uncertainties

The principal risks and uncertainties faced by the credit union are:

### Credit risk

Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss.

### Lack of loan demand

Lending is the principal activity of the credit union and the credit union is reliant on it for generating income to cover costs and generate a surplus.

### Market risk

Market risk is the risk that the value of an investment will decrease. This risk can arise from fluctuations in values of, or income from, assets or changes in interest rates.

### Liquidity risk

Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded.

### Operational risk

Operational risk is the risk of loss resulting from inadequate or failed processes or systems of the credit union, any failure by persons connected with the credit union or from external events.

These risks are managed by the board of directors as follows:

### Credit risk

In order to manage this risk, the board of directors regularly reviews and approves the credit union's credit policies. All loan applications are assessed with reference to the credit policies in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

### Lack of loan demand

The credit union provide lending products to its members and promote these products through various marketing initiatives.



## 22 DIRECTORS' REPORT (CONTINUED)

For the financial year ended 30 September 2019

### Market risk

The board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

### Liquidity risk

The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due.

### Operational risk

The operational risk of the credit union is managed through the employment of suitably qualified staff to ensure appropriate processes, procedures and systems are implemented and are further supported with a robust reporting structure.

### Accounting records

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the credit union are maintained at the credit union's premises at O'Connell Square, Edenderry, Co. Offaly.

### Events after the end of the financial year

There have been no significant events affecting the credit union since the year end.

### Auditors

In accordance with Section 115 of the Credit Union Act, 1997 (as amended), the auditors Grant Thornton offer themselves for re-election.

This statement was approved by the board on 14 November 2019 and signed on its behalf by:



**Brian Manning**

Chairperson of the board of directors



**Eamonn O'Farrell**

Member of the board of directors



# INCOME AND EXPENDITURE ACCOUNT

For the financial year ended 30 September 2019

Income	Schedule	2019 €	2018 €
Interest on members' loans		4,421,046	3,380,015
Other interest and similar income	1	1,566,375	1,394,757
<b>Net interest income</b>		<b>5,987,421</b>	<b>4,774,772</b>
Other income	2	37,301	31,179
<b>Total income</b>		<b>6,024,722</b>	<b>4,805,951</b>
<b>Expenditure</b>			
Employment costs		2,227,352	1,992,180
Operational expenses	3	2,781,009	2,206,207
Depreciation		213,998	206,501
Bad debt losses/(gains) on loans to members (note 5)		174,533	(437,343)
<b>Total expenditure</b>		<b>5,396,892</b>	<b>3,967,545</b>
<b>Surplus for the financial year</b>		<b>627,830</b>	<b>838,406</b>

## STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 September 2019

	2019 €	2018 €
Surplus for the financial year	627,830	838,406
Other comprehensive income	-	-
<b>Total comprehensive income for the financial year</b>	<b>627,830</b>	<b>838,406</b>

The financial statements were approved and authorised for issue by the board on 14 November 2019 and signed on behalf of the credit union by:

**Brian Manning**

Member of the board of directors



**Sheila Flynn**

Member of the board oversight committee



**Paul Kennedy**

CEO



The notes on pages 27 to 42 form part of these financial statements.

# 24 BALANCE SHEET

As at 30 September 2019

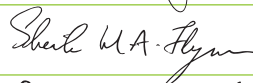
	Notes	2019 €	2018 €
<b>Assets</b>			
Cash and balances at bank		2,597,393	2,216,563
Deposits and investments – cash equivalents	7	27,925,634	25,187,426
Deposits and investments – other	7	113,593,836	111,800,926
Loans to members	8	63,258,810	53,537,605
Members' current accounts	12	10	-
Tangible fixed assets	9	3,562,938	3,656,134
Prepayments and accrued income	10	480,821	400,496
<b>Total assets</b>		<b>211,419,442</b>	<b>196,799,150</b>
<b>Liabilities</b>			
Members' savings	11	180,392,485	166,461,563
Members' current accounts	12	618,777	-
Other liabilities, creditors, accruals and charges	13	809,208	622,124
Other provisions	14	50,950	41,576
<b>Total liabilities</b>		<b>181,871,420</b>	<b>167,125,263</b>
<b>Reserves</b>			
Regulatory reserve	16	22,168,104	20,168,104
Operational risk reserve	16	709,900	709,900
Other reserves			
- Realised reserves	16	6,468,408	8,627,664
- Unrealised reserves	16	201,610	168,219
<b>Total reserves</b>		<b>29,548,022</b>	<b>29,673,887</b>
<b>Total liabilities and reserves</b>		<b>211,419,442</b>	<b>196,799,150</b>

The financial statements were approved and authorised for issue by the board on 14 November 2019 and signed on behalf of the credit union by:

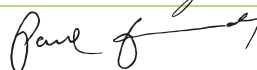
**Brian Manning**  
Member of the board of directors



**Sheila Flynn**  
Member of the board oversight committee



**Paul Kennedy**  
CEO



The notes on pages 27 to 42 form part of these financial statements.

# STATEMENT OF CHANGES IN RESERVES

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

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	Regulatory reserve €	Operational risk reserve €	Realised reserves €	Unrealised reserves €	Total €
<b>As at 1 October 2017</b>	<b>14,853,797</b>	<b>509,900</b>	<b>8,297,039</b>	<b>100,650</b>	<b>23,761,386</b>
Surplus for the year	49,049	-	721,788	67,569	838,406
Dividends and loan interest rebates paid	-	-	(698,283)	-	(698,283)
Transfer of engagements	4,765,258	200,000	812,792		5,778,050
Movement on reserves	-	-	(5,672)	-	(5,672)
Transfers between reserves	500,000	-	(500,000)	-	-
<b>As at 1 October 2018</b>	<b>20,168,104</b>	<b>709,900</b>	<b>8,627,664</b>	<b>168,219</b>	<b>29,673,887</b>
Surplus for the year	-		594,439	33,391	627,830
Dividends and loan interest rebates paid	-	-	(752,616)	-	(752,616)
Movement on reserves			(1,079)		(1,079)
Transfers between reserves	2,000,000	-	(2,000,000)	-	-
<b>As at 30 September 2019</b>	<b>22,168,104</b>	<b>709,900</b>	<b>6,468,408</b>	<b>201,610</b>	<b>29,548,022</b>

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2019 was 10.49% (2018: 10.25%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2019 was 0.34% (2018: 0.36%).

The notes on pages 27 to 42 form part of these financial statements.

# 26 STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

	Notes	2019 €	2018 €
<b>Opening cash and cash equivalents</b>		<b>27,403,989</b>	<b>33,484,326</b>
<b>Cash flows from operating activities</b>			
Loans repaid by members	8	26,927,775	24,130,122
Loans granted to members	8	(37,428,152)	(34,213,669)
Interest on loans		4,421,046	3,380,015
Investment income		1,566,375	1,394,757
Bad debts recovered and recoveries		604,639	588,766
Other receipts		37,301	31,179
Dividends and loan interest rebates paid		(752,616)	(698,283)
Members' current account lodgements	12	1,239,910	-
Members' current account withdrawals	12	(621,142)	-
Operating expenses		(5,009,440)	(4,204,059)
Movement in other assets		(80,325)	52,858
Movement in other liabilities		196,457	(284,517)
<b>Net cash flows from operating activities</b>		<b>(8,898,172)</b>	<b>(9,822,831)</b>
<b>Cash flows from investing activities</b>			
Cash and investments introduced on transfer of engagements		-	35,979,007
Fixed assets (purchases)/disposals		(120,802)	(223,551)
Net cash flow from other investing activities		(1,792,910)	(43,745,817)
<b>Net cash flows from investing activities</b>		<b>(1,913,712)</b>	<b>(7,990,361)</b>
<b>Cash flows from financing activities</b>			
Members' savings received	11	123,860,585	111,736,359
Members' savings withdrawn	11	(109,929,663)	(100,003,504)
<b>Net cash flow from financing activities</b>		<b>13,930,922</b>	<b>11,732,855</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>3,119,038</b>	<b>(6,080,337)</b>
<b>Closing cash and cash equivalents</b>	6	<b>30,523,027</b>	<b>27,403,989</b>

The notes on pages 27 to 42 form part of these financial statements.

### 1. Legal and regulatory framework

Croí Laighean Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at O'Connell Square, Edenderry, Co. Offaly.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable Irish accounting standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Irish statute comprising of the Credit Union Act, 1997 (as amended). The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Euro (€) which is also the functional currency of the credit union.

The following principal accounting policies have been applied:

#### 2.2 Statement of compliance

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

#### 2.3 Going concern

After reviewing the credit union's projections, the directors have reasonable expectation that the credit union has adequate resources to continue in operational existence for the foreseeable future. The credit union therefore continues to adopt the going concern basis in preparing its financial statements.

#### 2.4 Income

##### *Interest on members' loans*

Interest on members' loans is recognised on an accruals basis using the effective interest method.

##### *Deposit and investment income*

Investment income is recognised on an accruals basis using the effective interest method.

##### *Other income*

Other income is recognised on an accruals basis.

#### 2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits and investments with a maturity of less than or equal to three months.

#### 2.6 Investments

The specific investment products held by the credit union are accounted for as follows:

##### *Held at amortised cost*

Investments designated on initial recognition as held at amortised cost are measured at amortised cost using the effective interest method less impairment. This means that the investment is measured at the amount paid for the investment, minus any repayments of the principal; plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and the maturity amount, minus, in the case of a financial asset, any reduction for impairment or uncollectability.

# 28 NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2019

## *Central Bank Deposits*

Credit unions are obliged to maintain certain deposits with the Central Bank. These deposits are technically assets of the credit union but to which the credit union has restricted access. The funds on deposit with the Central Bank attract nominal interest and will not ordinarily be returned to the credit union while it is a going concern. The amounts are stated at the amount deposited plus accrued income and are not subject to impairment reviews.

## *Investments at Fair Value*

Investments are valued at fair value (market value) at the year-end date and all gains and losses are taken to the income and expenditure account. The fair value of quoted investments is determined by reference to bid prices at the close of business on the balance sheet date. Where there is no market value, these investments are carried at cost less impairment.

## **2.7 Financial assets – loans to members**

Loans are financial assets with fixed or determinable payments. Loans are recognised when cash is advanced to members and measured at amortised cost using the effective interest method. Loans are derecognised when paid in full or charged off.

## **2.8 Provision for bad debts**

The credit union assesses if there is objective evidence that any of its loans are impaired with due consideration of environmental factors. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Bad debt provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and the adequacy of same on a regular basis.

Any bad debts/impairment losses are recognised in the income and expenditure account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the income and expenditure account.

## **2.9 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Premises	2% straight line per annum
Fixtures and fittings	10% straight line per annum
Furniture and equipment	20% straight line per annum
Computers	25% straight line per annum
Motor vehicles	20% straight line per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains' or 'other losses' in the income and expenditure account.

### 2.10 Impairment of assets

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income and expenditure account. If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income and expenditure account.

### 2.11 Other receivables

Other receivables such as prepayments are initially measured at transaction price including transaction costs and are subsequently measured at amortised cost using the effective interest method.

### 2.12 Financial liabilities – members' savings

Members' savings in Croí Laighean Credit Union Limited are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently measured at amortised cost.

### 2.13 Members' current accounts

The credit union provides Member Personal Current Account Services in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended).

### 2.14 Other payables

Short term other liabilities, creditors, accruals and charges are measured at the transaction price.

### 2.15 Pension costs

Croí Laighean Credit Union Limited participates in an industry-wide pension scheme for some employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded defined benefit scheme with assets managed by the Scheme's trustees.

The scheme is a multi-employer Scheme and due to the nature of the Scheme it is not possible for Croí Laighean Credit Union Limited to separately identify its share of the Scheme's underlying assets and liabilities. Consequently, it accounts for the Scheme as a defined contribution plan.

The credit union also operates a defined contribution pension scheme for some employees. The assets of this scheme are held separately from those of the credit union in independently administered funds. Employer contributions to the pension scheme are charged to the income and expenditure account in the period to which they relate.

# 30 | NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2019

## 2.16 Holiday pay

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

## 2.17 Operating leases

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

## 2.18 Derecognition of financial liabilities

Financial liabilities are derecognised when the obligations of the credit union specified in the contract are discharged, cancelled or expired.

## 2.19 Regulatory reserve

The Credit Union Act, 1997 (Regulatory Requirements) Regulations 2016 requires credit unions to establish and maintain a minimum regulatory reserve requirement of at least 10 per cent of the assets of the credit union. This reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.

## 2.20 Operational risk reserve

Section 45(5)(a) of the Credit Union Act, 1997 (as amended) requires each credit union to maintain an additional reserve that it has assessed is required for operational risk having regard to the nature, scale and complexity of the credit union. Credit unions are required to maintain a minimum operational risk reserve having due regard for the sophistication of the business model.

The directors have considered the requirements of the Act and have calculated the operational risk reserve requirement by reference to the predicted impact of operational risk events that may have a material impact on the credit union's business.

In addition, the credit union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended).

## 2.21 Other reserves

Other reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members. The other reserves are subdivided into realised and unrealised. In accordance with the Central Bank guidance note for credit unions on matters relating to accounting for investments and distribution policy, investment income that has been recognised but will not be received within 12 months of the balance sheet date is classified as "unrealised" and is not distributable. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date. The directors have deemed it appropriate that interest on loans receivable at the balance sheet date is also classified as "unrealised" and is not distributable. All other income is classified as "realised".

## 2.22 Distribution policy

Dividends and loan interest rebates are made from the current year's surplus or reserves set aside for that purpose. The board's proposed dividends and loan interest rebates to members each year is based on the distribution policy of the credit union.



The rate of dividends and loan interest rebates recommended by the board will reflect:

- the risk profile of the credit union, particularly in its loan and investments portfolios;
- the board's desire to maintain a stable rather than a volatile rate of dividend each year; and
- members' legitimate dividend and loan interest rebates expectations;

all dominated by prudence and the need to sustain the long-term welfare of the credit union.

For this reason the board will seek to build up its reserves to absorb unexpected shocks and still remain above minimum regulatory requirements.

The credit union accounts for dividends and loan interest rebates when members ratify such payments at the Annual General Meeting.

### 2.23 Taxation

The credit union is not subject to income tax or corporation tax on its activities.

## 3. Judgements in applying accounting policies and key source of estimation uncertainty

Preparation of the financial statements requires the directors to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

### Determination of depreciation, useful economic life and residual value of tangible assets

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. Management regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the year end was €3,562,938 (2018: €3,656,134).

### Provision for bad debts

Croí Laighean Credit Union Limited's accounting policy for impairment of loans is set out in the accounting policy in note 2.8. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and, other external factors such as legal and regulatory requirements. The provision for bad debts in the financial statements at the year end was €2,632,123 (2018: €2,435,330) representing 3.99% (2018: 4.35%) of the total gross loan book.

## 32 | NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2019

### Operational risk reserve

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have developed an approach to the calculation of the operational risk reserve. In addition, the credit union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended). The operational risk reserve of the credit union at the year end was €709,900 (2018: €709,900).

### Adoption of going concern basis for financial statements preparation

The directors have prepared projections and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the credit union's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the credit union was unable to continue as a going concern.

## 4. Key management personnel compensation

The directors of Croí Laighean Credit Union Limited are all unpaid volunteers. The key management personnel compensation is as follows:

	2019 €	2018 €
Short term employee benefits paid to key management	449,031	477,314
Payments to pension schemes	51,033	54,297
<b>Total key management personnel compensation</b>	<b>500,064</b>	<b>531,611</b>

## 5. Bad debts gains on loans to members

	2019 €	2018 €
Bad debts recovered	(486,522)	(458,482)
Impairment of loan interest reclassified as bad debt recoveries	(118,117)	(130,284)
Movement in bad debts provision during the year	196,793	(260,604)
Loans written off during the year	582,379	412,027
<b>Bad debts gains on loans to members</b>	<b>174,533</b>	<b>(437,343)</b>

## 6. Cash and cash equivalents

	2019 €	2018 €
Cash and balances at bank	2,597,393	2,216,563
Deposits and investments – cash equivalents (note 7)	27,925,634	25,187,426
<b>Total cash and cash equivalents</b>	<b>30,523,027</b>	<b>27,403,989</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2019

33

## 7. Deposits and investments

	2019 €	2018 €
<b>Deposits and investments – cash equivalents</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	25,438,799	23,777,967
Irish and EEA state securities	1,478,962	909,459
Other investments	1,007,873	500,000
<b>Total deposits and investments – cash equivalents</b>	<b>27,925,634</b>	<b>25,187,426</b>
<b>Deposits and investments – other</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	63,634,245	67,681,492
Irish and EEA state securities	2,933,297	4,364,784
Bank bonds	28,612,235	28,272,806
Central bank deposits	1,524,093	1,395,275
Other investments	16,889,966	10,086,569
<b>Total deposits and investments – other</b>	<b>113,593,836</b>	<b>111,800,926</b>
<b>Total deposits and investments</b>	<b>141,519,470</b>	<b>136,988,352</b>

## 8. Loans to members

	2019 €	2018 €
Loans to members	65,890,933	55,972,935
Less: provision for bad debts	(2,632,123)	(2,435,330)
<b>Loans to members</b>	<b>63,258,810</b>	<b>53,537,605</b>
As at 1 October	55,972,935	38,411,066
Loans arising on transfer of engagements	-	7,890,349
Loans granted during the year	37,428,152	34,213,669
Loans repaid during the year	(26,927,775)	(24,130,122)
<b>Gross loans and advances</b>	<b>66,473,312</b>	<b>56,384,962</b>
<b>Bad debts</b>		
Loans written off during the year	(582,379)	(412,027)
<b>As at 30 September</b>	<b>65,890,933</b>	<b>55,972,935</b>
<b>Provision for bad debts</b>		
<b>As at 1 October</b>	<b>2,435,330</b>	<b>2,174,216</b>
Provisions arising from transfer of engagements	-	521,718
Movement in bad debts provision during the year	196,793	(260,604)
<b>As at 30 September</b>	<b>2,632,123</b>	<b>2,435,330</b>
The provision for bad debts is analysed as follows:		
Grouped assessed loans	2,632,123	2,435,330
<b>Provision for bad debts</b>	<b>2,632,123</b>	<b>2,435,330</b>

# 34 | NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2019

## 9. Tangible fixed assets

	Premises €	Fixtures and fittings €	Furniture and equipment €	Computers €	Motor vehicles €	Total €
<b>Cost</b>						
1 October 2018	3,612,103	339,850	218,524	795,734	18,761	4,984,972
Additions	9,820	28,540	4,646	59,901	17,895	120,802
<b>At 30 September 2019</b>	<b>3,621,923</b>	<b>368,390</b>	<b>223,170</b>	<b>855,635</b>	<b>36,656</b>	<b>5,105,774</b>
<b>Depreciation</b>						
1 October 2018	464,253	135,742	175,069	543,288	10,486	1,328,838
Charge for year	64,439	25,533	11,793	106,586	5,647	213,998
<b>At 30 September 2019</b>	<b>528,692</b>	<b>161,275</b>	<b>186,862</b>	<b>649,874</b>	<b>16,133</b>	<b>1,542,836</b>
<b>Net book value</b>						
<b>30 September 2019</b>	<b>3,093,231</b>	<b>207,115</b>	<b>36,308</b>	<b>205,761</b>	<b>20,523</b>	<b>3,562,938</b>
<b>30 September 2018</b>	<b>3,147,850</b>	<b>204,108</b>	<b>43,455</b>	<b>252,446</b>	<b>8,275</b>	<b>3,656,134</b>

## 10. Prepayments and accrued income

	2019 €	2018 €
Loan interest receivable	132,658	118,437
Prepayments	348,163	282,059
	<b>480,821</b>	<b>400,496</b>

## 11. Members' savings

	2019 €	2018 €
As at 1 October	166,461,563	116,735,067
Received during the year	123,860,585	111,736,359
Withdrawn during the year	(109,929,663)	(100,003,504)
Members' savings arising on transfer of engagements	-	37,993,641
<b>As at 30 September</b>	<b>180,392,485</b>	<b>166,461,563</b>

Members' savings are analysed as follows:

	2019 €	2018 €
Members' shares	173,296,280	160,692,407
Members' everyday accounts	7,096,205	5,769,156
<b>Total members' savings</b>	<b>180,392,485</b>	<b>166,461,563</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2019

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## 12. Members' current accounts

	2019 €	2018 €
As at 1 October	-	-
Lodgements	1,239,910	-
Withdrawals	(621,143)	-
As at 30 September	<b>618,767</b>	-

	No. of Accounts	Balance of Accounts €
Debit	2	10
Credit	573	618,777
Permitted overdrafts	-	-

## 13. Other liabilities, creditors, accruals and charges

	2019 €	2018 €
Trade creditors	306,444	135,382
Prize draw	48,277	-
Other creditors and accruals	454,487	486,742
	<b>809,208</b>	<b>622,124</b>

## 14. Other provisions

	2019 €	2018 €
Holiday pay accrual	50,950	41,576

## 15. Financial instruments

### 15a. Financial instruments – amortised cost

Financial assets	2019 €	2018 €
Financial assets measured at amortised cost	189,966,479	179,058,336
Financial liabilities	2019 €	2018 €
Financial liabilities measured at amortised cost	181,871,420	167,125,263

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, loans and members' current accounts .

Financial liabilities measured at amortised cost comprise of members' savings, members' current accounts, creditors and accruals and other provisions.

## 36 | NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 30 September 2019

#### 15b. Financial instruments – fair value measurements

FRS 102 requires fair value measurements to be disclosed by the source of inputs, using a three level hierarchy:

- Quoted prices for identical instruments in active market (level 1);
- Prices of recent transactions for identical instruments and valuation techniques using observable market data (level 2), and
- Valuation techniques using unobservable market data (level 3).

**The table below sets out fair value measurements using the fair value hierarchy:**

	Total €	Level 1 €	Level 2 €	Level 3 €
At 30 September 2019				
Accounts in authorised credit institutions	11,566,984	-	11,566,984	-
Other	8,474,343	-	8,474,343	-
<b>Total</b>	<b>20,041,327</b>	<b>-</b>	<b>20,041,327</b>	<b>-</b>
At 30 September 2018				
Accounts in authorised credit institutions	5,532,945	-	5,532,945	-
Other investments	10,586,569	-	10,586,569	-
<b>Total</b>	<b>16,119,514</b>	<b>-</b>	<b>16,119,514</b>	<b>-</b>

There were no fair value adjustments recognised in the income and expenditure account for the year ended 30 September 2019 (2018: €nil)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2019

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## 16. Reserves

	Balance 01/10/18 €	Payment of dividends and loan interest rebates €	Movement on reserves €	Appropriation of current year surplus €	Transfers between reserves	Balance 30/09/19 €
<b>Regulatory reserve</b>	<b>20,168,104</b>	-	-	-	<b>2,000,000</b>	<b>22,168,104</b>
<b>Operational risk reserve</b>	<b>709,900</b>	-	-	-	-	<b>709,900</b>
<b>Other reserves</b>						
<b>Realised</b>						
Special reserve: dividends and loan interest rebates	721,788	(752,616)	-	537,115	30,828	537,115
General reserve	3,367,407	-	(1,079)	57,324	2,507,641	5,931,293
Reserves arising on transfer of engagements	4,538,469	-	-	-	(4,538,469)	-
<b>Total realised reserves</b>	<b>8,627,664</b>	<b>(752,616)</b>	<b>(1,079)</b>	<b>594,439</b>	<b>(2,000,000)</b>	<b>6,468,408</b>
<b>Unrealised</b>						
Interest on loans reserve	118,437	-	-	14,221	-	132,658
Investment income reserve	49,782	-	-	19,170	-	68,952
<b>Total unrealised reserves</b>	<b>168,219</b>	-	-	<b>33,391</b>	-	<b>201,610</b>
<b>Total reserves</b>	<b>29,673,887</b>	<b>(752,616)</b>	<b>(1,079)</b>	<b>627,830</b>	-	<b>29,548,022</b>

# 38 NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2019

## 17. Credit risk disclosures

The credit union complies with Section 12 of the Credit Union Act, 1997 (Regulatory Requirements) Regulations 2016. This regulation:

restricts the concentration of lending by the credit union within certain sectors or to connected persons or groups (concentration limits);

restricts the absolute amount of lending to certain sectors to a set percentages of the regulatory reserve (large exposure limit)

restricts the loan duration of certain loans to specified limits (maturity limits)

requires specified lending practices to be in place where loans are made to certain sectors such as commercial loans, community loans or loans to another credit union.

The carrying amount of the loans to members represents Croí Laighean Credit Union Limited's maximum exposure to credit risk. The following provides information on the credit quality of loan repayments. Where loans are not impaired it is expected that the amounts repayable will be received in full.

	2019		2018	
	€	%	€	%
<b>Loans not impaired</b>				
Total loans not impaired, not past due	55,237,798	83.83%	44,637,680	79.75%
<b>Impaired loans:</b>				
Not past due	2,987,730	4.54%	3,117,366	5.57%
Up to 9 weeks past due	5,559,789	8.44%	5,849,019	10.45%
Between 10 and 18 weeks past due	732,000	1.11%	512,696	0.92%
Between 19 and 26 weeks past due	224,484	0.34%	368,459	0.66%
Between 27 and 39 weeks past due	306,079	0.46%	250,558	0.45%
Between 40 and 52 weeks past due	78,190	0.12%	84,707	0.14%
53 or more weeks past due	764,863	1.16%	1,152,450	2.06%
<b>Total impaired loans</b>	<b>10,653,135</b>	<b>16.17%</b>	<b>11,335,255</b>	<b>20.25%</b>
<b>Total loans</b>	<b>65,890,933</b>	<b>100.00%</b>	<b>55,972,935</b>	<b>100.00%</b>

## 18. Related party transactions

### 18a. Loans

	2019		2018	
	No. of loans	€	No. of loans	€
Loans advanced to related parties during the year	7	53,600	11	110,100
Total loans outstanding to related parties at the year end	18	320,039	24	386,448
Total provision for loans outstanding to related parties		14,998		48,538



The related party loans stated above comprise of loans outstanding to directors and the management team (to include their family members or any business in which the directors or management team had a significant shareholding).

Total loans outstanding to related parties represents 0.49% of the total loans outstanding at 30 September 2019 (2018: 0.69%).

The above loan provisions are made in line with our provisioning policy. At 30 September 2019, all loans outstanding to related parties are performing in accordance with the contractual repayment terms of their credit agreements.

### 18b. Savings

The total amount of savings held by related parties at the year end was €371,135 (2018: €520,879).

## 19. Additional financial instruments disclosures

### 19a. Financial risk management

Croí Laighean Credit Union Limited manages its members' shares and loans so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from Croí Laighean Credit Union Limited's activities are credit risk, market risk, liquidity risk and interest rate risk. The board of directors reviews and agrees policies for managing each of these risks, which are summarised below.

**Credit risk:** Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss. In order to manage this risk the board of directors regularly reviews and approves Croí Laighean Credit Union Limited's credit policies. All loan applications are assessed with reference to the credit policies in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

**Market risk:** Market risk is the risk that the value of an investment will decrease. This risk can arise from fluctuations in values of, or income from, assets or changes in interest rates. The board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

**Liquidity risk:** Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded. The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due.

**Interest rate risk:** Croí Laighean Credit Union Limited's main interest rate risk arises from adverse movements in interest rates receivable which would affect investment income. Croí Laighean Credit Union Limited reviews any potential new investment product carefully to ensure that minimum funds are locked in low yielding long term investments yet at the same time maximising investment income receivable.

### 19b. Liquidity risk disclosures

The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The credit union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in regulatory requirements.

## 40 | NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 30 September 2019

#### 19c. Interest rate risk disclosures

The following shows the average interest rates applicable to relevant financial assets and financial liabilities.

	2019		2018	
	€	Average interest rate %	€	Average interest rate %
Gross loans to members	65,890,933	7.36%	55,972,935	7.58%

The dividend payable is at the discretion of the directors and is therefore not a financial liability of the credit union until declared and approved at the AGM.

#### 20. Dividends and loan interest rebates

The following distributions were made during the year:

	2019		2018	
	%	€	%	€
Dividend on shares	0.25%	381,116	0.40%	432,684
Loan interest rebate	10.00%	371,500	10.00%	265,599

The directors are proposing a dividend in respect of the year ended 30 September 2019 of €83,199 (0.05%) (2018: €339,335 (0.25%)) and a loan interest rebate of €453,916 (10.00%) (2018: €382,453 (10.00%)).

#### 21. Events after the end of the financial year

There have been no significant events affecting the credit union since the year end.

#### 22. Insurance against fraud

The credit union has Insurance against fraud in the amount of €3,000,000 in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

#### 23. Capital commitments

There were no capital commitments at 30 September 2019.

### 24. Commitments under operating leases

The credit union entered into a 4 year and 9 month lease on 1 February 2014. At 30 September 2019 the credit union had future minimum lease payments under a non-cancellable operating lease as follows:

	2019 €	2018 €
Less than 1 year	-	1,200
1 to 5 years	-	-
<b>At 30 September</b>	<b>-</b>	<b>1,200</b>

### 25. The Irish League of Credit Unions Republic of Ireland Pension Scheme

Croí Laighean Credit Union Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded defined benefit scheme with assets managed by the Scheme's trustees.

The scheme is a multi-employer Scheme and due to the nature of the Scheme it is not possible for Croí Laighean Credit Union Limited to separately identify its share of the Scheme's underlying assets and liabilities. Consequently, it accounts for the scheme as a defined contribution plan, in accordance with FRS 102.

The Pension's Act requires the trustees of the Scheme to assess whether it could meet a certain prescribed standard, known as the Minimum Funding Standard. This assesses whether, if the scheme was wound up on a specified theoretical valuation date, it could satisfy the Funding Standard at that date. Following the Scheme's actuary certifying a Minimum Funding Standard deficit in the scheme in 2009, Croí Laighean Credit Union Limited, the ILCU group and the other credit unions participating in the Scheme entered into a funding agreement with the Scheme that was designed to ensure that the Scheme could be reasonably expected to satisfy the Minimum Funding Standard by a specified future date (1 March 2019). This funding plan runs up until 2019 and was approved by the Pensions Authority. Croí Laighean Credit Union Limited has paid the contributions payable under this funding agreement.

As part of the above solvency assessment process, the Scheme actuary must carry out a separate valuation under the Minimum Funding Standard every 3 years and produce a funding certificate for submission to the Pensions Authority within 9 months of the effective date of the valuation. The purpose of the certificate is to certify whether or not the assets of the scheme at the effective date are sufficient to meet the liabilities of the scheme based on the assumption that the scheme was wound up at that date. The most recent Actuarial Funding Certificate was effective as at 1 March 2018 and it certified that the Scheme satisfied the funding standard. Further, the Actuary was reasonably satisfied that as at 28 February 2018 the scheme can be expected to satisfy the funding standard as specified in Section 44 of the Pensions Act, 1990, at 1 March 2019, being the date specified by the Pensions Authority under Section 49(2) (a) of the Act for the purpose of the existing funding proposal.

## 42 | NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 30 September 2019

An actuarial review of the fund is normally carried out every three years by the Scheme's independent, professionally qualified actuary. The actuarial review considers the past and future liabilities of the scheme. The last completed triennial actuarial review was carried out with an effective date of 1 March 2017 using the Projected Unit valuation method. The principal actuarial assumption used in the valuation was the investment return would be 1.75% higher than the annual salary increases. The market value of the scheme's assets at 1 March 2017 was €216m. The actuarial valuation disclosed a past service deficit of €6.4m at 1 March 2017 calculated under the ongoing Actuarial Valuation method. This valuation method assumes that the Scheme will continue in existence for the foreseeable future. The assumptions used in the actuarial review to determine the past service deficit differ from the assumptions that would be used to determine the liabilities for defined benefit obligations under FRS102. This actuarial review recommended that the rate agreed under the funding proposal, 27.5% of pensionable salary, continues to be paid. The cost of risk benefits is paid in addition to this rate giving a total contribution rate of 30% of pensionable salary.

### 26. Contingent liabilities

In September 2018, the Registry of Credit Unions advised all credit unions of a potential matter in relation to accrued interest outstanding on certain top-up loans which may have led to a potential over-collection of interest. The credit union has commenced a review to ascertain whether any top-up loans made to members might be impacted by these circumstances, and if so, to determine what actions may need to be taken. Consequently it is impracticable at this time to estimate the impact, financial or otherwise, if any, of this matter and whether any net amounts will become payable or not in the future.

### 27. Comparative information

Comparative information has been reclassified where necessary to conform to current year presentation. Comparative information in respect of 2018 shows Croí Laighean Credit Union Limited for the full year together with Leixlip & District Credit Union Limited from 5 April 2018 onwards, the date of transfer to Croí Laighean Credit Union Limited.

### 28. Approval of financial statements

The board of directors approved these financial statements for issue on 14 November 2019.

# SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT

**For the financial year ended 30 September 2019**

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditors' report on pages 11 to 13.

## SCHEDULE 1 – OTHER INTEREST INCOME AND SIMILAR INCOME

	2019 €	2018 €
Investment income and gains received/receivable within 1 year	1,547,205	1,375,975
Investment income receivable outside of 1 year	19,170	18,782
<b>Total per income and expenditure account</b>	<b>1,566,375</b>	<b>1,394,757</b>

## SCHEDULE 2 – OTHER INCOME

	2019 €	2018 €
Entrance fees	1,359	1,137
Other income	35,942	30,042
<b>Total per income and expenditure account</b>	<b>37,301</b>	<b>31,179</b>

## SCHEDULE 3 – OPERATIONAL EXPENSES

	2019 €	2018 €
LP/LS and DBI	771,078	641,462
General insurance	54,300	37,079
Rent and rates	32,917	30,453
Light, heat and cleaning	53,859	44,936
Maintenance and office repairs	43,810	47,806
Security	31,765	29,731
Printing, stationery, postage and telephone	132,209	101,309
Schools programmes and sponsorship	47,168	52,824
Community programmes and sponsorship	59,175	38,211
Marketing, advertising and branding	105,038	95,744
Professional fees	329,541	297,249
Current account related expenses	176,131	-
I.T. and Organisational review	37,605	-
AGM and meetings	19,628	17,766
Bank and transaction charges	127,292	111,402
Audit fees	39,975	39,975
Computer and data transfer costs	248,845	218,310
DGS levy	183,760	138,932
Other regulatory charges	182,549	161,295
Training	18,757	22,146
Travel and subsistence	18,358	23,922
Other expenses	35,424	33,862
Legal fees	8,759	3,343
Internal audit	23,066	18,450
<b>Total per income and expenditure account</b>	<b>2,781,009</b>	<b>2,206,207</b>

## 44 | MODEL STANDING ORDERS

Reference: Recommendation 41 (b) of the Planning Committee;

### Voting

- Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with Section 82 (2) of the Credit Union Act 1997 (as amended).

### Election Procedure

- Elections to the Board of Directors, to the Board Oversight Committee and the position of Auditor shall be by majority vote and by secret ballot.
- A Ballot Paper for the election of the Board and Board Oversight Committee, where applicable, will be distributed to each member at the AGM.
- When nominations are announced tellers shall be appointed by the chair and ballot papers shall be distributed. Nominations shall be in the following order: (a) nominations for auditor; (b) nominations for members of the board oversight committee; (c) nominations for directors. When voting is completed, the votes shall be taken and tallied by the tellers.
- Any ballot paper which contains votes for more than the number required to be elected shall be void. All elections shall be by secret ballot and by majority vote.
- When the votes have been counted by the tellers, the results shall be announced by the chair. In the event that all vacancies are not filled by the first ballot further ballots shall be taken as required. In the event of an equality of votes between candidates for the remaining vacancies not filled in accordance with the above procedure one further ballot shall be taken and should that ballot fail to determine the issue, the vacancies
- shall be filled by lot from among such candidates having an equality of votes.

### Motions

- All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.
- A proposer of a motion may speak for such period as shall be at the discretion of the Chairman of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.
- In exercising his/her right of reply, a proposer may not introduce new material.
- The seconder of a motion shall have such time as shall be allowed by the Chairman to second the motion.
- Members are entitled to speak on any such motion and must do so through the Chair. All speakers to any motion shall have such time as shall be at the discretion of the Chairman.
- The Chairman shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

### Miscellaneous

- The Chairman of the Board of Directors shall be the Chairman of any general meeting, except where he/she is not available, in which case it shall be the Vice-Chairman, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chairman of any general meeting.
- The Chairman may at his/her discretion, extend the privilege of the floor to any person who is not a member.

## Model Standing Orders

- Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the Chairman.
- The Chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
- No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the board of directors.
- Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.

## Suspension of Standing Orders

- Any one of these Orders or all of these Standing Orders may be suspended on a motion to this effect receiving a two-thirds majority of those present and entitled to vote.

## Alteration of Standing Orders

- Standing Orders may be amended or altered at a general meeting and only if a motion to this effect has received a two-thirds majority of those present and voting.

## Adjournments

- Adjournments of the AGM shall take place only in accordance with section 81 (1) of the Credit Union Act, 1997 (as amended)

Issued by ILCU 30th September 2016

## MEMBERS DRAW 2018 - 2019

Income & Expenditure Account			€
Opening Balance			
Fees from members	8,042	members	272,911
Prizes to members	55	winners	(220,000)
Promotional & stationary expenses			-4,634
Closing balance			48,277

€	Winners	€
10,000	11	110,000
4,000	11	44,000
3,000	11	33,000
2,000	11	22,000
1,000	11	11,000
		220,000



**Croí Laighean**  
**CREDIT UNION**



## Christmas Opening Hours 2019

**All offices open as normal until Monday 23rd December**

**Closed 24th – 27th December**

**Open Saturday 28th December as follows:**

### **Edenderry, Clane**

**9:30am – 4:30pm**

### **Leixlip**

**9:30am – 1pm**

**Open Monday 30th December as normal**

**All offices closed Tuesday 31st December 2019 and  
Wednesday 1st January 2020**

**Thursday 2nd January Normal office hours apply**