



PORTARLINGTON CREDIT UNION LIMITED

51st Annual General Meeting

Thursday 12th December 2019
Presentation Primary School at 8.00pm



PCU Board and Oversight Committee 2019



Cutting the 50th Anniversary Cake



PCU Staff



Notice of 51st Annual General Meeting

The Annual General Meeting of Portarlington Credit Union Limited will take place on Thursday 12th December 2019 at 8pm at the Presentation Primary School, Station Road, Portarlington.

There are four vacancies on the Board of Directors, one vacancy on the Board Oversight Committee and one vacancy for Auditor.

All members are invited to attend, light refreshments will be served after the meeting.

Breda Connell **Secretary**

Credit Union Officers as at 30th September, 2019

Liam Kirwan (Chairperson)
Kieran Madden (Vice Chairperson)
Breda Connell (Secretary)

Other Directors

Thelma Carroll, Colm Coleman, Sharon Culliton,
Bridie Keegan, Liam Murphy & Rosaleen O'Kane.

Board Meeting Minute Taker

Sinead O'Sullivan.

Board Oversight Committee

Shane Murray (Chairperson), Janet Bennett & Jacqueline McNulty Evans.

Staff

Michael McEvoy (Chief Executive Officer)
Michelle Shortall (Assistant Manager)
Sandie O'Leary (Risk Management & Compliance Officer)
David Connolly (Finance Officer)
David Duffy (Assistant Finance Officer)
Terena McComish (Credit Control Officer)
Annmarie Piggott (Credit Control Assistant)
Aisling Donoher (Membership & Data Protection Officer)
Christina Cummins, Veronica Doyle McCormack, Fiona Dunne, Claire Foster,
Nicole Hynes & Edwina Nolan (Office Assistants).

Volunteers

Caroline Boylan, Evelyn Brereton, Colette Knight, Willie Murphy,
Lorraine Thompson, Ger Ward & Michael Wilcox.

Contacts

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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; and where there is sadness, joy.

O Divine Master, let me 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.

AGENDA

1. The acceptance by the board of directors of the authorised representatives of members that are not natural persons
2. Ascertainment that a quorum is present
3. Adoption of Standing Orders
4. Reading and approval (or correction) of the minutes of the last annual general meeting, and any intervening special general meeting
5. Report of the Board of Directors
6. CEO's Report & Consideration of accounts
7. Report of the Auditor
8. Declaration of dividend and rebate of interest (if any)
9. Deduction of ILCU Affiliation Fee
10. Rule Amendments
11. Report of the Board Oversight Committee
12. Report of the Credit Committee
13. Report of the Credit Control Committee
14. Report of the Membership Committee
15. Report of the Promotion and Development Committee
16. Report of the Nomination Committee
17. Appointment of Tellers
18. Election of Auditors
19. Election to fill vacancies on the Board Oversight Committee
20. Election to fill vacancies on the Board of Directors
21. Any other business

Reference: Recommendation 41 (b) of the Planning Committee

1. 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)

2 - 3 ELECTION PROCEDURE

2. 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.

3. 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.

4 - 9 MOTIONS

4. 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.

5. A proposer of a motion may speak for such period as shall be at the discretion of the chair of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.

6. In exercising his/her right of reply, a proposer may not introduce new material.

7. The seconder of a motion shall have such time as shall be allowed by the chair to second the motion.

8. 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 chair.

9. The chair 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.

10 - 15 MISCELLANEOUS

10. The chair of the board of directors shall be the chair of any general meeting, except where he/she is not available, in which case it shall be the vice-chair, except where he/she is not available, in which case the board shall decide amongst themselves who shall act as chair of any general meeting.
11. The chair may at his/her discretion, extend the privilege of the floor to any person who is not a member.
12. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the chair.
13. The chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
14. 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.
15. 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.

16. 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.

17. 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.

18. ADJOURNMENTS

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

On behalf of the board of directors of Portarlington Credit Union I welcome you the members and our guests to the 2019 Annual General Meeting. Having passed the 50-year milestone, Portarlington Credit Union continues to grow both financially and in the level of service that it offers to its members.

These continued successes are primarily a result of the hard work of both management and staff of our credit union and the corresponding conscientiousness and effort of the volunteers. You, the members, play a significant part in continuing to use the services of the credit union on a regular basis. Portarlington Credit Union exists within a community and is a crucial part of that community. In 'credit union' language this is a common bond that unites us all. Therefore, Portarlington Credit Union is proud to support many of the causes of the community throughout the year.

The detail of the financial aspects of this annual report will be covered throughout the meeting so I don't propose to duplicate that in this report.

Throughout the year there were some changes to the makeup of the board of directors and the board oversight committee. Both Millie Mannion and Paula Maguire retired having given many years of dedicated and devoted service. We all wish them well for the future and thank them for that service. Kieran Madden is stepping down from the board at this AGM, however, thankfully, he will remain involved at committee level. We are delighted that Pádraig Briody is available to seek election to the board. Both bring a wealth of experience and knowledge to the credit union.

I also want to mention Bill Brady who passed away during the year. Bill was a long serving member of the board and he will be sadly missed. Bill will be remembered as a calm and compassionate man who proudly served the community of Portarlington.

I now ask you to observe a one-minute silence for all those members who passed away during the year.

It is important that I thank the management and staff of our credit union for their commitment to service. They are the backbone of the credit union. Many members comment on the friendly and relaxed atmosphere when they come to the credit union and that is a testament to our wonderful staff.

In conclusion, I thank my fellow volunteers, directors, members of the board oversight committee and committee members for the time that they give to the work of the credit union. As we begin another year, let us all, together, work to ensure the continued success of Portarlington Credit Union.

Liam Kirwan
Chairperson

Chairperson, Members of Portarlington Credit Union, invited guests, on behalf of the Management and staff, I welcome you all here tonight to our 51st Annual General Meeting.

The real highlight of the year for Portarlington Credit Union occurred last March, when we had our 50th year celebrations. It was great to see such a magnificent turnout and to see representatives from every Board of Directors for the past 50 years.

Thankfully, 2019 has been a very busy year for Portarlington Credit Union and a year of great growth in many areas:

- **Total Assets Increased by 7.9%**
- **Members Shares Increased by 8.2%**
- **Loans to members Increased by 6.45%**
- **Reserves Increased by 7.9%**

Our cash turnover for the year was almost €82m, an average of €1.6m circulating in our local economy weekly. I will summarise the year by speaking briefly on our operational departments.

Lending

During the year ended 30th September, our Lending Officers and Credit Committee approved 2,848 loans to the value of €11.4m. This is a significant amount of money lent out to members and is also a great boost to local businesses and households. The average loan issued was €4,006. We are very conscious of the fact that it is your money that we are lending and that we must lend responsibly. With virtually every loan application, we expect supporting documentation to demonstrate the ability to repay, this is required on all loans greater than €1,000. Like last year, we are very pleased to be proposing a 15% Interest Rebate on all categories of loans (Standard / Student / Secure & House). This makes a loan from Portarlington Credit Union exceptionally good value and it is our way of rewarding the loyalty of our members. I am very pleased to announce that from October 1st 2019 we have introduced new loan products for:

- I. Large Home Improvement Loans from €40K to €75K**
- II. Large Commercial Loans from €40K to €75K**
- III. Debt consolidation Loans from €20K to €75K**

The interest rate charged on these new loan products is 6.99% or 7.20% APR. We believe that this is a very attractive rate and will provide good value to our members.

Credit Control

Credit Control is one of the most difficult aspects of any business and Credit Unions are no exception. This year our nett charge for non-performing loans was €91,776 while the amount recovered was €323,926. We also arranged to reschedule loans for 26 members. These were members that had been in difficulty previously and now find themselves in a situation where they can resume acceptable payments. I would always encourage members who find themselves in difficulty to contact our Credit Control department immediately where I am

confident that they will be able to find a favourable solution for both the member and the Credit Union. Once again I would like to thank all members for remaining so loyal to their Credit Union through their commitment to maintaining their agreed loan repayments.

Marketing

Marketing is an important part of any business and one that is critical to future growth. We allocate an annual budget and our marketing officer is responsible for promoting our services and in particular our loans. We are actively involved in social media, local radio, local newspapers, parish newsletter, signage and InfoTV. We are continuously in contact with our members to remind them of the benefits of a Credit Union Loan. We also support the national advertising campaign which is arranged by the Irish League of Credit Unions.

We continue to be actively involved in sponsoring local clubs and associations as you will hear through our Promotional & Development committee report.

Youth

Our youth are very important to us and our Youth Committee continues to be very actively engaged with them. We have nine primary schools participating in our weekly Credit Union collection, this has proven to be a very successful venture for our Credit Union and one that is very well supported by the children, parents and of course, the teachers. We have approximately 500 children making small savings on a regular basis thereby introducing the savings concept at an early age. We are also involved in Coláiste Íosagáin and are always happy to meet and speak with transition year and Leaving Cert students. The annual Maureen McEvoy Portarlington Credit Union Perpetual Student Bursary was a huge success again with a great response from Students entering third level education for the first time. This year the two lucky winners, Aoife Malone and Jake Nicholl, were presented with a €1,000 cheque by Thomas McEvoy. We continue to hold our annual primary school quiz and art competition. Regular Facebook competitions are held throughout the year and of course our Christmas Party for children is always a great success. Last year we coordinated with Team Hope for the Shoe Box Appeal. Our members very generously donated over 200 boxes, which was magnificent, and I have no doubt made many children very happy for Christmas.

Insurance

You will see a detailed Insurance report later in our booklet which gives details of the benefits and terms of conditions, I think it is important to emphasise the unique insurance cover that is provided to members of Portarlington Credit Union Ltd FREE OF CHARGE.

- **Shares are Insured up to €12,700**
- **Loans are covered for Death up to age 85 & Total Disability up to age 65**
- **Death Benefit of €1,300 per member.**

Terms and conditions apply.

I would urge everyone to read the Insurance report, tell your friends about it, and if you have any questions speak to a member of Staff.

Members Cash Draw

Our members Cash Draw continues to be very popular with our members and a great success. We currently have over 2,662 members participating in the draw, generating over €114,000 in cash prizes. The draw frequency is bi-monthly, with draws in February / April / June / August / October (Credit Union Day) & December. The cost is €7 per draw or €42 per annum. We have a prize fund of over €19,000 per draw, with a guaranteed first prize of €10,000. If you are not already a member of the draw, it is very easy to join. Simply call in to the office or go online to www.portcu.ie. Our Final Draw for 2019 will be held on Saturday December 14th just after our Annual Children's party. All our draws are held in the office in full view of our members that are present. The draw is overseen by a Peace Commissioner, a member of the Board Oversight Committee, Finance officer and CEO. None of these people are in the Draw.

Risk Management

Risk is a constant feature of financial services and how we respond to such risks is what distinguishes us as a credit union operating for the benefit of our members. Through monthly risk management reports, the directors and management team are briefed on any risk events, any deterioration in our most significant risk areas or any proposed improvements to the system.

This credit union has a very positive approach to risk management, which is demonstrated by the willingness of all officers to take responsibility for their own individual roles in this process. We value the trust you place in us and a strong risk management system is intended to provide assurance to you the members, that your credit union is not taking any unnecessary risks with your savings.

Compliance

The Criminal Justice Act 2018 was introduced in November 2018 to transpose the 4th European Directive on Anti-Money Laundering and Counter Terrorist Financing (AML/CTF) into Irish law. We would ask all Members to continue to help us meet our obligations with regard to AML/CTF when you are asked to provide ID and proof of address at various times while doing business at our credit union. We are proud to say that we know our members, but we also need to be able to demonstrate compliance with our regulatory and legislative requirements, so please don't be offended when our credit union officers ask for such documentation. The rules are there to protect you, our members, and the wider community.

The Central Bank continues to regularly publish guidance notes and industry-specific reports outlining their expectations in relation to a variety of matters with which credit unions are expected to comply in a timely manner e.g. Outsourcing, Fitness & Probity, Business Model Strategy etc.

Staff Training

Staff training is essential to ensure we continue to deliver a quality service to our members. All our staff must complete a minimum of 15 hours continuous professional development. We also encourage staff to take on additional training. ILCU have developed a suite of courses to allow Credit Union staff to enhance their knowledge of the Credit Union operation. I

am pleased to say that our Staff were very busy during the year updating their skills and achieving the following qualifications:

- Michelle, Fiona & Claire have completed the Accredited Product Adviser in Lending and Regulation through LIA.
- We are currently arranging further training through CU Learn and LIA.

I would like to congratulate all of the staff on their achievements and to wish the Staff commencing new studies continued success with their future studies.

Financial Management

Accurate and timely information is critical to the operation of any business. Our Board of Directors receive detailed information on financial performance compared to previous year and against budget on a monthly basis. We submit quarterly financial returns to ILCU and to the Central Bank of Ireland, and in return, we receive a report which shows how our Credit Union is performing against other Credit Unions in a similar asset range across a wide range of headings. The findings from this report are discussed in detail by the Board of Directors.

Personal Micro Credit Loans

In the lead up to Christmas, I would urge members to exercise extreme caution with their finances. In the current climate, people can very often be tempted to take out loans from moneylenders who charge extremely high rates of interest. People should only borrow what they can afford to repay and only borrow where repayments are fair and reasonable. In an effort to help people who had been dealing with moneylenders we continue to offer the Personal Micro Credit loan (a.k.a. "It makes sense loan"). It is run in conjunction with the Household Budget in An Post. All loan repayments are either by Standing Order or by deduction from their social welfare entitlement. I would encourage all members if they know of anybody who is considering using Moneylenders to ask them to contact the Credit Union. They will find the Credit Union very reasonable and flexible to deal with.

Conclusion

I would like to thank the Board of Directors for their continued support during the year, thanks to our Auditors, BCA, for their service and advice. Thanks to the Principal and Board of Management of the Presentation Primary School for allowing us the use of their facilities tonight. I would also like to thank my staff who have been so supportive in delivering the services throughout the year, congratulations to Aisling Donohoe on the birth of her baby boy and to David Duffy who got married recently. A special thanks to you the members for your continued and loyal support.

Before I close, I would like to bring you through the financial accounts for the year ended 30th September 2019.

Michael McEvoy,
Chief Executive Officer



Bravehearts Sponsorship



Colaiste Iosagain Musical Sponsorship

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Directors and other information

Directors	Liam Kirwan (Chairperson) - appointed 13 December 2018 Breda Connell (Secretary) Kieran Madden Sharon Culliton Janet Bennett - resigned 13 December 2018 Bridie Keegan Paula Maguire (Kiely) - resigned 13 December 2018 Liam Murphy Rosaleen O’Kane Colm Coleman Thelma Carroll - appointed 13 December 2018
Manager	Michael McEvoy
Credit Union Number	219CU
Registered office	Upper Main Street Portarlington Co. Laois
Auditors	BCA Chartered Accountants Clonminch House Clonminch Hi-Technology Park Tullamore Co. Offaly
Business address	Upper Main Street Portarlington Co. Laois
Bankers	Bank of Ireland Plc Main Street Portarlington Co. Laois
Solicitors	Aidan O’Donnell & Co. Solicitors Main Street Portarlington Co. Laois

Directors Report

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

Principal Activities

The principal activity of Portarlington Credit Union Limited is the provision of savings and loans to members in its common bond. The Credit Union manages its members' shares, capital and loans to members so that it earns income from the margin between interest receivable and interest payable.

Authorisations

The Credit Union is authorised as follows:

- Registered as an insurance, reinsurance or ancillary insurance intermediary under the European Communities (Insurance Distribution) Regulations, 2018.
- Firms deemed to be authorised as Investment Intermediaries (Restricted Activity Investment Product Intermediary) pursuant to Section 26 of the Investment Intermediaries Act, 1995 (as amended).
- A credit Union entitled under the European Union (Payment Services) Regulations 2018 to provide payment services.

Business Review

Both the level of business and the year-end financial position were satisfactory. The directors expect to develop and expand the Credit Union's current activities and they are confident of its ability to operate successfully in the future.

Results And Distributions To Members

The excess income over expenditure for the year is set out in the Income & Expenditure account on page 20.

The Board proposes to the membership the payment of 0.125% dividend and 15% rebate of loan interest for the current year in

line with Note 7 in the financial statements, subject to agreement by the membership at the Annual General Meeting.

Principal Risks and Uncertainties

The main financial risks arising from the activities of Portarlington Credit Union Limited are credit risk, liquidity risk, interest rate risk, market risk, risk of insufficient demand for loans and continuous compliance with regulatory and legislative requirements. The Board reviews and agrees policies for managing each of these risks which are summarised at Note 24.

Post Balance Sheet Events

There were no significant events affecting the Credit Union since the balance sheet date.

Directors

The present membership of the Board is as set out on page 15.

In accordance with Section 53 of the Credit Union Act 1997 (as amended) three directors of the Credit Union are required to retire from the Board at this year's Annual General Meeting. Being eligible, four of these directors will go forward for re-election and one new director is being proposed for election to the Board.

Auditors

The auditors, BCA, have indicated their willingness to continue in office in accordance with the provisions of Section 115 of the Credit Union Act 1997 (as amended).

This report was approved by the Board on 5 November 2019 and signed on its behalf by:

Liam Kirwan
Director

Breda Connell
Director

Date: 5 November 2019

Statement Of Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and generally accepted accounting practice in Ireland including the accounting standards issued by the Financial Reporting Council and published by the Institute of Chartered Accountants in Ireland.

The Credit Union Act 1997 (as amended) require 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;
- 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 keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Credit Union and to enable them to ensure that the financial statements comply with the Credit Union Act 1997 (as amended). 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Credit Union's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board of Directors

Liam Kirwan
Director

Breda Connell
Director

Date: 5 November 2019

Statement Of Board Oversight Committee Responsibilities

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 Acts 1997 (as amended) and any other matter prescribed by the Central Bank of Ireland in respect of which they are to have regard to.

Janet Bennett
Member of the Board Oversight Committee

Date: 5 November 2019

Independent Auditor's Report To The Members Of Portarlington Credit Union Limited

Opinion

We have audited the financial statements of Portarlington Credit Union Limited for the financial year ended 30 September 2019 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the Credit Union's affairs as at 30 September 2019 and of its income and expenditure for the year then ended;
- have been prepared in accordance with Generally Accepted Accounting Practice in Ireland; 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 described below in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Credit Union in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard, and the provisions available to small entities, in the circumstances set out in Note 25 to the financial statements, and 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 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

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

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, 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.

Other matters prescribed by the Credit Union Act 1997 (as amended)

In our opinion, based on the work undertaken in the course of the audit:

- We have obtained all the information and explanations which we considered were necessary for the purposes of our audit;
- In our opinion proper accounting records have been kept by the Credit Union; and
- The financial statements are in agreement with the accounting records.

Respective Responsibilities

Responsibilities Of Directors For The Financial Statements

As explained more fully in the directors' responsibilities statement set out on page 17, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is 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 management intends to cease operations, or has no realistic alternative but to do so.

Responsibilities Of Auditors For The Financial Statements

Our 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 auditor's report that includes

our 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditor's report.

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

Our report is made solely to the Credit Union's members, as a body, in accordance with Section 120 of the Credit Union Acts 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 auditor's 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.

BCA

Chartered Accountants

Statutory Auditors

Clonminch House

Clonminch Hi-Technology Park

Tullamore

Co. Offaly

Date: 5 November 2019

Income and Expenditure Account

for the financial year ended 30 September 2019

Income:	Schedule	2019 €	2018 €
Interest on loans	1	2,229,149	2,046,210
Other interest income and similar income	2	232,800	201,138
Net interest income		2,461,949	2,247,348
Other income	3	12,827	12,342
Other gains	4	91,667	-
Total income		2,566,443	2,259,690
Expenditure			
Salaries		607,240	544,595
Other management expenses	5	877,036	807,130
Depreciation		37,106	41,519
Bad debts provision		221,286	(62,439)
Bad debts recovered		(323,926)	(277,480)
Bad debts written off		91,776	13,284
Total expenditure		1,510,518	1,066,609
Excess of income over expenditure for the year		1,055,925	1,193,081
Other comprehensive income		-	-
Total comprehensive income		1,055,925	1,193,081

These Financial Statements were approved by the Board on the 5 November 2019
Signed on behalf of the Credit Union:

Michael McEvoy
Manager

Janet Bennett
Member of the Board
Oversight Committee

Liam Kirwan
Member of the Board of
Directors

Date: 5 November 2019

The notes on pages 24 to 40 form part of these financial statements.

Balance Sheet

as at 30 September 2019

Assets	Note	2019 €	2018 €
Cash and balances at bank	10	830,924	1,028,635
Deposits and investments - cash equivalents	11	4,874,510	6,275,421
Deposits and investments - other	11	25,261,129	21,197,851
Loans to members	12	27,668,839	25,992,805
Less: provision for bad debts	13	(3,052,812)	(3,015,087)
Tangible fixed assets	14	612,161	593,090
Debtors, prepayments and accrued income	15	245,570	211,726
Total assets		56,440,321	52,284,441
Liabilities			
Members' shares	16	46,779,639	43,232,737
Other members funds	16	816,663	806,796
Other liabilities, creditors, accruals and charges	17	35,150	83,334
Total liabilities		(47,631,452)	(44,122,867)
Net assets		8,808,869	8,161,574
Reserves			
Regulatory reserve		6,202,400	5,750,829
Operational risk reserve		632,967	435,150
Other reserves			
Realised reserves		1,968,252	1,970,345
Unrealised reserves		5,250	5,250
Total reserves		8,808,869	8,161,574

These financial statements were approved and authorised for issue by the Board on 5 November 2019. Signed on behalf of the Credit Union by:

Michael McEvoy
Manager

Janet Bennett
Member of the Board
Oversight Committee

Liam Kirwan
Member of the Board of
Directors

Date: 5 November 2019

The notes on pages 24 to 40 form part of these financial statements.

Statement of Changes In Reserves

For the financial year ended 30 September 2019

	Regulatory Reserve	Operational Risk Reserve	Undistributed Surplus	Other Realised Reserves	Other Unrealised Reserves	Total Reserves
	€	€	€	€	€	€
Balance 1 October 2017	5,260,171	435,150	1,657,937	-	5,250	7,358,508
Surplus for the year	-	-	1,193,081	-	-	1,193,081
Payment of dividend and loan rebate	490,658	-	(390,015)	-	-	(390,015)
Transfer between reserves	-	-	(490,658)	-	-	-
Balance 1 October 2018	5,750,829	435,150	1,970,345	-	5,250	8,161,574
Surplus for the year	-	-	1,055,925	-	-	1,055,925
Payment of dividend and loan rebate	451,571	197,817	(408,630)	-	-	(408,630)
Transfer between reserves	-	-	(649,388)	-	-	-
Balance 30 September 2019	6,202,400	632,967	1,968,252	-	5,250	8,808,869

- The Regulatory reserve of the Credit Union as % of total assets as at 30 September 2019 was 11%. (30 September 2018: 11%).
- In accordance with S45 of the Credit Union Act 1997 (as amended) Portarlinton Credit Union Limited has an Operational Risk reserve in place. The Board transferred €197,817 additional funds from the Undistributed Surplus reserve to the Operational Risk reserve for unquantified future ILCU pension costs and Brexit in the current period, following the completion of an internal process of assessing the level of the reserve required to cover the operational risk within the Credit Union.
- The Board of Portarlinton Credit Union Limited has transferred €451,571 from Undistributed Surplus reserve to its Regulatory reserve so that the reserve would stand at 11% at current year end, in excess of the required limit of 10%.

Signed on behalf of the Credit Union

Michael McEvoy
Manager

Janet Bennett
Member of the Board
Oversight Committee

Liam Kirwan
Member of the Board of
Directors

Date: 5 November 2019

Cash Flow Statement

For the financial year ended 30 September 2019

	2019	2018
	€	€
Opening cash and cash equivalents	7,304,056	7,021,367
Cash flows from operating activities		
Loans repaid	9,457,989	9,151,128
Loans granted	(11,409,360)	(11,481,435)
Loan interest received	2,215,045	2,034,995
Investment interest received	311,659	225,777
Bad debts recovered	323,926	277,480
Dividends paid	(100,887)	(93,157)
Loan interest rebate paid	(307,744)	(296,859)
Operating expenses	(1,529,524)	(1,202,464)
Other receipts	12,827	12,342
Net cash flows from operating activities	(1,026,069)	(1,372,193)
Cash flows from investing activities		
Fixed asset purchases/disposals	(56,177)	(35,464)
Net cash flow from managing investments	(4,063,278)	(1,928,398)
Net cash flows from investing activities	(4,119,455)	(1,963,862)
Cash flows from financing activities		
Members shares received	28,693,851	27,533,241
Members shares withdrawn	(25,146,949)	(23,914,497)
Net cash flows from financing activities	3,546,902	3,618,744
Net (decrease)/increase in cash and cash equivalents	(1,598,622)	282,689
Closing cash and cash equivalents	5,705,434	7,304,056

Note 10

Signed on behalf of the Credit Union

Michael McEvoy
Manager

Janet Bennett
Member of the Board
Oversight Committee

Liam Kirwan
Member of the Board of
Directors

Date: 5 November 2019

1. Legal And Regulatory Framework

Portarlington Credit Union Limited is established under the Credit Union Act 1997 (as amended). The Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The principal place of business is Upper Main Street, Portarlington, Co. Laois.

2. Accounting Policies

2.1. Basis of preparation

The financial statements have been prepared on the going-concern basis and in accordance with accounting standards generally accepted in the UK and Republic of Ireland (as issued by the Financial Reporting Council) and the Credit Union Act 1997 (as amended). The financial statements are prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

2.2. Statement of compliance

These 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

The financial statements are prepared on the going concern basis. The directors of Portarlington Credit Union Limited believe this is appropriate as the Credit Union:

- Is generating annual surpluses;
- Maintains an appropriate level of liquidity; and
- Has reserves that are currently above the minimum requirements of the Central Bank of Ireland.

2.4. Currency

The financial statements are prepared in Euro, which is the functional currency of the

Credit Union. Monetary amounts in these financial statements are rounded to the nearest Euro.

2.5. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Credit Union and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following criteria must also be met before revenue is recognised:

Interest on Members' Loans

Interest on Members Loans is recognised on an accruals basis using the effective interest rate method in accordance with FRS 102 and Section 110(1)(D) of the Credit Union Act 1997 (as amended). An approximation of the effective interest rate method is calculated by taking the interest accrual at the reporting period adjusted for any accrual relating to impaired loans.

Investment Income

The Credit Union currently only has investments that are valued at amortised cost, and uses the effective interest rate method to recognise investment income.

Other Income

Other income such as commissions receivable on insurance products and foreign exchange services arises in connection to specific transactions. Income relating to individual transactions is recognised when the transaction is completed.

2.6. Distribution Policy

In respect of each financial year, the Credit Union will allocate surplus funds to the Regulatory Reserve and other reserves in accordance with the provisions of the Credit Union Act, 1997 (as amended) and guidance issued by the Central Bank of Ireland. The board of directors may also decide to hold reserves in excess of minimum statutory

requirements, taking prudent account of the scale and complexity of the Credit Union's business, its risk profile and prevailing market conditions. The dividend payment is based on the distributable income of the Credit Union after meeting its reserve requirements. Dividends to the Credit Union's members are recognised as a liability of the Credit Union when approved by the Credit Union's shareholders at the annual general meeting.

2.7. Taxation

The Credit Union is not subject to income tax or corporation tax on its activities as a Credit Union.

2.8 Tangible fixed assets

Tangible Fixed Assets are initially stated at cost or at valuation, less accumulated depreciation. The charge for depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

- Freehold Premises - 2% Straight line
- Fixtures and Fittings - 10% Straight line
- Computer Software - 20% Straight line
- Computer Hardware - 20% Straight line

Tangible fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that carrying values may not be recoverable. If any such indication exists and where the carrying value exceeds the net recoverable amount, the assets are written down to their recoverable amount. The recoverable amount of tangible assets, property, plant and equipment is the greater of open market value and value in use. In assessing value in use the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the

recoverable amount is determined by the income generating unit to which the asset belongs. When the recoverable amount of the income generating unit is less than the carrying amount, an impairment loss is recognised.

2.9. Cash and cash equivalents

Cash and cash equivalents comprise operating cash on hand and cash deposited with banks with original maturity of less than or equal to three months.

2.10. 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.

2.11. Financial instruments

The Credit Union has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Credit Union becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when, and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

2.12. Basic financial assets

Basic financial assets are initially measured at the transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method. Basic financial instruments include the following:

Loans to members

Loans to members 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.

Investments 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 un-collectability. This effectively spreads out the return on such investments over time, but does take account immediately of any impairment in the value of the investment.

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.

2.13. Impairment of financial assets

Financial assets, other than those held at fair value, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the

impairment loss is the difference between the carrying amount and the present value of the expected cash flows discounted at the asset's original effective interest rate.

Any 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.

Bad and Doubtful Debts

In the case of impairment of loans to members, the loans are assessed collectively in groups that share similar credit risk characteristics except for individually significant loans which are assessed on a loan by loan basis for impairment.

Credit risk is identified, assessed and measured through the use of rating and scoring tools with emphasis on weeks in arrears and other observable credit risk metrics. The ratings influence the management of individual loans. The credit rating triggers the impairment assessment and if relevant the raising of specific provisions on individual loans where there is doubt about their recoverability. Loan loss provisioning is monitored by the Credit Union, and the Credit Union assesses and approves its provisions and provision adequacy on a quarterly basis. Key assumptions underpinning the Credit Union's estimates of collective provisions for loans with similar credit risk characteristics, and, Incurred But Not Reported provisions ("IBNR") are based on the historical experiences of the Credit Union allied to the Credit Union's judgement of relevant conditions in the wider technological, market, economic or legal environment in which the Credit

Union operates. If a loan is impaired, the impairment loss is the difference between the carrying amount of the loan and the present value of the expected cash flows discounted at the asset's original effective interest rate taking account of pledged shares and other security as appropriate. Assumptions are back tested with the benefit of experience. After a period of time, when it is concluded that there is no real prospect of recovery of loans/part of loans which have been subjected to a specific provision, the Credit Union writes off that amount of the loan deemed irrecoverable against the specific provision held against the loan.

2.14. De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Credit Union transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

In the case of loans to members, loans are derecognised, when the right to receive cash flows from the loans have expired, usually when all amounts outstanding have been repaid by the member. Portarlington Credit Union Limited does not transfer loans to third parties.

2.15. Basic financial liabilities

Basic financial liabilities are initially recognised at the transaction price, including transaction costs, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities are subsequently carried at amortised cost using the effective interest method. Basic financial liabilities

include the following:

Financial liabilities members' shares

Members' shares, money management accounts and deposits 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.

Other payables

Other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Other payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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.

2.16. De-recognition of financial liabilities

Financial liabilities are derecognised when the obligations of the Credit Union specified in the contract are discharged, cancelled or expire.

2.17. Reserves

Regulatory reserve

The Credit Union is required to maintain and establish a minimum Regulatory reserve of at least 10% of the assets of the Credit Union in accordance with Credit Union Act 1997 (Regulatory Requirements) Regulations 2018.

Operational Risk reserve

The Credit Union has established an Operational Risk reserve which is separate, distinct and in addition to the reserves the Credit Union is required to hold in its

Regulatory reserve. The amount held in the Operational Risk reserve is the predicted impact of operational risk events that may have a material impact on the Credit Union's business.

Dividend reserve

Dividend reserves are the accumulated surpluses to date that have not been declared as dividends or loan interest rebate returnable to members or set aside to the Regulatory or Operational Risk reserves.

Non-Distributable Investment Income reserve

Investment income that has been recognised in the financial statements but will not be received within 12 months of the Balance Sheet date is classified as "non-distributable" and is not distributable as a dividend in accordance with Section 31 of the Credit Union Act 1997 (Regulatory Requirements) Regulations 2018. A reclassification between non-distributable and distributable is made as investments come to within 12 months of maturity date.

2.18. De-recognition of financial liabilities

Financial liabilities are derecognised when the obligations of the Credit Union specified in the contract are discharged, cancelled or expire.

2.19. Pensions

Portarlington 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 Portarlington 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. There is an agreed funding plan in respect of the Pension

Scheme as a result of a Minimum Funding Standard deficit certified by the Scheme's Actuary in 2009. Consequently, Portarlington Credit Union Limited recognises a liability at each balance sheet date for its outstanding contributions payable under the agreed funding plan to the extent that they relate to committed funding in respect of the deficit to which the funding plan relates.

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

The preparation of financial statements requires the use of certain accounting estimates. It also requires the directors to exercise judgement in applying Portarlington Credit Union Limited's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements are disclosed below:

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. The directors 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.

Impairment losses on loans to members

The Credit Union's accounting policy for impairment of financial assets is set out in accounting policy in Note 2.13. 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.

Impairment of buildings

The carrying value of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. In the event, an impairment loss is recognised as the difference between the carrying amount and the assets market value. The impairment charge, if applicable is charged to the Income and Expenditure Account in the period in which the related events or changes in circumstances occur.

Operational risk reserve (ORR)

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have considered an approach to the calculation of the ORR. Portarlington Credit Union Limited uses operational risk measurements techniques in calculating the minimum Operational Risk Reserve requirements as set out in the Credit Unions’ Operational Risk reserve rationale policy.

Following amendments during May 2019, to FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland - Multi-employer defined benefit plans, the directors have allocated additional reserves to the ORR during 30 September 2019.

Photo from 2019



Credit Union Art Competition Winners

4. Staff costs

The average number of persons employed by the credit union during the financial year, was as follows:

	2019	2018
	Number	Number
Management and Staff	14	14

	2019	2018
	€	€

The aggregate payroll costs incurred during the financial year were:

Wages and salaries	549,333	491,853
Social insurance costs	57,907	52,742
Other retirement benefit costs	61,481	45,890
	668,721	590,485

5. Key Management Personnel Compensation

The directors of Portarlington Credit Union Limited are all unpaid volunteers. The remuneration of key management was as follows:

	2019	2018
	€	€
Remuneration	204,211	189,427
Pension contributions	31,487	29,700
	235,698	219,127

Photo from 2019



CU Schools Quiz Winners Team 1

6. Pensions

Portarlington 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 Portarlington 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, Portarlington 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. In accordance with the requirements of FRS102, Portarlington Credit Union Limited has recognised a liability for its outstanding contributions payable under this funding agreement to the extent that it relates to the deficit.

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 2015 and it certified that the Scheme satisfied the funding standard. Further, the Actuary was reasonably satisfied that as at 28 February 2016 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.

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 1.5% 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.

7. Dividends and Loan Interest Rebate

The directors recommend the following distributions:

	2019 Rate %	2019 €	2018 Rate %	2018 €
Gross Dividend on Shares	0.125%	55,531	0.25%	98,750
Loan Interest Rebate	15.00%	335,265	15.00%	306,750

8. Rates of Interest Paid on Members' Deposits

The Credit Union has no members' deposits and consequently no interest was paid.

Per Month	APR
N/a	N/a

9. Rates of Interest Charged on Members' Loans

The Credit Union charges rates of interest as follows:

	Per Month	APR
Members' Loans 8.9% per annum	0.74%	9.30%
Micro Loans 8.9% per annum	0.74%	9.30%
Student Loans 5.95% per annum	0.495%	6.20%
Secured Loans 5.95% per annum	0.495%	6.20%
Community Loans 5.95% per annum	0.495%	6.20%
House Loans 5.95% per annum	0.495%	6.20%

10. Cash and cash equivalents

	2019 €	2018 €
Cash and balances at bank	830,924	1,028,635
Deposits and investments	4,874,510	6,275,421
	5,705,434	7,304,056

IF YOU NEED A LOAN, TALK TO US FIRST



YOUR FIRST PORT OF CALL

11. Deposits and Investments

	2019	2018
	€	€
Deposits and investments - cash and cash equivalents	4,874,510	6,275,421
Deposits and investments - other	25,261,129	21,197,851
	<u>30,135,639</u>	<u>27,473,272</u>

Investments at the current and prior Balance Sheet date were all measured at amortised cost as appropriate and comprised of the following:

	2019	2018
	€	€
Accounts in Authorised Credit Institutions	24,302,166	25,502,791
Bank Bonds	4,977,805	1,664,690
Central Bank Deposits	355,668	305,791
Other	500,000	-
Total Per Balance Sheet	<u>30,135,639</u>	<u>27,473,272</u>

The category of counterparties with whom the investments were held was as follows:

	2019	2018
	€	€
Aa2	-	500,000
Aa3	3,000,000	3,500,000
A1	4,446,270	1,450,000
A2	5,383,186	4,972,116
A3	4,500,000	7,927,677
Baa1	3,953,204	4,350,000
Baa2	5,678,490	1,500,000
Baa3	870,282	-
Ba1	2,304,207	2,303,665
Ba2	-	969,814
Total Investments	<u>30,135,639</u>	<u>27,473,272</u>



12. Movement in Loans During the Year

	2019 €	2018 €
Opening Loan Balance 1 October 2018	25,992,805	23,756,205
Loans Granted During the Year	11,409,360	11,481,435
Loans Repaid During the Year	(9,457,989)	(9,151,128)
Loans Written Off During the Year	(275,337)	(93,707)
Closing Loan Balance 30 September 2019	<u>27,668,839</u>	<u>25,992,805</u>

12.1 Analysis of Gross Loans Outstanding as at 30 September 2019

By Time Period	2019		2018	
	Number of Loans	Amount €	Number of Loans	Amount €
Less than 1 year	435	492,643	442	522,742
>1 year and <3 years	967	4,746,284	1,021	4,749,234
>3 years and <5 years	1,379	15,059,598	1,352	14,600,387
>5 years and <10 years	174	4,371,448	158	4,222,788
>10 years and <25 years	56	2,998,866	36	1,897,654
Total	<u>3,011</u>	<u>27,668,839</u>	<u>3,009</u>	<u>25,992,805</u>

13. Movement in Provisions During the Year

	2019 €	2018 €
Opening Provision Balance 1 October 2018	3,015,087	3,157,949
Net Movement in Bad Debt Provision During the Year for		
Loans Currently Outstanding	221,286	(62,439)
Decrease in Bad Debt Provision as a Result of Loan Write Offs Previously Provided For	(183,561)	(80,423)
Closing Provision Balance 30 September 2019	<u>3,052,812</u>	<u>3,015,087</u>

Breakdown of Closing Provision Balance 30 September 2019

	2019 €	2018 €
Individually Significant Loans	287,308	203,278
Collectively Assessed Loans	429,559	379,302
Other Impaired Loans	2,335,945	2,432,507
Closing Provision Balance 30 September 2019	<u>3,052,812</u>	<u>3,015,087</u>

14. Tangible Fixed Assets

	Freehold Premises €	Fixtures and fittings €	Computer equipment €	Total €
Cost				
At 1 October 2018	896,443	203,715	298,948	1,399,106
Additions	-	37,688	18,489	56,177
At 30 September 2019	896,443	241,403	317,437	1,455,283
Depreciation				
At 1 October 2018	354,598	168,190	283,228	806,016
Charge for the financial year	17,930	10,247	8,929	37,106
At 30 September 2019	372,528	178,437	292,157	843,122
Net Book Value				
At 30 September 2019	523,915	62,966	25,280	612,161
Net Book Value				
At 30 September 2018	541,845	35,525	15,720	593,090

Tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that their carrying value may be impaired. During the year ended 30 September 2019, the Credit Union carried out an impairment review of the carrying value of its freehold premises. This review indicated that the recoverable amount is greater than the carrying value of the freehold premises, and therefore no impairment is recognised.

15. Debtors, Prepayments and Accrued Income

	2019 €	2018 €
Loan Interest Income Receivable	58,711	44,607
Investment Income Receivable	105,205	92,397
Other Debtors and Receivables	81,654	74,722
Total Per Balance Sheet	245,570	211,726



YOUR FIRST PORT OF CALL FOR PERSONAL LOANS

16. Members' Shares

	2019 €	2018 €
Regular Share Accounts	46,779,639	43,232,737
Total Per Balance Sheet	46,779,639	43,232,737

Other Members' funds

	2019 €	2018 €
Money Management Accounts	472	514
Christmas Deposit Accounts	816,191	806,282
Total Per Balance Sheet	816,663	806,796

17. Other Liabilities, Creditors, Accruals and Charges

	2019 €	2018 €
Other creditors	9,242	71,527
Accrued expenses	25,908	11,807
	35,150	83,334

18. Insurance Against Fraud

The Credit Union has insurance against fraud in compliance with Section 47 of the Credit Union Act, 1997(as amended) in the amount of €2.6 million.

19. Post Balance Sheet Events

There were no significant events affecting the Credit Union since the balance sheet date.

20. Capital commitments

There were no known capital commitments that would require disclosure in the financial statements.

21. Contingent Liabilities

Portarlington Credit Union Limited had no contingent liabilities at the current or prior Balance Sheet date.

22. Related Party Disclosures

	No. of Loans	2019 Amount €	No. of Loans	2018 Amount €
Loans advanced to Related Parties during the year	41	218,745	47	358,930
Total loans outstanding to Related Parties at 30 September 2019	45	844,971	50	832,847
Total provisions for loans outstanding to Related Parties	3	10,821	5	45,509
Total provision charge during the year for loans outstanding to Related Parties	2	(34,688)	2	(33,760)

Related Parties consist of the directors and management team of the Credit Union, their family members and any business in which the directors or management team have a significant shareholding. Loans to Related Parties represent 3.05% of the total loan book at 30 September 2019. (30 September 2018-3.2%).

23. 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 Portarlington 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.

Photo from 2019



CU Schools Quiz Winners Team 2

	2019 € Amount	2019 %	2018 € Amount	2018 %
Loans Not Impaired				
Not Past Due	23,030,564	83.24%	21,346,850	82.13%
Up to 9 Weeks Past Due	1,277,132	4.62%	1,339,813	5.15%
Between 10 and 18 Weeks Past Due	2,276	0.01%	13,728	0.05%
Between 19 and 26 Weeks Past Due	-	-%	7,484	0.03%
Between 27 and 39 Weeks Past Due	156	0.00%	4,686	0.02%
Between 40 and 52 Weeks Past Due	285	0.00%	2,253	0.01%
53 or More Weeks Past Due	31,929	0.13%	38,461	0.16%
Total Loans not Impaired	24,342,342	88.00%	22,753,275	87.55%
Impaired Loans				
Not Past Due	937,516	3.39%	557,160	2.14%
Up to 9 Weeks Past Due	77,165	0.27%	75,367	0.28%
Between 10 and 18 Weeks Past Due	383,282	1.39%	506,614	1.95%
Between 19 and 26 Weeks Past Due	252,113	0.91%	164,913	0.63%
Between 27 and 39 Weeks Past Due	222,265	0.80%	223,341	0.86%
Between 40 and 52 Weeks Past Due	133,244	0.48%	142,595	0.55%
53 or More Weeks Past Due	1,320,913	4.77%	1,569,540	6.04%
Total Impaired Loans	3,326,498	12.01%	3,239,530	12.45%
Total Loans	27,668,840	100%	25,992,805	100%

24. Additional Credit Risk Disclosures

24 a. Financial Risk Management

Portarlington Credit Union Limited is a provider of personal and business loans and also provides savings products to its members. The Credit Union invests excess funds with a view to ensuring that the return from members' loans and investments is adequate to meet the overheads of the Credit Union and provide a reasonable return to members on shares and deposits. The Credit Union has a risk register in place to help the directors manage the various risks arising from its activities to include the issuing of loans to members and investing the excess funds of the Credit Union.

The main financial risks arising from Portarlington Credit Union Limited's activities are credit risk, liquidity risk and interest rate risk. The Board 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 approves the Credit Union's Lending policy, and all amendments thereto. All loan applications are assessed with reference to the lending policy in force at the time.

Subsequently, loans are regularly reviewed for any factors that may indicate impairment on loans advanced. The Board approves the Credit Union's Credit Control policy which lays down the procedures for the collection of loans in arrears together with the basis for recording impairments on loans. The credit risk on members' loans is disclosed in Note 23.

The Credit Union's investments are also exposed to credit risk and the Credit Union mitigates the risk by only placing investments with financial institutions where the counterparties have strong credit ratings and using investment products authorised by the Central Bank of Ireland. The credit risk on investments is disclosed in Note 11.

Liquidity Risk:

Portarlington Credit Union Limited'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 objective of the liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise. Members' shares which are available on demand are identified as liabilities, other shares which are held as members' resources, are not available for

withdrawal in accordance with the Credit Union Act 1997 (as amended). The Credit Union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

Interest Rate Risk:

Portarlington Credit Union Limited's main interest rate risk arises from differences between the interest rate exposures on loans and investments receivable, as offset by its cost of capital, which is typically that of distributions to members payable in the form of dividends and interest rebates. Portarlington Credit Union Limited considers rates of interest receivable when deciding on the appropriation of income and its returns to members. The Board monitors such policy in line with the Credit Union Act 1997 (as amended) and guidance notes issued by the Central Bank of Ireland.

Market Risk:

Market risk is generally comprised of interest rate risk, currency risk and other price risk. Portarlington Credit Union Limited conducts all its transactions in Euro and does not deal in derivatives or commodity markets. Therefore, the Credit Union is not exposed to any form of currency risk or other price risk.

24 b. Interest Rate Risk Disclosures

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

	2019		2018	
	Amount	Average	Amount	Average
	€	interest	€	interest
		rate		rate
Financial assets				
Gross Loans to Members	27,668,839	8.37%	25,992,805	8.42%
Financial liabilities				
Members' shares	46,779,639	0.125%	43,232,737	0.25%

The interest rates applicable on loans to members are variable and range from 5.95% to 8.9%. The dividend on shares is determined on the basis of income less administrative expenses and, as can be seen above, a consistent margin is maintained between interest receivable and dividend on shares. As a result, the surplus for the year is not particularly sensitive to interest rate risk and no sensitivity analysis is presented.

24 c. Liquidity Risk Disclosures

All of the financial liabilities of the Credit Union are repayable on demand except for some members' shares attached to loans.

24 d. Fair value of financial instruments

Portarlinton Credit Union Limited does not hold any financial instruments at fair value.

24 e. Capital

The Credit Union maintains sufficient reserves to buffer the Credit Union against any losses on its members' loans and also its investments. The current Regulatory Reserve is in excess of the minimum requirement set down by the Central Bank of Ireland, and stand at 11% of the total assets of the Credit Union at the Balance Sheet date.

25. Ethical standards

As a small entity, under the provisions of the ISA (Ireland) Ethical Standards we engage our auditor to provide assistance with financial statements preparation.

26. Approval of financial statements

The board of directors approved these financial statements for issue on 5 November 2019.

Photos from 2019



Portarlinton Golf Club Captains Drive In Sponsorship



Lions Club Family Fun Day Sponsorship

Schedule 1 - Interest On Loans

	2019	2018
	€	€
Loan Interest Income Received	2,170,438	2,001,603
Loan Interest Income Receivable	58,711	44,607
Total Per Income And Expenditure Account	2,229,149	2,046,210

Schedule 2 - Other Interest Income And Similar Income For Year

	2019	2018
	€	€
Investment Income Received	127,595	108,741
Investment Income to be received within 12 months	105,205	92,397
Total Per Income And Expenditure Account	232,800	201,138

Schedule 3 - Other Income For Year

	2019	2018
	€	€
Commission	9,869	10,426
Entrance Fees	307	290
Other Receipts	2,651	1,626
Total Per Income And Expenditure Account	12,827	12,342

Schedule 4 - Other Gains

	2019	2018
	€	€
Gains on Sale of Investments	91,667	-
Total Per Income And Expenditure Account	91,667	-

Schedule 5 - Other Management Expenses

	2019 €	2018 €
Rates	5,048	9,265
Lighting, Heating and Cleaning	19,369	14,755
Repairs and Renewals	7,209	4,658
Security	6,175	5,091
Printing and Stationery	29,611	29,604
Postage and Telephone	25,858	22,713
Donations and Sponsorship	12,000	8,750
Debt Collection	29,047	31,869
Promotion and Advertising	37,723	32,264
Training Costs	19,074	20,041
Convention Expenses	8	1,900
Chapter Expenses	580	400
AGM Expenses	16,875	12,723
Travel and Subsistence	4,913	4,033
Entertainment Costs	1,884	5,432
Bank Charges	30,660	23,696
Audit Fee	16,605	16,605
Board oversight expenses	2,127	1,285
Risk and compliance costs	6,995	7,362
Internal Audit	10,002	13,406
General Insurance	23,777	20,953
Share and Loan Insurance (Gross)	211,379	206,467
Pension	61,481	45,890
Legal and Professional Fees	52,910	59,816
Maintenance Contracts	48,847	47,915
Miscellaneous Expenses	8,560	6,351
Death Benefit Insurance	58,898	56,979
Affiliation Fees	6,850	7,429
SPS Contribution	4,351	6,898
Regulatory Levy	51,192	38,917
Deposit Protection Account Charges & CBCIRFL	47,697	43,663
50th Anniversary Expenses	19,331	-
Total Per Income And Expenditure Account	877,036	807,130

Amendments to Standard Rules

The proposed amendments to the Standard Rules for Credit Unions are as follows:

1. **Resolution 21 from League AGM 2019**, to insert a new Rule 84A to read as follows:

Rule 84A. Membership Officer

(1) The board of directors may approve the appointment of a person by the manager as a membership officer to assist the membership committee and work under its supervision and control.

(2) A record of each application for membership which has or has not been approved shall be furnished by the membership officer to the membership committee no later than seven days of receipt of the application.

2. **Resolution 22 from League AGM 2019**, to amend Rule 13(1)(ii) by the insertion of "or by a duly appointed and authorised Membership Officer", to read as follows:

Rule 13. Qualifications for membership

(1) An applicant shall be admitted to membership only when:

(i) it shall have been determined that he is eligible for membership in accordance with rule 11;

and

(ii) his application for membership shall have been approved by the affirmative vote of a majority of the board of directors or a duly appointed and authorised membership committee present at a meeting at which the application is considered, or by a duly appointed and authorised Membership Officer; and

3. **Resolution 23 from League AGM 2019**, to amend Rule 83 by the insertion of "and/or membership officer", to read as follows:

Rule 83. Duties of membership committee and/or membership officer

Subject to the rules and the Act, the membership committee and/or membership officer shall:...

4. **Resolution 24 from League AGM 2019**, to amend Rule 1(a) by the insertion of "membership officer". To read as follows:

Rule 1. Interpretation

"officer" includes:

(a) the chair, the secretary or any other member of the board of directors, a member of a principal committee, a member of the board oversight committee, risk management officer, compliance officer, credit officer, membership officer or credit control officer of the credit union.

(b) an employee of the credit union to whom paragraph (a) does not apply, and

(c) a voluntary assistant of the credit union, but does not include an auditor appointed by the credit union in accordance with the requirements of the Act;

Board Oversight Committee Report AGM 2019

The Board Oversight Committee derives its authority from Section 7L of the Credit Union Act 2012. Its terms of reference are guided by the 1997 Act (as amended) and the Central Bank of Ireland Credit Union Handbook.

The responsibility of the Board Oversight Committee is to assess whether the Board of Directors has operated in accordance with Part IV of the 1997 Act (as amended). The Board Oversight Committee does this by undertaking activities to examine the controls in place and look for evidence that the functions are being carried out effectively. The aim of the Board Oversight Committee is to support the governance function of the Board of Directors for the benefit of the membership.

The Board Oversight Committee attended all meetings of the Board of Directors and also met the Board of Directors on a quarterly basis to review the performance of the functions of the Board of Directors. The Board Oversight Committee reports that it is pleased with the outcome of these meetings.

The Board Oversight Committee is satisfied that the Board of Directors adequately reviews all its processes and procedures and meets all the requirements, both legally and regulatory.

The Board Oversight wish to thank the Board of Directors, all the other volunteers, Michael McEvoy, CEO and the staff of the Credit Union for their assistance throughout the year.

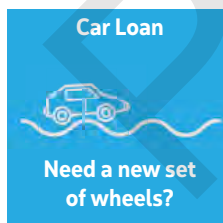
The members of the Board Oversight Committee during the past year were:

- Shane Murray
- Janet Bennett
- Jacqueline McNulty Evans

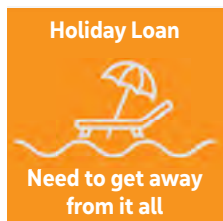
Shane Murray
Chairperson, Board Oversight Committee

Credit Committee Report

The Credit Committee plays an integral role in the operation of the Credit Union. The Committee meets on a weekly basis to review loan applications.



A Member can apply for a loan by calling to the Credit Union or by phone. A loan may be approved by a Loan Officer providing it meets the guidelines as set out by the Board of Directors. Otherwise the loan is passed to the Credit Committee for a decision. If they are unable to approve an application, the Member may then lodge an appeal to the Board of Directors.



To enable decisions to be made as efficiently as possible, Members should ensure that all personal details with the Credit Union are correct and up-to-date, e.g. current address, phone number etc. As per current policy, depending on the type of loan being applied for, you will be required to provide us with some or all of the following: copies of recent payslips, P60, three months bank statements and mortgage statements. The more information that is provided on request, the quicker the decision can be made. Our Credit Union is a member of the Irish Credit Bureau and all relevant loans are registered with the Central Credit Register. Loans will undergo a credit check as part of the lending process.

Why choose the Credit Union for your Loan?

- A very competitive interest rate of **9.3% APR** or **8.90%** on the reducing balance of the Loan
- A particularly attractive rate of **7.2% APR** or **6.99%** on the reducing balance for large home improvement, large commercial or large debt consolidation loans
- A house loan rate of **6.1% APR** or **5.95%** on the reducing balance
- No hidden or additional costs
- The flexibility to make larger repayments than agreed
- No penalties for early settlement
- Student, Community and Secure loans at a special rate of **6.1% APR** or **5.95%** on the reducing balance of the Loan
- Loan Protection and Life Savings cover provided at no charge to the member*
- Free Death Benefit Insurance (€1,300) *
- Personal service tailored to suit individual circumstances
- Friendly and helpful staff

**Terms and conditions apply*

Wedding Loan



Thinking of life together?

Education Loan



Off to college or back to school?

House Loan



Fancy a new look for your home?

The membership of the Credit Union continues to grow rapidly. For the financial year ending 30th September 2019, a total of 2,848 loans were approved amounting to €11,409,360.

The following is a breakdown of the top twelve most common purposes for loan granted in the past year:

Loan Purpose	Value	%	Loan Purpose	Value	%
Home Improvements	€3,386,154	31%	House Loan/Purchase	€432,000	4%
Car Purchase	€3,227,564	30%	Bridging	€277,000	3%
Personal Expenses	€1,161,956	11%	Commercial	€226,308	2%
College/School Fees	€666,820	6%	Christmas Shopping	€182,166	2%
Wedding Expenses	€489,156	5%	Debt Consolidation	€155,800	1%
Holidays	€455,481	4%	Building/House Extension	€149,000	1%

As already mentioned, Student Loans are available at a special rate of 6.1% APR. To qualify for a Student Loan a member must have a suitable guarantor, three payslips and 3 months bank statements from guarantor, a letter from the college confirming acceptance of the student for the year and a minimum of €250 in shares. Student Loans are for students who are in 3rd level education.

The Committee would like to thank fellow Directors, the CEO and Staff for their help and support throughout the year.

Credit Committee: Evelyn Breton, Caroline Boylan, Bridie Keegan, Ger Ward and Colette Knight

Loan Officers: Michael McEvoy, Michelle Shortall, Fiona Dunne, Claire Foster and Veronica Doyle McCormack

Credit Control Committee Report

While the broader economy continues to recover, we are well aware of the ongoing financial difficulties of many of our Members. Early intervention and ongoing interaction with Members in financial difficulty are key elements of this Credit Union's efforts to minimise arrears and bad debts. To this end, the Credit Control Committee meets monthly to review repayment difficulties, arrears, bad debt recovery and to monitor compliance with credit control policy. The Committee encourages members who are experiencing repayment difficulties to contact the Credit Control Officer at the earliest opportunity so that they can receive a fair and sympathetic hearing with a view to assisting members to improve their repayment capacity over time. All options available to members are explained and each individual case is reviewed carefully and separately to come to an agreeable arrangement for both the member and the Credit Union.

Anyone (member or non-member) experiencing debt/budgeting problems can contact the Money Advice and Budgeting Service (MABS). This free, confidential and independent service (funded by the state) is contactable in Laois at 0761072620 and Offaly at 0761072710.

The majority of members who have experienced repayment difficulties, have contacted the Credit Union and are making an enormous effort to pay what they can afford and to keep us updated on their situation. These efforts are much appreciated and do not go unnoticed and will certainly stand to the member in the future.

Members in arrears and not making regular repayments as per their credit agreement should be aware that loan arrears may have a negative effect on their credit rating, both with the Credit Union and with other financial institutions as we are registered with the Irish Credit Bureau and the Central Bank of Ireland's Central Credit Register. This Register is a national mandatory database of credit information being maintained by the Central Bank. It is the member's responsibility to ensure arrears are cleared up as soon as possible. Members are notified by letter or phone to keep their loans paid up-to-date in order to protect their credit rating for future lending from any credit institution.

A small number of members who were unable to make sufficient repayments during the financial year, were transferred to the Bad Debt Ledger as required by regulatory guidelines and Board decisions. The money, which remains owing to the Credit Union, is being vigorously pursued by the Credit Control Committee, Debt Collection Agencies and Solicitors for eventual recovery. In this past year, €323,926 has been recovered. We assure our members that every continuing effort is made on your behalf, to recover any money owed to the Credit Union.

Finally, the committee wishes to thank all members making repayments and especially those keeping their repayments in line with the Credit Agreement.

Credit Control Committee:

Michael Wilcox, Lorraine Thompson & Colm Coleman

Credit Control Officer:

Terena McComish

Assisted by:

Anmarie Piggott

Membership Committee Report

The Membership Committee would like to report that Portarlington Credit Union is continuing to grow with an increase of 558 new members during the year.

The Membership Committee is responsible for the maintenance of members' records therefore it is necessary for members to inform us of any changes in circumstances such as change of address/phone number etc.

To open an account in Portarlington Credit Union, we require the following:

- **Photo ID (Passport or Driving License) or ML10 Form signed by An Garda Síochána**
ML10 Form available on our website at <http://www.portcu.ie/forms/>
- **Recent Utility Bill (less than 6 months old) which must include current address**
- **PPS No (on an official document)**

When opening an account for a child the following is required:

- **Child's Birth Certificate or Passport**
- **A current Utility bill which must include the current address of parent or guardian**

Club Accounts, Groups & Societies

We require a letter from the Chairperson authorising the persons to operate the account on behalf on the club/group. We will need photo ID, proof of address and PPSN for each authorised officer. Each year following their AGM the club/society/group must update their account with the names of the new officers.

Deposit Income Retention Tax

From 1st January 2014, DIRT must be deducted from all dividend or interest paid to credit union members unless you are exempt for one of the following reasons:

You are aged over 65 (or your spouse or civil partner is aged over 65),

and

Your total income is below €18,000 for a single person or €36,000 for a married couple or civil partnership.

In certain circumstances, members who are permanently incapacitated may also be entitled to an exemption from DIRT.

To avail of this exemption, you must complete a self-declaration form DE1. Please contact a member of staff for more information or download the form from our website.

Membership Committee: Aisling Donoher and Thelma Carroll



Promotion and Development Committee Report

The primary role of the Promotion and Development Committee (P&D) is to perform the public relations function for the Credit Union within the local community. This committee represents the Credit Union membership at various events throughout the year and reviews applications for sponsorship from a wide variety of clubs/charities/organisations/groups.

The P&D Committee adhere to an agreed budget approved by the Board of Directors. Each request for sponsorship is assessed on an individual basis by this committee. The committee encourages local clubs/charities/organisations/groups to provide comprehensive written applications outlining their role in the community and why they need assistance.

We very much appreciate the acknowledgement we receive throughout the year from clubs and organisations that benefit from our monetary assistance. The level of appreciation that we receive from our beneficiaries suggests that Portarlington Credit Union does indeed play an important role in supporting community-wide activities.

Sponsorship/Donations

This year we were in a position to approve €20,000 in sponsorship/donations to a large number of different clubs/charities/organisations/groups within our common bond.

For example; Bravehearts, Bracknagh Community Centre, Bracknagh Hall Committee, Cloneygowan Active Retirement Association, Comhaltas Ceoltoiri Eireann, Concern, Courtwood GAA, Crann Nua Residents Association, Cuisle Centre, Daniel Gorry Benefit Fund, Derryounce Walk (PCDA), Emo/Rath Senior Citizens Committee, Gracefield GAA, GROW, Portarlington Community Development Association, Portarlington GAA, Portarlington Golf Club, Portarlington Lawn Tennis Club, Portarlington Lions Club, Portarlington Lourdes Invalid Fund, Portarlington Senior Citizens Committee, Portarlington Rugby Club, Happy Snappers, Irish Kidney Association, Lansdowne & Castlelea Combined Residents Association, Laois Hospice, PATH, Pieta House, Port CE Project, Portarlington Christmas Tree, Portarlington First Responders, Porter House Players, Run to Remember, SBG team for European MMA Championships, St Conleth's Ladies Gaelic Football Club, St Michael's Athletic Club, St Patrick's Boys National School, St Vincent de Paul, The Alzheimers Society of Ireland, The Glen Residents Association, Three Counties Hacking Club (in aid of Saoirse Ryan), Walsh Island Village Christmas Tree.

International Credit Union Day

This year's International Credit Union day took place on Thursday 17th October. Mass for deceased members of the Credit Union took place in St. Michael's Church in the morning. This was followed by refreshments served to members from 11am to 3pm. A large number of our members came along to celebrate Credit Union day with us. Please see our photo spread from the day in this booklet and there are many more photographs posted on our Facebook page.

The Promotion and Development Committee would like to thank our staff in Port CU for all their help and assistance throughout the year.

Promotion and Development Committee Members:

Michelle Shortall, Annmarie Piggott, Willie Murphy & Liam Kirwan

Nomination Committee Report

Every candidate to be nominated for appointment as a member of the Board of Directors or as a volunteer on any committee of Portarlington Credit Union is proposed through the Nomination Committee. In identifying prospective candidates and considering the proposing of candidates, the Nomination Committee considers the balance of skills, experience and knowledge on the current board of directors and committees.

The work of the Nomination Committee is ongoing throughout the year and has regard to the strategic plan of the credit union and specifically the Board of Directors' responsibilities, to ensure that it has the qualifications, experience, competencies and capacity required to carry out its functions while also ensuring continuity of the Board of Directors.

The nomination committee's responsibilities include but are not limited to the following:

- Identify candidates to be nominated for appointment to the board of directors;
- Accept nominations of candidates proposed to be appointed to the board of directors;
- Propose candidates for election by a general meeting to be members of the board;
- Assisting the credit union in performing any obligations of the credit union in relation to any candidates to the board or committees with regard to Fitness and Probity requirements;
- Assessing whether potential conflicts of interest could arise from the appointment to the board of directors of a person if such person were nominated and appointed to the board;
- Ensuring that there is an appropriate succession plan in place for the board of directors;
- Ensuring that each director or volunteer is given adequate induction to his or her role so as to ensure he or she has sufficient appreciation of, and appropriate training about, the strategy, operations and performance of the credit union;
- Arranging additional training, either individually or collectively, for the members of the board of directors and volunteers during their terms of appointment.

The Nomination Committee would like to invite candidates interested in volunteering with Portarlington Credit Union on committees or in board positions to contact the Credit Union office, or any of the committee members listed below, to discuss suitable roles.

The Nomination Committee comprised Sharon Culliton, Rosaleen O'Kane, Colm Coleman and supported by Training Liaison Officer - Marian Barnard



Insurance Officer's Report

One of the most important benefits enjoyed by our members is the Life Savings and Loan Protection Insurance.

During the past year, a total of 43 claims were processed and paid under this cover. €230,195.61 was received in respect of the 43 eligible members who passed away during the year.

Life Savings Insurance

This is an insurance offered by the Credit Union at no direct charge to the member. Under the Life Savings Insurance scheme, we will provide upon your death, insurance benefit on your savings. Your membership entitles you to Life Savings Insurance up to a maximum of €12,700 on your savings. The cover is as follows:

- 100% cover on savings made before age 55 years **or on the lowest balance on the account thereafter**
- 75% cover on savings between 55 and 60 years **or on the lowest balance on the account thereafter**
- 50% cover on savings between 60 and 65 years **or on the lowest balance on the account thereafter**
- 25% cover on savings between 65 and 70 years **or on the lowest balance on the account thereafter**

Please note that withdrawals from your account after age 55 may have an impact on any benefit payable under your Life Savings Insurance so please speak to a member of staff at the Credit Union about it, **before** making such withdrawals. They will be happy to explain any potential consequences to you.

Loan Protection Insurance

Outstanding loan balances of eligible members are covered up to the member's 85th Birthday. Eligibility for disability claims cease on the member's 65th Birthday.

Form of Nomination

Once again I would stress the importance of completing a Nomination Form. When you reach the age of 16 you can nominate a person to become entitled, on your death, to your shares. The maximum amount that can pass onto a nominee is €23,000. Any surplus above this amount is subject to the member's estate. **It is important to remember to update this form if and when your personal circumstances change, as marriage voids any previous nominations but separation or divorce does not.**

Death Benefit Insurance

Your Credit Union offers members Death Benefit Insurance (DBI) which is designed to relieve the burden of bereavement costs. The Death Benefit Insurance will give you and your family added security and relief from financial worry especially at the time of a bereavement. You are eligible for this cover provided you have **joined before age 70 in good health and have a minimum of €100 in shares.** The benefit is €1,300 on the death of the member. This year 40 claims were submitted and were paid in full, amounting to €52,000.

The Credit Union covers the cost of the Death Benefit Insurance premium at no charge to the member.

The Board of Directors, Board Oversight Committee, CEO and Staff offer their sympathy to those families who suffered bereavement during the year.

Edwina Nolan (Insurance Officer)

Members Cash Draw Fund

This is the seventh year for our Cash Draw. The minimum number of prizes for each draw are:

1st Prize - €10,000	6th Prize - €500
2nd Prize - €2,000	7th Prize - €500
3rd Prize - €2,000	8th Prize - €500
4th Prize - €1,000	9th Prize - €500
5th Prize - €1,000	

You must register separately to be included in this bi-monthly cash draw. The fee for each draw is €7 but you must have a minimum of €15 in your account to be eligible for the draw.

If you have a loan with the credit union, it is important to note that, where possible, the cash draw deductions will be deducted from your unattached savings (i.e. those not pledged against a loan). So it's important to make sure your account holds enough unattached shares to be eligible for the draw each quarter. So keep your account topped up on a regular basis to ensure you are entered in the draw.

Remember if you're not in, you can't win!!!

NEXT QUARTERLY DRAW: 14th December 2019

Draw	Date	No of Subscribers	Income	Expenditure	Balance
					€3
72	Oct - 18	2662	€18,634	€18,600	€37
73	Dec - 18	2666	€18,662	€18,700	€0
74	Feb - 19	2694	€18,858	€18,850	€7
75	Apr - 19	2709	€18,963	€18,900	€70
76	Jun - 19	2719	€19,033	€19,000	€103
77	Aug - 19	2736	€19,152	€19,200	€55

Top Cash Prize Winners 2018 - 2019

Date	Winner	Prize
October 2018	Vera Dowling	€10,000
December 2018	Pat McCormack	€10,000
February 2019	Maria Carroll	€10,000
April 2019	Rose O'Keefe	€10,000
June 2019	Sviesa Joha	€10,000
August 2019	Patricia Byrne	€10,000



Winner April 19 Rose O'Keefe



Winner Aug 19 Patricia Byrne



Winner Dec 18 Pat McCormack



Winner Feb 2019 Maria Carroll



Winner June 19 Svieta Jaha



Winner Oct 2018 Vera Dowling

All Other Cash Prize Winners 2018 - 2019

Date	Winner		Date	Winner	
October 2018	Peter Smyth	€2,000	April 2018	Anthony Whelan	€2,000
	Mairead Rice	€2,000		Regina Kelly	€2,000
	William Hoey	€1,000		Lesley Nolan	€1,000
	Sharon Moore	€1,000		Emma O'Connell	€1,000
	Kenneth Byrne	€500		Ciara Fagan	€500
	Mary O'Connell	€500		Grainne Connolly	€500
	Ronan Fitzpatrick	€500		Therese Conroy	€500
	Pamela Boggan	€500		Patrice Fullam	€500
	Nigel Gorman	€300		Catherine Costello	€500
	Kevin Higgins	€300		Seamus Colgan	€400
December 2018	Glen & Chantal Brereton	€2,000	June 2018	Mary Joyce	€2,000
	Emer Ward	€2,000		Lesley Dempsey	€2,000
	Carmel Jesse	€1,000		Lynda Reilly	€1,000
	Niamh Piggott	€1,000		Patrick Murphy	€1,000
	Jimmy Weldon	€500		James Gallagher	€500
	Orlaith Kiely	€500		Margaret Lambe	€500
	Terence O'Neill	€500		Jackie Tobin	€500
	Kathleen Murray	€500		John Murphy	€500
	Patricia McEvoy	€500		Gerry Healy	€500
	Aisling O'Neill	€200		Martina Mooney	€500
February 2019	Karen Maher	€2,000	August 2018	Melissa Viscardi	€2,000
	James Dooley & Catherine Doyle	€2,000		Louise Foster	€2,000
	Christine Doyle	€1,000		James Wyse	€1,000
	Margaret Lynch	€1,000		David & Aine Murphy	€1,000
	Julia Moran & Brian Burke	€500		Laura Moore	€500
	Denise Whelan	€500		Stephen McCormack	€500
	Larry Tynan	€500		Helen Trimble	€500
	Imelda Murray	€500		Olivia Wright	€500
	Carmel Jesse	€500		Valerie Windsor	€600
	Andrew Burbage	€350		Nicola McEvoy	€400
			Pachalo Mwando	€300	

Deposit Guarantee Scheme – Depositor Information Sheet

Basic information about the protection of your eligible deposits	
Eligible deposits in Portarlington Credit Union are protected by:	The Deposit Guarantee Scheme (“DGS”)
Limit of protection:	€100,000 per depositor per credit institution
If you have more eligible deposits at the same credit institution:	All your eligible deposits at the same credit institution are ‘aggregated’ and the total is subject to the limit of €100,000
If you have a joint account with other person(s):	The limit of €100,000 applies to each depositor separately
Reimbursement period in case of credit institution’s failure:	15 working days from 1 January 2019 until 31 December 2020; within 10 working days from 1 January 2021 to 31 December 2023; and within 7 days from 1 January 2024 onwards, save where specific exceptions apply.
Currency of reimbursement:	Euro or, for branches of Irish banks operating in another member state of the EEA, the currency of that member state.
To contact Portarlington Credit Union for enquiries relating to your account:	Portarlington Credit Union Upper Main Street Portarlington Co Laois Tel: 057 8623336 Email: mail@portcu.ie
To contact the DGS for further information on compensation:	Deposit Guarantee Scheme Central Bank of Ireland PO BOX 11517, Spencer Dock North Wall Quay, Dublin 1 Tel: 1890-777777 Email: info@depositguarantee.ie
More information:	www.depositguarantee.ie

The Directors, Board Oversight Committee, Volunteers & Staff of Portarlington Credit Union wish all our Members a Very Happy Christmas and a Peaceful New Year!!!



Christmas Opening Hours

Monday	23rd December	Open
Tuesday	24th December	Closed
Wednesday	25th December	Closed
Thursday	26th December	Closed
Friday	27th December	Closed
Saturday	28th December	Closed
Monday	30th December	Closed
Tuesday	31st December	Open till 1pm
Wednesday	1st January	Closed
Thursday	2nd January	Open



