



ST. MARY'S PARISH CREDIT UNION

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ANNUAL REPORT & ACCOUNTS 2011/2012



NOTICE OF ANNUAL GENERAL MEETING.

Notice is hereby given that
THE ANNUAL GENERAL MEETING
of
ST MARY'S PARISH CREDIT UNION LTD
will be held at
8.00 pm
on
MONDAY 3RD DECEMBER 2012

in
**THE ABBEY SUITE,
ABSOLUTE HOTEL,
SIR HARRY'S MALL,
LIMERICK.**

Entrance by Passbook only.

**Anne Marie O'Reilly
Secretary.**





AGENDA FOR ANNUAL GENERAL MEETING

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A raffle will take place at the end of the meeting. Only members attending the meeting who are entitled to vote (i.e., over 16's) will be issued tickets for the raffle. No raffle tickets will be issued to any member arriving more than 15 minutes after the meeting has commenced.

Prizes will include Christmas Hampers and Cash.

Light Refreshments will be served after the meeting.



Agenda Item 1 - Acceptance of Proxies

Anyone acting as a representative of a group which is a member of the Credit Union must present written authorisation to this effect to the Board of Directors for acceptance before they can act in this capacity.

Agenda Item 2 - Check presence of quorum

In accordance with Rule 133(5) the quorum required for this Annual General Meeting to be able to proceed is thirty members. The Chairperson must be satisfied that this quorum is reached before business can commence.

Agenda Item 3 - Adoption of Standing Orders

To ensure the business of the A. G. M. is conducted in a proper fashion the Board propose the adoption of the following Standing Orders:

VOTING & ELECTION PROCEDURE

1. Each member shall be entitled to one vote, irrespective of their shareholding, in accordance with Rule 140.
2. Nominations may be accepted from the floor in accordance with Rule 139.
3. Elections to the Board of Directors, to the Supervisory Committee and the position of Auditor shall be by majority vote and by secret ballot.
4. Ballot Papers for elections to the Board, Supervisory Committee and Auditor will be distributed at the AGM to each member present and entitled to vote.

MOTIONS

5. 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.
6. A Proposer of a motion may speak for such period as shall be at the discretion of the Chairman of the Meeting and shall have the right of reply before the motion is put to the meeting for a vote.
7. In exercising their right of reply, a proposer may not introduce new material.
8. The seconder of a motion shall have such time as shall be allowed by the Chairman to second the motion.
9. Members are entitled to speak on any such motion through the Chair. All speakers to any motion shall have such time as shall be at the discretion of the Chairman.



10. The Chairman shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

MISCELLANEOUS

11. The Chairman of the Board of Directors shall be the Chairman of any general meeting, except where he/she is not available, in which case it shall be the Vice-Chairman, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chairman of any general meeting.
12. The Chairman may, at his/her discretion, extend the privilege of the floor to any person who is not a member.
13. Matters not covered by the Agenda may be introduced under “Other Business” at the discretion of the Chairman.
14. The Chairman’s decision on any matter relating to these Standing Orders or interpretation of same shall be final.
15. The Chairman shall not have a casting vote in addition to his/her own vote.
16. Any matter to be decided upon by a vote at the AGM shall, unless otherwise expressly provided for by law or the Rules, be decided by simple majority.

SUSPENSION OR ALTERATION OF STANDING ORDERS

17. Any one, 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.
18. Standing Orders may be amended or altered at a general meeting only if a motion to this effect has received a 2/3 majority of those present and voting.

ADJOURNMENTS

19. Adjournments of the AGM shall take place only in accordance with Rule 133.

Agenda Item 4 - Minutes of AGM 2011

The Secretary will read the minutes of the last AGM prior to their approval (or correction) as a true and fair record of all decisions taken at that meeting.

Agenda Item 5 - Appointment of Tellers

The Chairperson will appoint a Chief Teller and Tellers to oversee the counting of votes at the meeting.



Agenda Item 6 - Report of Nominating Committee

A full and final report by the Nominating Committee will be presented at the meeting. Members should be aware that the role of the Nominating Committee is to ensure that there is at least one candidate for each vacancy for which an election is held.

The following information is provided to assist members in this matter.

DIRECTORS & SUPERVISORS 2011/2012

The Directors and Supervisors of the Credit Union are elected by the members to oversee the operation of the business. The current Directors and Supervisors are as follows:

Board of Directors:

Bobby O'Halloran, Chairperson

John Collopy, Vice-Chairperson

Anne-Marie O'Reilly, Secretary

John Hennessy, Treasurer

Pat Bridgeman.

John McNamara.

Mairead Mullane.

Geoff McMullen.

Tim Donnelly.

Louise Mulcahy.

Patrick McNamara.

Supervisory Committee:

Alan Brislane, Chairperson

Paula Mackey, Secretary.

Jerry O'Connell.

VACANCIES AND NOMINEES FOR BOARD OF DIRECTORS

This year there are **FOUR** vacancies on the Board of Directors, arising as follows:

In accordance with Section 53 of the Credit Union Act 1997 (as amended) the maximum term of office of a Director is three (3) years. Therefore the following Directors have to retire at this AGM and, being eligible, offer themselves for re-election:

John Hennessy, Mairead Mullane, Anne-Marie O'Reilly, Tim Donnelly.



VACANCIES AND NOMINEES FOR SUPERVISORY COMMITTEE

This year there is **ONE** vacancy on the Supervisory Committee, arising as follows:

In accordance with Section 58 of the Credit Union Act 1997 (as amended) the term of office of a Supervisor is three (3) years. Therefore the following Supervisor has to retire at this AGM and, being eligible, offers herself for re-election:

Paula Mackey.

VACANCY AND NOMINEES FOR AUDITOR

In accordance with Section 115 of the Credit Union Act 1997 (as amended) the Auditor has to be re-elected each year at the AGM. Being eligible, **Moore Stephens Patrick McNamara** are offering themselves for re-election as Auditor.

OTHER NOMINATIONS TO BOARD AND SUPERVISORY COMMITTEE

At the time of preparing this report no other nominations for any of the above vacancies could have been received. The Nominating Committee's function is to ensure that there is at least one nominee for each of the above vacancies and they will put forward for election any nominee for whom a valid nomination has been received in the due time.

Every Credit Union member of full age is entitled to nominate other members for election to the Board of Directors or to the Supervisory Committee at the AGM.

Nomination forms are available from the office. They must be returned to the office not later than 5.00 pm on Friday 30th November 2012. If the nomination is valid, the Nominating Committee will put the nominee forward for election.

VOTING

The Rules of the Credit Union require an election by **secret ballot** to take place for each vacancy. In accordance with Rules 139, 140 and 141, voting shall be restricted to those members over the age of 16 who are present at the Annual General Meeting, unless they are entitled to vote by proxy. Each member shall have only one vote irrespective of his/her shareholding in accordance with Rule 140.



Agenda Item 7 - Balloting

The Chairperson will request members to cast their vote for the candidates of their choice in the various elections using the ballot papers provided. The tellers will then collect the ballot papers and commence counting the votes.

Agenda Item 8 - Directors' Report

Your Directors present their Report and Audited Accounts for the year 2011/2012. It is appropriate to remind members that preparation of the accounts is the duty of the Directors, not of the Auditor. Members should read them, keeping in mind the following statement.

Statement of Directors' Responsibilities:

The Credit Union Act 1997 (as amended) requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Credit Union and of the income and expenditure of the Credit Union for that year. 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.
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the Financial Statements.

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 which enables 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.

OVERALL: This past financial year has been difficult for the Irish economy. This Credit Union is not immune from these difficulties and we have been directly affected by the extremely challenging financial pressure our members have faced, as our country continues to be deeply affected by rising unemployment and severe austerity measures. Despite these difficulties our Credit Union remains a strong and viable operation and our financial results for the year bear testament to this. While the surplus of



€645,000 is a very good outcome, we are also very pleased that we have increased our total reserves to 13.81% of assets, up from 12.99% last year, as these reserves represent the strength of our Credit Union.

SAVINGS: Members who save in the Credit Union have a right to expect that we will do all that we can to protect their savings. Members' savings are our only source of funds and we use these funds to lend to other members, with the surplus funds invested. We carefully consider each loan application and we seek 100% capital guarantees on our investments to minimise the risk to these funds. These factors, combined with our level of reserves, indicate to members that their savings are safe in this Credit Union. On top of this, members also have the protection provided by the Government Deposit Guarantee Scheme which covers up to €100,000 savings per member. We would encourage all members to develop a savings habit and put a little away each week if at all possible.

CREDIT UNION BILL 2012: There are major changes being proposed for Credit Unions and how they operate in the Credit Union Bill 2012, which the Government intend to pass into law before the end of this year. This Bill is based on the report of the Commission on Credit Unions but the Board of this Credit Union have serious concerns about the direction some of the proposed legislation will force Credit Unions to take. We made a submission to the Department of Finance outlining our concerns and requesting changes to the Bill and we subsequently presented our case to the Joint Committee on Finance, Public Expenditure and Reform in Dail Eireann, which appeared to receive the support of a substantial number of members of the committee. However, the Department of Finance published the Bill without receiving the committee's report and therefore the points we had made were not addressed. We have since engaged in a lobbying campaign to have appropriate amendments made to the Bill before it is passed into law and we would request members to encourage the local TDs to support our campaign. Regardless of whether the changes we are requesting are made, this Credit Union is taking steps to ensure that we will be compliant with the new legislation and are able to meet the challenges it will bring.

CREDIT UNION RESTRUCTURING: In conjunction with the Credit Union Bill 2012 the Minister for Finance recently appointed a Restructuring Board for Credit Unions whose task is to facilitate and



support the restructuring of Credit Unions. They will engage with all Credit Unions to determine those that require restructuring. In our opinion this, in effect, will mean Credit Union mergers. At present we are not aware of the criteria that will be used to determine if a Credit Union needs to be restructured and we therefore have no way of knowing what the outcome will be for this Credit Union. We will engage fully with the Restructuring Board, however, our position is that we will have to be convinced that any form of merger is in the best interests of our members before it could be considered and the members will have to be consulted.

PERSONAL INSOLVENCY BILL 2012: This Bill is expected to be enacted early next year. It is designed to give people who are overburdened with debt the opportunity to work themselves out of this position and have a clear record within a reasonable timeframe. It is likely that the provisions of the Bill will be used by some of our members who find themselves in this situation. However, it will be some time before we can gauge the likely impact this will have on our operations. In the meantime we would reiterate our advice to any member who is experiencing difficulty in repaying their loan to get in touch with us and allow us to work with you to try to find a solution.

NEW WEBSITE AND FACEBOOK PAGE: We launched our new website in October and it features a Members Area which allows you to access details of your Credit Union account at any time and get e-statements. It also allows members to opt for an electronic Annual Report rather than having one posted to them and we would encourage members to consider this option. Additional features will be added as they become available to us. Our recently launched Facebook page keeps members up to date with events on an on-going basis. Visit our website at www.smpcreditunion.ie for more details.

TRAINING: With all the changes facing the Credit Union movement and the ever increasing regulatory requirements, on-going training for directors, supervisors and staff is essential. New fitness and probity requirements for all officers are due to be issued shortly by the Registrar of Credit Unions but we anticipate that we will meet those requirements. During the year our



secretary Anne Marie O'Reilly obtained the QFA qualification whilst staff members Fiona Crowe and Sarah McNamara Wrenn obtained the CUA qualification. Congratulations to them all on their achievements, which required many hard hours of study. All staff now meet the Minimum Competency Requirements as set down by the Central Bank of Ireland and they are engaged in a programme of Continuous Professional Development study to ensure they retain the level of competency required.

DECEASED MEMBERS: We know of 56 members who died during the year between October 2011 and September 2012. We offer our sincere and utmost sympathy and support to their next of kin. Those who died were:

Michael Reynolds	Julie-Ann Dinneen	Margaret McCarthy
Frank Moloney	Rachel O'Leary	Thomas O'Connell
Timothy Sheehan	Christina Buckley	Mary Edwards
Eileen Neilan	Margaret Monahan	Philomena Mullins
Leslie Ferguson	Peter O'Connell	Michael Griffin
Sarah Keyes	Michael McCarthy	Denis O Malley
John Moloney	Rose Lee	Anne O'Brien
Kathleen Mannix	Mary O'Connell	Michael O'Donnell
Billy Keane	Joan Moran	John Sheehan
Gerard Corbett	Eugene Small	Arthur McCormick
Margaret Griffin	Rose Fitzgerald	Mary Curran
Des Kinnane	Kenneth McKinlay	Claire Byrne
Carmel Lane	Josephine Ryan	Maureen Whelan
Patrick Ryan	Kathleen O'Connell	Frances Ryan
Eleanor Mills	Elizabeth Hayes	Austin Foley
Francis O Sullivan	Roy Walsh	Dolores Korucu
Nancy Collins	Annette Cronin	Michael Kinsella
Pauline Nihill	Colm Honan	Christina Wilson
Bridget Hartnett	Patricia Flanagan	
May they rest in peace.		



On behalf of next-of-kin of deceased members we received a total of €239,501.20 from our Savings and Loan Insurance during the year. €121,408.85 was in respect of savings and €118,092.35 was to clear outstanding loans. In addition to this, we received €102,670.00 of Death Benefit Insurance, which was used to help meet the funeral expenses of deceased members.

As you will have gathered from this report, Credit Unions are facing into a period of substantial change and we will be even more reliant on the management, staff and volunteers to give the time, effort and expertise necessary for the on-going success of this Credit Union. Their record of commitment and achievement to date provide ample proof that they will rise to the challenges that lie ahead.

We will also require the continued support of you, our loyal members, to ensure that we continue to be an integral part of the local community. It is the intention of the Board to embrace the opportunities that appropriate legislation and regulation will afford us to grow, prosper and develop further the range of services we provide to our members.



B.O'Halloran, Chairperson.



A.M.O'Reilly, Secretary.



Agenda Item 9 - Report of Auditor

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS of St. Mary's Parish Credit Union Limited.

We have audited the Financial Statements of St. Mary's Parish Credit Union Ltd. for the year ended 30th September 2012, which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. These Financial Statements have been prepared under the accounting policies set out therein and the accounting standards issued by the Accounting Standards Board.

This report is made solely to the Credit Union's members, as a body, in accordance with Section 120 of the Credit Union Act 1997 (as amended). Our audit work has been undertaken so that we might state to the Credit Union's members those matters we are required to state to them in an 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.

Respective Responsibilities of Directors and Auditor: As described in the Statement of Directors Responsibilities, the Credit Union's Directors are responsible for the preparation of the Financial Statements in accordance with applicable law and Irish Accounting Standards. Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) promulgated by the Auditing Practices Board in Ireland and the United Kingdom. We report to you our opinion as to whether the Financial Statements give a true and fair view and are properly prepared in accordance with the Credit Union Act 1997 (as amended). We also report to you whether, in our opinion, proper accounting records have been kept by the Credit Union and whether the information given in the Directors' Report is consistent with the Financial Statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the Credit Union's Balance Sheet and its Income and Expenditure Account are in agreement with the books of account. We read the other information contained in the Annual Report and consider whether it is consistent with the audited Financial Statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent



misstatements or material inconsistencies with the Financial Statements. Our responsibilities do not extend to any other information.

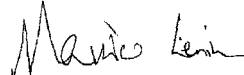
Basis of Audit Opinion: We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the Credit Union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Opinion: In our opinion the Financial Statements give a true and fair view of the state of the Credit Union's affairs as at 30th September 2012 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the provisions of the Credit Union Act 1997 (as amended).

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Credit Union. The Credit Union's Financial Statements are in agreement with the books of account.

In our opinion, the information given in the Directors' Report is consistent with the Financial Statements.



Maurice T Lenihan FCA

Registered Auditor

For and on behalf of

Moore Stephens Patrick McNamara,

Chartered Certified Accountants & Registered Auditors

Pamdohlen House

Dooradoyle Road.

Limerick.

16th November 2012



Agenda Item 10 - Report of Treasurer

I would like to present to you our Audited Annual Accounts for the year ended 30th September 2012.

This year has been another difficult one in the Financial and Economic sectors with high unemployment and Government cutbacks still putting pressure on people to meet their financial commitments.

Our income has again been affected by the fact that fewer loans have been granted partly due to this financial pressure and partly due to tight criteria for the granting of member loans. Loans granted this year amounted to €4.71m. At year-end total member loans amounted to €17.01m as against €20.27m last year and this resulted in interest received of €1.84m as against €2.14m last year.

Because rates of returns on investments generally have begun to fall we have adopted a policy of investing over slightly longer periods in order to maximise returns on our investments. Investment income this year is up from €745k last year to €1.186m this year and our liquidity level for investments which we can access within 3 months now stands at 31.68% of our unattached shares, which is well above our regulatory requirement of 20%.

Member shares at year-end are down again this year from €43.9m to €41.9m and this is probably due to continuing reduction of disposable income being experienced by the general population.

We have continued our policy of building up our reserves in order to be able to deal with problems which may arise in the future and we are pleased to say that these have been maintained at a level in excess of regulatory requirements.

Out of surplus funds available at year-end for distribution we are recommending a dividend of 0.75% and an interest rebate of 5% and these distributions are within the parameters deemed acceptable by the regulator this year.

The above are just general comments on our financial situation and I intend going through these accounts in greater detail at our A.G.M. and I will also try to answer any queries which you may have on the night.

Finally I would like to take this opportunity to thank our Manager Pat Owens and his staff for all their excellent work throughout the year. I would also like to express my gratitude to our Assistant



Treasurer, Tim Donnelly and all members of the Board and committees for their encouragement and support at all times. In particular I would like to draw attention to the excellent work being done by our Credit Controller Roseanne Fitzgerald and all the members of staff on credit control work and also the members of the Credit Control Committee who have been putting a lot of extra time into this area. Because of the very poor economic circumstances in which a lot of our members still find themselves, this is a part of the business which needs constant care and attention.




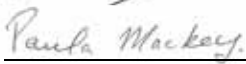

John Hennessy,
Treasurer



INCOME & EXPENDITURE ACCOUNT
for the year ended 30th September 2012.

Income	2012	2011
	€	€
Interest on Members' Loans	1,836,336	2,138,244
Other Interest Receivable & Similar Income <i>Schedule 1</i>	1,186,224	744,667
Net Interest Income	3,022,560	2,882,911
Other Income <i>Schedule 2</i>	13,140	11,928
Total Income	3,035,700	2,894,839
Expenditure		
Salaries	523,484	531,092
Other Management Expenses <i>Schedule 3</i>	1,444,205	1,168,255
Depreciation	27,639	24,598
Provision for Bad & Doubtful Debts	441,804	793,290
Bad Debts Recovered	(46,603)	(26,824)
Total Expenditure	2,390,529	2,490,411
Excess of Income over Expenditure for the Year	645,171	404,428
Less: Dividend Paid	(224,230)	(441,651)
Less: Loan Interest Rebate Paid	-	(221,538)
Add: Transfer from Proposed Dividend and Loan Interest Rebate Reserve	224,230	663,189
Add: Transfer from Other Reserves <i>Note 5</i>	681,000	-
Over/(Under) Provision for Dividend/ Interest Rebate	1	12
Total	1,326,172	404,440
Less: Transfer to Statutory Reserve	(66,000)	(40,445)
Less: Transfer to Other Reserves <i>Note 5</i>	(853,371)	(139,765)
Less: Transfer to Proposed Dividend and Loan Interest Rebate Reserve	(406,801)	(224,230)
Total	(1,326,172)	(404,440)
Undistributed Surplus 30th September 2012	-	-

Signed on behalf of the Credit Union

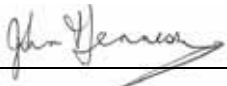
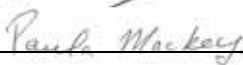

Treasurer:		Date:	15/11/2012
Supervisor:		Date:	15/11/2012
Director:		Date:	15/11/2012



BALANCE SHEET as at 30th September 2012.

	<u>2012</u> €	<u>2011</u> €
<u>ASSETS</u>		
Cash & Balances at Bank	308,779	433,644
Central Bank Minimum Reserve Deposit Held	351,827	806,223
Deposits & Investments <i>Note 4</i>	34,327,078	31,626,580
Loans to Members	17,008,928	20,269,811
Less: Provision for Bad & Doubtful Debts	(3,541,804)	(3,100,000)
Tangible Fixed Assets <i>Note 3</i>	169,092	172,536
Debtors, Prepayments & Accrued Income <i>Note 15</i>	601,143	557,652
TOTAL ASSETS	<u>49,225,043</u>	<u>50,766,446</u>
<u>LIABILITIES</u>		
Members' Shares <i>Note 18</i>	41,884,620	43,855,708
Other Liabilities, Creditors, Accruals & Charges	95,656	86,913
TOTAL LIABILITIES	<u>41,980,276</u>	<u>43,942,621</u>
NET WORTH	<u>7,244,767</u>	<u>6,823,825</u>
Represented By:		
Statutory Reserve	4,987,834	4,921,834
Additional Regulatory Reserve	309,652	309,652
Total Regulatory Reserve	<u>5,297,486</u>	<u>5,231,486</u>
Other Reserves <i>Note 5</i>	1,947,281	1,592,339
TOTAL RESERVES	<u>7,244,767</u>	<u>6,823,825</u>

Signed on behalf of the Credit Union

Treasurer:	<u></u>	Date:	<u>15/11/2012</u>
Supervisor:	<u></u>	Date:	<u>15/11/2012</u>
Director:	<u></u>	Date:	<u>15/11/2012</u>



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30th September 2012

1. SIGNIFICANT ACCOUNTING POLICIES:

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Credit Union's Financial Statements.

1.1 Basis of Accounting: The Financial Statements are prepared under the Historical Cost Convention.

1.2 Income Recognition: Interest on Members' Loans is recognised when payment is received as specified in Section 110(1)(C)(i) of the Credit Union Act 1997 (as amended) (i.e., on a cash basis).

Investment Income is recognised on an accruals basis.

1.3 Tangible Fixed Assets and Depreciation: Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated in order to write off the cost less residual value of Tangible Fixed Assets over their estimated useful lives using the following rates:

Freehold Premises	-	2% Straight Line
Computer Equipment	-	33% Straight Line
Fixtures and Fittings	-	20% Straight Line

1.4 Deposits & Investments: St. Mary's Parish Credit Union Ltd. had four classes of Deposits and Investments as at 30th September 2012, and the policy relating to each class is as follows:

(Note: These policies should be read in conjunction with Note 4 "Deposits & Investments")

1. Cash on Ordinary or Term Deposit:

- Included in the Balance Sheet under "Deposits and Investments" is the amount deposited plus any deposit interest paid to date by the financial institution.
- Included in the Balance Sheet under "Debtors, Prepayments and Accrued Income" is the amount of accrued deposit interest at year-end.
- Included in the Income & Expenditure Account under "Investment Income" is the amount of deposit interest earned (either paid or accrued) during the year.

2. Fixed Maturity Bank Bonds:

- Included in the Balance Sheet under "Deposits and Investments", this bond is stated at nominal value, with any difference between the nominal value and the cost of the nominal holding amortised/depreciated over the period to the earliest callable/redemption date.
- Included in the Balance Sheet under "Debtors, Prepayments and Accrued Income" is the amount of accrued dividend/interest at the year-end.



- Included in the Income & Expenditure Account under “Investment Income” is the amount of dividend/interest earned (either paid or accrued) during the year.

3. Irish Government Bonds:

- Included in the Balance Sheet under “Deposits and Investments”, each of these bonds are stated at nominal value, with any difference between the nominal value and the cost of the nominal holding amortised/depreciated over the period to the earliest callable/redemption date.

- Included in the Balance Sheet under “Debtors, Prepayments and Accrued Income” is the amount of accrued dividend/interest at the year-end.

- Included in the Income & Expenditure Account under “Investment Income” is the amount of dividend/interest earned (either paid or accrued) during the year.

4. Guaranteed Minimum Value Investment Bonds:

- Included in the Balance Sheet under “Deposits and Investments” is the amount which represents the historical cost plus any increase to date in the Guaranteed Minimum Value net of exit tax (if applicable) at year-end.

- Included in the Income and Expenditure Account under “Investment Income” is the amount which represents the increase in the Guaranteed Minimum Value of these investments during the year.

1.5 Foreign Currencies:

The accounts are expressed in Euro (€).

1.6 Pensions: Some employees of the Credit Union are members of a defined benefit pension scheme operated by a major life assurance company. As this forms part of a multi-employer scheme, contributions are charged to the Income and Expenditure Account in the year in which they fall due. At the date of the signing of the Accounts the directors are unable to identify the Credit Union’s share of the underlying assets or its share of the surplus or deficit.

Some retired staff are paid a pension by the Credit Union. This cost is charged to the Income and Expenditure Account as incurred.

The Credit Union has complied with all necessary requirements under the PRSA scheme obligations.

1.7 Bad and Doubtful Debts: Bad debts written off are included in Other Management Expenses. Bad Debts recovered are included in the Income and Expenditure Account. A provision for doubtful debts is made against loan balances in arrears at 30th September 2012, based upon the number of weeks a loan is in arrears. This provision is calculated on the basis of Resolution 49 of the Irish League of Credit Unions’ BDM 2003. An additional general provision of €1,243,978 is considered prudent by the Board of Directors.

It is the policy of this Credit Union to continue to pursue, through the legal system if necessary, all bad debts which are written off.



1.8 Proposed and Paid Dividend: Financial Reporting Standard (FRS) 21, Events after the Balance Sheet Date, requires that the Credit Union only includes within the Income and Expenditure Account dividends and interest rebates paid during the year and not the dividends and interest rebates declared at the year end. The Board of Directors has decided to adopt a policy of setting aside the amount of the proposed dividend and interest rebate in a special reserve as a movement in reserves. There is no effect on undistributed surpluses.

2. CASH FLOW STATEMENT:

	2012	2011
	€	€
<u>Opening Cash & Investments</u>		
Deposits and Investments	31,626,580	29,290,399
Central Bank Minimum Reserve Deposit Held	806,223	796,831
Cash and Balances at Bank	433,644	2,059,691
<i>Opening Total</i>	32,866,447	32,146,921
Receipts		
Members' Shares	15,566,187	18,271,691
Members' Loans Repaid	7,254,862	7,108,476
Members' Loan Interest Received	1,836,336	2,138,244
Investment Interest Received	1,144,459	701,564
Bad Debts Recovered	46,603	26,824
Other Receipts	14,225	11,764
<i>Total Receipts</i>	25,862,672	28,258,563
Disbursements		
Members' Shares Withdrawn	17,537,274	19,147,901
Members' Loans Granted	4,708,789	6,448,517
Dividends Paid	208,431	412,563
DIRT Paid	15,799	29,088
Loan Interest Rebate Paid	-	221,526
Operating Expenses	1,246,948	1,276,495
Fixed Assets Purchased	24,194	2,946
<i>Total Disbursements</i>	23,741,435	27,539,036
Closing Cash & Investments		
Deposits and Investments	34,327,078	31,626,580
Central Bank Minimum Reserve Deposit Held	351,827	806,223
Cash and Balances at Bank	308,779	433,644
<i>Closing Total</i>	34,987,684	32,866,447



3. TANGIBLE FIXED ASSETS:

	Freehold Premises	Computer Equipment	Fixtures & Fittings	Total
COST:	€	€	€	€
At 1 Oct. 2011	199,412	478,871	160,907	839,190
Additions during year	-	22,233	1,962	24,195
At 30 Sept. 2012	199,412	501,104	162,869	863,385
DEPRECIATION:				
At 1 Oct. 2011	47,859	465,346	153,449	666,654
Charge for year	3,988	19,953	3,698	27,639
At 30 Sept. 2012	51,847	485,299	157,147	694,293
Net Book Values:				
At 30th September 2012	147,565	15,805	5,722	169,092
At 30th September 2011	151,553	13,525	7,458	172,536

In view of the current downturn in the property market, the Board has considered the appropriateness of carrying out an impairment review of Freehold Premises. The Board has obtained a current valuation which indicated that current market value is in excess of the current carrying cost included in the Financial Statements. While this valuation was higher than the current carrying cost, it is felt that no adjustment should be made in the Financial Statements.

4. DEPOSITS AND INVESTMENTS:

	2012 (€)	2011 (€)
Cash on Ordinary or Term Deposit	24,889,692	19,292,984
Fixed Maturity Bank Bonds	1,500,000	1,500,000
Irish Government Bonds	2,792,000	2,792,000
Guaranteed Minimum Value Investment Bonds	5,145,386	8,041,596
	34,327,078	31,626,580

The Credit Union's accounting policies relating to each of the above classes of Deposits and Investments are stated in Note 1.4.

Explanatory Note on Nominal Value: In relation to the Fixed Maturity Bank Bonds and the Irish Government Bonds held by the Credit Union, Nominal Value refers to the amount that the issuing Financial Institution/Irish Government is contracted to repay the Credit Union when the Bond is redeemed/called by the issuing Financial Institution/Irish Government.

The Fixed Maturity Bank Bonds at the 30th September 2012 consisted of a Senior Irish Life & Permanent plc Bank Bond with a Nominal Value of €1,500,000 (Market Value at the 30th September 2012 of €1,491,150). This Bond is guaranteed by the Irish Government under the ELG Scheme. It is included in the Balance Sheet at a nominal value of €1,500,000. The Credit Union is contracted to be repaid



the Nominal Value of this Fixed Maturity Bank Bond on a specified date in the future. This repayment is subject to the Credit Union holding the Fixed Maturity Bank Bond to maturity/redemption and the issuing Financial Institution fulfilling their obligations at maturity/redemption. At this point in time, the Board of Directors is satisfied that these conditions will be fulfilled.

The Market Value of the Irish Government Bonds at the 30th September 2012 was €2,908,774. The Irish Government Bonds are included in the Balance Sheet at a Nominal Value of €2,792,000. The Credit Union is contracted to be repaid the Nominal Value of these Irish Government Bonds on specified dates in the future. This repayment is subject to the Credit Union holding the Irish Government Bonds to maturity/redemption and the Irish Government fulfilling their obligations at maturity/redemption. At this point in time, the Board of Directors is satisfied that these conditions will be fulfilled.

The Guaranteed Minimum Value Investment Bonds are stated at a historical cost of €4,470,000 plus the increase to date in Guaranteed Minimum Value (GMV) of €675,386 net of exit tax (if applicable) at scheduled maturity date. The GMV is subject to the respective investments being held to scheduled maturity date (early encashment of these investments could result in an unquantifiable profit or loss on the values reflected herein) and the issuing Financial Institution fulfilling their obligations at maturity. At this point in time, the Board of Directors is satisfied these conditions will be fulfilled.

5. OTHER RESERVES:

	Balance 1/10/2011 €	Transfer Out €	Transfer In €	Balance 30/9/2012 €
General Reserve (see note below)	287,109	-	803,371	1,090,480
Building Reserve (see note below)	-	-	50,000	50,000
Proposed Dividend & Loan Interest Rebate Reserve <i>Note 6</i>	224,230	(224,230)	406,801	406,801
	511,339	(224,230)	1,260,172	1,547,281
Unrealised Investment & Investment Income Reserve	1,081,000	(681,000)	-	400,000
Total Other Reserves	1,592,339	(905,230)	1,260,172	1,947,281

Note re: General Reserve and Building Reserve: The General and Building Reserves are prudent allocations of realised and distributable surpluses to separate reserves for whatever purpose the Board deem appropriate, including the funding of future renovations to the Credit Union premises, any future necessary transfer to the Bad Debts Reserve and to cover future unforeseen eventualities including any effect that the proposed Personal Insolvency Legislation may have on the Credit Union. The Board have determined that although they are called General and



Building Reserves, in the event that they are not necessary for that purpose, that they are also being designated as available for distribution to members in future years.

Note re: Transfer to and from Other Reserves: An amount of €224,230 has been transferred from the Proposed Dividend and Loan Interest Rebate Reserve to the Income and Expenditure account in respect of the payment of the previous year's proposed dividend. The Board of Directors has decided to transfer €406,801 to the Proposed Dividend and Loan Interest Rebate Reserve and €50,000 to a new Building Reserve. The balance of €803,371 transferred to the General Reserve consists of a transfer from the Unrealised Investment & Investment Income Reserve of €681,000 (i.e. the amount of the unrealised reserve as at 30/9/2011 which is now realised at 30/9/2012) and the remaining surplus for the year of €122,371.

6. PROPOSED DIVIDENDS AND LOAN INTEREST REBATE TO MEMBERS:

The Directors recommend the following distributions:

	<u>2012</u>		<u>2011</u>	
	Rate %	€	Rate %	€
Dividend on Shares	0.75	319,517	0.5	224,230
Loan Interest Rebate	5	87,284	-	-

Secured loans at the lower rate of 5.5% will not be entitled to any interest rebate.

7. STATURORY RESERVE AND TOTAL REGULATORY RESERVE:

In accordance with the requirements of Section 45 of the Credit Union Act 1997 (as amended), a Credit Union must transfer at least 10% of its surplus each year to its Statutory Reserve. For the year ended 30th September 2012, St. Mary's Parish Credit Union Ltd. transferred €66,000 from its surplus for the year to the Statutory Reserve in compliance with this requirement. In August 2009 the Registry of Credit Unions (Central Bank of Ireland) introduced a further requirement referred to as the Regulatory Reserve Ratio. Under this requirement Credit Unions are required to maintain a Total Regulatory Reserve Ratio of not less than 10% of Total Assets. As at the 30th September 2012, the Total Regulatory Reserve Requirement was €4,922,504 (i.e. 10% of Total Assets of €49,225,043). The Total Regulatory Reserve (i.e. the Statutory Reserve and the Additional Regulatory Reserve), in the Balance Sheet as at 30th September 2012, of €5,297,486 (10.76%) was in excess of this requirement.

8. HONORARIUM TO TREASURER:

The Board of Directors recommend that no Honorarium be paid to the Treasurer for the year ended 30th September 2012.



9. RELATED PARTY TRANSACTIONS:

There were a number of Share and Loan account transactions with the officers (directors, supervisors, staff and volunteers) of the Credit Union during the year under review. The Credit Union advanced loans of €33,910 to officers during the year. The officers' balances are summarised as follows:

	<u>2012 (€)</u>	<u>2011 (€)</u>
Share Balance	222,720	254,939
Loan Balance	210,762	214,314

10. INSURANCE AGAINST FRAUD:

The Credit Union has insurance against fraud in the amount of €5,200,000 in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

11. PENSION COSTS:

The cost of providing pensions to/for retired and current employees was:

<u>2012</u>	<u>2011</u>
€132,999	€111,543

Contributions paid by the employees during the year of €31,277 (2011 - €29,858) are included in the pension costs. The pension contributions have been made in accordance with actuarial advice and calculations and are held in a trust for the employees, separate from the Credit Union assets. The Credit Union participates in the Irish League of Credit Unions Republic of Ireland Pension Scheme (the pension scheme). This is a funded, multi credit union, defined benefit type pension scheme with assets invested in separate trustee administered funds. However, the Credit Union is unable to identify its share of the underlying assets and liabilities of the pension scheme. Consequently, the Credit Union, in accordance with the requirements of Financial Reporting Standard (FRS) 17, Retirement Benefits, is accounting for the pension contributions as if the scheme was a defined contribution scheme. Contributions payable to the pension scheme are recognised in the Income and Expenditure Account. At the year-end, contributions owing to the fund were Nil (2010 – Nil). An actuarial review of the fund is normally carried out every three years by the Scheme's independent, professionally qualified, actuary. The Actuarial review looks at the past and future liabilities of the scheme. The last completed triennial actuarial review was carried out with an effective date of 1st March 2011 using the projected Unit Credit method. The principal actuarial assumption used in the valuation was that the investment return would be 1.75% higher than the annual salary increases. The market value of the scheme's assets at 1st March 2011 was €107.3m. The actuarial valuation disclosed a past service deficit of €28.7m on the long term funding basis at 1st March 2011. This actuarial review recommended a long term funding rate of 22.5%. The cost of risk benefits (i.e. such as death in service life assurance cover for employees) is paid in addition to this rate. The adequacy of the funding for the pension scheme will be monitored



on an ongoing basis and may need to increase in the future. It should be noted that the above rate is based on the long term funding objectives. As a separate requirement under section 56(1) of the Pensions Act 1990, the scheme actuary must carry out a separate valuation every 3 years and produce a funding certificate for submission to The Pensions Board within 9 months of the effective date of the evaluation. The purpose of this 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. An actuarial funding certificate, certifying the Scheme did not meet the statutory minimum funding standard was submitted to the Pensions Board with an effective date of 1st March 2009. Consequently, the Trustees submitted to the Pensions Board a new funding proposal, to address the shortfall in funding. The submitted funding proposal is designed to ensure that the scheme could reasonably be expected to satisfy the funding standard as at 1st March 2019 and provides for a retirement contribution rate of 27.7%. The cost of risk benefits is payable in addition, giving a total contribution rate of 30% of pensionable salary. This funding proposal was approved by the Pensions Board. For the scheme year ended 29th February 2012 the actuary advised that, having been directed by the Trustees and Employer, in light of the current economic outlook, that it was appropriate to revise the assumption for salary increases over the remaining term of the funding proposal from 5% p.a. to 3% p.a. Based on this, he was reasonably satisfied that the scheme will satisfy the funding standard as specified in Section 44 of the Pensions Act 1990, at the date of 1st March 2019 specified by the Pension Board under Section 49(2) (a) of the Act for the purpose of the existing funding proposal. The scheme's Solvency Position in accordance with the aggregate cover for total Funding Standard liabilities as at 29th February 2012 was 90.5%.

12. CAPITAL COMMITMENTS:

No material capital expenditure is envisaged by the directors in the foreseeable future other than the planned intention to proceed with the upgrade of the Credit Union premises.

13. RATES OF INTEREST CHARGED ON MEMBERS' LOANS:

The standard rate of interest charged on members' loans by the Credit Union during the year ended 30th September 2012 was 0.000287671232876712% per day (equivalent to an annual rate of 10.5%). In December 2010 the Credit Union introduced a new interest rate of 0.000150684931506849 per day (equivalent to an annual rate of 5.5%) on loans fully secured by savings. Secured loans at the lower rate of 5.5% will not be entitled to any interest rebate.



14. NON AUDIT SERVICES:

During the year the auditor provided assistance to the Credit Union with regard to information requests and confirmations received from the Registry of Credit Unions (Central Bank of Ireland). Also the auditor provided assistance to the Credit Union with internal management reports.

15. POST BALANCE SHEET EVENTS:

The Directors are not aware of any material events occurring between 30th September 2012 and the date on which the Financial Statements were signed which would require an adjustment to be made to the Financial Statements.

16. CONTINGENCIES:

No contingent liabilities existed at 30 September 2012. The directors are not aware of any pending litigation proceedings, hearings or claim negotiations which may result in significant loss to the Credit Union.

17. DEBTORS, PREPAYMENTS AND ACCRUED INCOME:

	<u>2012 (€)</u>	<u>2011 (€)</u>
Investment Income Accrual	576,520	534,487
Stocks	1,050	54
Other Debtors & Prepayments	23,573	23,111
Total per Balance Sheet	<u>601,143</u>	<u>557,652</u>

18. MEMBERS' SHARES:

	<u>2012 (€)</u>	<u>2011 (€)</u>
Regular Share Accounts	31,058,700	32,425,336
Special Share Accounts	10,825,920	11,430,372
Total per Balance Sheet	<u>41,884,620</u>	<u>43,855,708</u>

SCHEDULE 1 - OTHER INTEREST RECEIVABLE & SIMILAR INCOME

	<u>2012 (€)</u>	<u>2011 (€)</u>
Bank Account Interest	977	1,368
Investment Income/(Deficit)	1,185,247	971,449
Profit/(Loss) on Sale of Investments	-	(228,150)
Total per Income & Expenditure Account	<u>1,186,224</u>	<u>744,667</u>

Note A – Further Analysis of Investment Income and Gains/(Losses)

	<u>2012</u>
(i) Investment income and gains received at the balance sheet date	742,905
(ii) Investment income receivable within 12 months of the balance sheet date	381,325
(iii) Other investment income	61,994
	<u>1,186,224</u>



SCHEDULE 2 - OTHER INCOME

	<u>2012 (€)</u>	<u>2011 (€)</u>
ECCU Claims Experience Refund	4,575	-
Entrance Fees	171	177
Commission	8,394	11,751
Total per Income & Expenditure Account	<u>13,140</u>	<u>11,928</u>

SCHEDULE 3 - OTHER MANAGEMENT EXPENSES

	<u>2012 (€)</u>	<u>2011 (€)</u>
Treasurers Honorarium	-	4,717
Rent & Rates	10,055	10,155
Lighting, Heating and Cleaning	13,872	12,484
Repairs & Renewals	295	901
Security	1,783	1,589
Printing & Stationary	12,756	14,700
Postage & Telephone	10,982	12,687
Donations & Sponsorship	315	500
Debt Collection	17,965	5,991
Irish Credit Bureau	3,501	5,701
Promotion & Advertising	6,892	8,216
Training Costs	5,559	21,488
Convention Expenses	2,162	4,035
Chapter Expenses	1,458	874
AGM Expenses	17,408	17,465
Travel & Subsistence	4,452	4,820
Bank Charges	11,678	12,323
Overdraft Interest	465	449
Audit Fee	21,175	22,000
Supervisory Committee Expenses	1,196	500
General Insurance	16,228	17,807
Share & Loan Insurance (Gross)	236,088	246,742
Death Benefit Insurance	85,554	80,795
Pension	132,999	111,543
Legal & Professional Fees	28,567	17,424
IT Costs	32,925	33,219
Bad Debts Written Off	714,809	428,165
Affiliation Fees	10,290	13,334
SPS Contributions	15,017	30,380
Regulatory Levies	8,051	6,929
Miscellaneous Expenses	19,708	20,322
Total per Income & Expenditure Account	<u>1,444,205</u>	<u>1,168,255</u>



Agenda Item 11 - Declaration of Dividend/Interest Rebate

Having carefully considered the results for the year and the need to plan for the future stability of the Credit Union your Board propose the following:

- Payment of a 0.75% dividend on shares.
- Payment of a 5% rebate of interest paid.

Agenda Item 12 - Approval of Honorarium

The Board propose an honorarium of €Nil be paid to the Treasurer.

Agenda Item 13 - Affiliation Fees Motion

The Board recommend that Affiliation Fees for the Irish League of Credit Unions for the year 2012/2013 be deducted from members' savings at a rate of 0.90 cent per member over 16 years of age.

Agenda Item 14 - Report of Supervisory Committee

In presenting this report we would like to bring to your attention the following Statement of Supervisory Committee's Responsibilities:

The Credit Union Act 1997 (as amended) requires the appointment of a Supervisory Committee which will oversee Directors in the performance of their functions, examine books and documents of the Credit Union and verify a sample of members' balances.

In the fulfilment of these responsibilities:

- At least one of the Supervisory Committee attended each Board Meeting to ensure that all actions and decisions of the directors complied with current rules and legislation and we met with the Board on two occasions during the year to review their performance.
- We undertook member balance verification by corresponding with a random sample of Credit Union members. No discrepancies were uncovered by this exercise.
- We carried out various examinations of the books and records of the Credit Union, including the Auditor's Report, to confirm that the records and accounts of the Credit Union are in order.

The outcome of this work is that we have satisfied ourselves that the Board and its various committees are complying with all relevant legislation, regulations and guidelines and decisions are made in the best interests of the overall membership. We would like to thank the Board of Directors and staff of the Credit Union for their willing help and assistance throughout the year.

Alan Brislane, Chairperson

Paula Mackey

Jerry O'Connell



Agenda Item 15 - Report of Credit Committee

The Credit Committee is appointed by the Board to consider loan applications from members. We consider each loan application on its own merits and make our decision in line with our lending policy and regulatory requirements.

This year we have seen a continued drop in the number of loans being issued as members still have major financial concerns resulting from the difficulties the country has and the programme of increased taxation and cutbacks being pursued by the Government to try to rectify the situation. We do have funds available to lend, so if a member has a need to borrow they should speak to us to see if we can facilitate them.

The main deciding factor for a loan application is the member's ability to repay the loan. To help us assess this properly we need to obtain a full financial picture of the applicant, which includes all income and outgoings. We would advise members considering applying for a loan to plan ahead and submit their loan application in plenty of time to allow for all necessary checks to take place. Ultimately, we have to try to find a balance for all loan application decisions between the best interest of both the needs of the individual member and the Credit Union overall.

This year we issued a total of 2,013 new loans amounting to €4,708,789 (€6,352,862 last year), while we turned down a total of 151 applications. The breakdown of the loans issued is:

<u>Purpose</u>	<u>Number</u>	<u>Amount(€)</u>
Home Improvements	338	1,137,664
Car Purchase/Costs	233	762,009
Holiday/Recreation	130	234,072
Family Events	159	302,896
Education	52	129,386
Business Related	1	1,000
Personal Finance	17	84,752
Medical/Health Insurance	24	70,778
Household Expenses	39	60,127
Secured Loans 5.5%	996	1,859,652
Miscellaneous	24	66,453
Total	2013	4,708,789

We are available to meet with members, if necessary, most Friday evenings between 4.00 pm to 6.30 pm but members should be aware that a decision on their loan application will not be made until all required information is provided.

The Credit Committee would like to thank the Manager, Assistant Manager, Credit Controller and the staff for their co-operation and assistance throughout the year.

Bobby O'Halloran, Chairperson.

Mairead Mullane

Catherine Halpin



Agenda Item 16 - Report of Credit Control Committee

The Credit Control Committee is appointed by the Board of Directors annually and its purpose is to ensure that borrowers repay their loans in accordance with the conditions of their loan agreements and to take appropriate action where this is not the case. We operate in accordance with St. Mary's Parish Credit Union Ltd. written credit control policy. During the past year our committee met at least once a month. We reviewed problem loans with the Credit Controller and decided on the most appropriate course of action to take in each case. We continued to review recent loans made to see if they were performing correctly. We submitted a written report to each Board meeting to ensure that the Board were fully aware of the situation with regard to loans in arrears. Our experience has lead us to conclude that one of the best ways to ensure that a loan will be repaid is to thoroughly examine the financial circumstances of the member at the application stage. At a formal meeting with the Credit Committee of this Credit Union, to review and amend our Lending Policy in light of issues we encountered with members who were not maintaining their original repayment agreements, we made various suggestions in this regard, including making more extensive use of the Irish Credit Bureau to provide us with members' credit history.

We understand that many of our members are dealing with adverse financial circumstances, with most households having to manage on reduced incomes. Despite this, the majority of our members are honouring their loan commitments in full. However some members are experiencing difficulties in repaying their loans and we strongly encourage these members to contact the Credit Control staff so we can work together to try to alleviate their problems. Where members do not engage with us or where members do not make a serious effort to meet their obligations we will issue legal proceeding as we are always mindful that we have to take whatever measures are necessary to protect our members' savings.

During the year we had to write off €714,809 of loans. The term "write off" is an accounting term for the loan no longer being a live account.

However, this does not mean the debt is gone and we continue to pursue these outstanding amounts to the fullest extent of the law. We recovered €46,603 of previously written off loans this year.

We would like to acknowledge the outstanding work of the Credit Control staff, Rosanne, Fiona and Sarah and thank them for their assistance.

Pat Bridgeman, Chairperson

John Collopy, Secretary

Geoff McMullen

Pat McNamara



Agenda Item 17 – Amendment to Standard Rules

Arising from the Irish League of Credit Unions AGM 2012 and to ensure that the rules governing the operation of St. Mary's Parish Credit Union Ltd. remain consistent with the Standard Rules of the Irish League of Credit Unions the Board are proposing the following rule amendment for adoption:

Rule 22

That this Annual General Meeting agrees to amend Rule 22 of the Credit Union's Rules as follows:

By the replacement of "*when the credit union has been unable to contact the member for a period of three years*" with "*when there has been no member initiated transaction on the account for a period of three years*" and substitution of the word "*ordinary*" for "*registered*" where appearing in line 3.

The amended rule to read:

The credit union may deal with shares and deposit accounts as hereinafter provided ***when there has been no member initiated transaction on the account for a period of three years*** and when no reply has been received within thirty days from the member to a notice sent, by ***ordinary*** post, to him/her at his/her last known address, of intent by the credit union to close the account(s). Such share and deposit accounts shall then be transferred to the reserve account. Dividends and interest shall continue to be payable on such accounts.

Agenda Item 18 - Declaration of election results

The Chairperson will declare the results of the elections.

Agenda Item 19 - Other business

The Chairperson will invite members to raise any other business they wish to have discussed.

Agenda Item 20 - Close of Meeting

The Chairperson will formally close the meeting.



OPENING HOURS

	<i>47 Athlunkard Street, Limerick</i>
Monday	10.00 am – 5.00 pm.
Tuesday	10.00 am – 5.00 pm.
Wednesday	Closed (Staff available 9.00am - 5.00pm).
Thursday	10.30 am – 5.00 pm.
Friday	10.00 am – 7.30 pm.
Saturday	10.00 am – 5.00 pm.

CHRISTMAS BUSINESS HOURS 2012

Saturday 22nd December 2012	10.00 am – 3.00 pm.
Monday 24th December 2012	Closed
Tuesday 25th December 2012	Closed
Wednesday 26th December 2012	Closed
Thursday 27th December 2012	10.30 am – 4.00 pm
Friday 28th December 2012	10.00 am – 4.00 pm
Saturday 29th December 2012	10.00 am – 4.00 pm
Monday 31st December 2012	Closed
Tuesday 1st January 2013	Closed
Wednesday 2nd January 2013	Normal opening hours resume.

Please contact one of the staff if;

- **you change your address,**
- **you wish to make or change a nomination of beneficiary,**
- **you require a certificate of interest,**
- **you want to pay by standing order,**
- **you have a problem you want to discuss with us.**

Call to the office during opening hours or phone us at (061) 410422.

Our website address is: www.smpcreditunion.ie



Credit Union Invocation

Lord,

Make me an instrument of Thy peace

where there is hatred, let me sow love;

where there is injury, pardon;

where there is doubt, faith;

where there is despair, hope;

where there is darkness, light;

and where there is sadness, joy.

O Divine Master;

Grant that I may not so much seek to be

consoled as to console;

to be understood as to understand;

to be loved as to love,

for it is in giving that we receive,

it is in pardoning that we are pardoned

and it is in dying that we are born to eternal life.