



Credit Union Limited  
where community matters

Building our future together

NOTIFICATION  
AND  
ANNUAL  
REPORT **2019**

## **Notice of Annual General Meeting**

Notice is hereby given that the Annual General Meeting of Synergy Credit Union Limited will take place in:

**Corrin Event Centre, Corrin, Fermoy  
On Tuesday 10<sup>th</sup> December 2019 @ 8.00 pm**

Members will be required to produce their passbooks for admittance to the meeting.

## **Notice of Elections**

Elections will be held to fill 4 vacancies on the Board of Directors, 2 vacancies on the Board Oversight Committee and the position of Auditor.

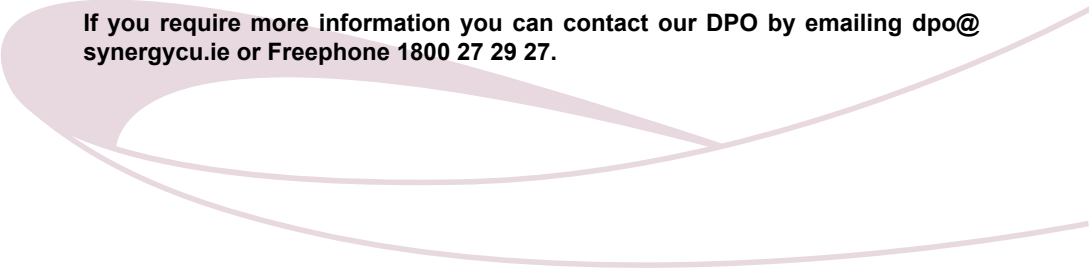
Applications for the position of Director or member of the Board Oversight Committee must be submitted, in writing, to the Nomination Committee on or before 4.00 pm on Friday 6<sup>th</sup> December 2019.

Applicants must be members of the Credit Union and have reached the age of 18 years. Applicants must also meet the eligibility requirements as defined in the Credit Union Act 1997, as amended and also meet Fitness and Probity requirements as per the Bank Reform Act 2010.

## **Data Privacy**

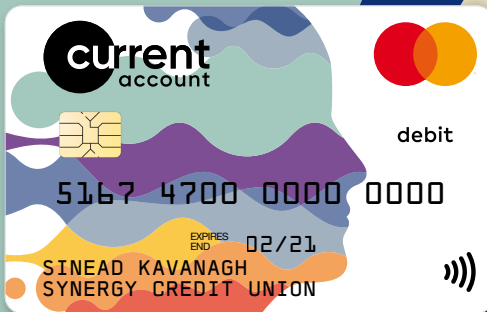
At Synergy Credit Union, we are fully committed to protecting and respecting our members' privacy. Our privacy statement, which is available in any of our branches or to download from our website, sets out the basis on which any personal data we collect from and about you, or that you provide will be processed, used and stored by us.

If you require more information you can contact our DPO by emailing [dpo@synergycu.ie](mailto:dpo@synergycu.ie) or Freephone 1800 27 29 27.



# Introducing Current Account from Synergy Credit Union

- ✓ Same Friendly Service
- ✓ Easy to Sign Up
- ✓ Globally Accepted Debit Card
- ✓ Transparent, Low Fees



## Find out more



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## Agenda

Topic	Time
(a) The acceptance by Board of Directors of the authorised representatives of members that are not natural persons;	8.00 pm to 8.05 pm
(b) Ascertainment that a quorum is present	8.05 pm to 8.10 pm
(c) Adoption of standing orders	8.10 pm to 8.15 pm
(d) Appointment of Tellers	8.15 pm to 8.20 pm
(e) Notice of Motions (Rule Amendments)	8.20 pm to 8.30 pm
(f) Approval (or correction) of the minutes of the 2018 annual general meeting (as circulated)	8.30 pm to 8.35 pm
(g) Report of the Board of Directors	8.35 pm to 8.45 pm
(h) Consideration of the accounts to 30th September 2019	8.45 pm to 9.00 pm
(i) Declaration of dividend and interest rebate	9.00 pm to 9.05 pm
(j) Report of the Auditor	9.05 pm to 9.15 pm
(k) Report of the Board Oversight Committee	9.15 pm to 9.20 pm
(l) Report of the Nomination Committee	9.20 pm to 9.30 pm
(m) Election of Auditor	9.30 pm to 9.35 pm
(n) Election to fill vacancies on the Board Oversight Committee and the Board of Directors	9.35 pm to 9.40 pm
(o) Report of the Credit Committee	9.40 pm to 9.45 pm
(p) Report of the Credit Control Committee	9.45 pm to 9.50 pm
(q) Report of the Membership Committee	9.50 pm to 9.55 pm
(r) Announcement of election results	9.55 pm to 10.00 pm
(s) Any other business	10.00 pm to 10.05 pm
(t) Close of meeting	10.05 pm

## Standing Orders for A.G.M.

### VOTING:

1. Each adult member shall be entitled to one vote irrespective of his/her shareholding. Members aged under the age of sixteen do not have any voting rights. Only the first-named tenant in a joint account may vote unless the members of the joint tenancy nominate the other joint tenant to the account to cast the vote.

### ELECTION PROCEDURE:

2. Elections to the Board of Directors, to the Board Oversight Committee and to the position of Auditor shall be by majority vote and by secret ballot.
3. Tellers shall be proposed by the Chairperson and approved by members attending and voting at the meeting. When nominations are announced the appointed tellers shall distribute ballot papers.  
Nominations shall be in the following order: (a) nominations for auditor, (b) nominations for the Board Oversight Committee and (c) nominations for the Board of 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.  
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 by 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 that have equality of vote.

### 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 Chairman of the meeting, to a maximum of 5 minutes, 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 Chairman to second the motion, to a maximum of 3 minutes.
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 Chairman, to a maximum of 3 minutes.
9. 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.

### 10 – 15 MISCELLANEOUS:

10. The Chairperson of the Board of Directors shall be the Chairperson of any general meeting, except where he/she is not available, then it shall be the Vice-Chairperson, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chairperson of any general meeting.
11. The Chairperson 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 Chairperson.
13. The Chairperson's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
14. In accordance with Standard Rule 132 (1) 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 credit union, 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 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).

## Directors' Report

For the Financial Year Ended 30 September 2019

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

### Principal activity

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

### Authorisation

The credit union is authorised as follows:

- Insurance/reinsurance or ancillary insurance intermediary under the European Union (Insurance Distribution) Regulations, 2018.
- Entitled under the European Union (Payment Services) Regulations 2018 to provide payment services.
- To act on behalf of a payment institution in providing payment services.

### Business review

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

### Dividends and loan interest rebates

The surplus for the financial year is set out in the income and expenditure account on page 15. The directors are proposing a dividend in respect of the year ended 30 September 2019 of €7,402 (0.01%) (2018: €68,316 (0.10%)) and a loan interest rebate of €19,702 (2.5%) on standard rate loans only (2018: €95,321 (5.00%) on all loans).

### Principal risks and uncertainties

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

#### Credit risk

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

#### Lack of loan demand

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

#### Market risk

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

#### Liquidity risk

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

#### Operational risk

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

## **Directors' Report (continued)**

**For the Financial Year Ended 30 September 2019**

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

### **Credit risk**

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

### **Lack of loan demand**

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

### **Market risk**

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

### **Liquidity risk**

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

### **Operational risk**

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

## **Accounting records**

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the credit union are maintained at the credit union's premises at 27/29 Patrick Street, Fermoy, Co Cork.

## **Events after the end of the financial year**

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

## **Auditors**

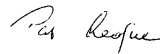
In accordance with Section 115 of the Credit Union Act, 1997 (as amended), the auditors Grant Thornton offer themselves for re-election.

This report was approved by the board on 21<sup>st</sup> October 2019 and signed on its behalf by:

### **On behalf of the Credit Union:**

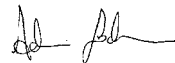
**Chairperson of the Board of Directors: Pat Leogue**

**Date: 21<sup>st</sup> October 2019**



**Member of the Board of Directors: Adrian Godwin**

**Date: 21<sup>st</sup> October 2019**





## **Directors' Responsibility Statement**

**For the Financial Year Ended 30 September 2019**

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

In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reason for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the credit union will continue in business.

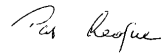
The directors are responsible for ensuring that the credit union keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the credit union, enable at any time the assets, liabilities, financial position and income and expenditure of the credit union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

This statement was approved by the board on 21<sup>st</sup> October 2019 and signed on its behalf by:

**On behalf of the Credit Union:**

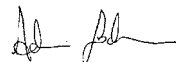
**Chairperson of the Board of Directors: Pat Leogue**

**Date: 21<sup>st</sup> October 2019**



**Member of the Board of Directors: Adrian Godwin**

**Date: 21<sup>st</sup> October 2019**



## Chairperson's Address

On behalf of the Board of Directors, I extend a warm welcome to you, our members, and to our invited guests as I present the annual report and financial statements for the year ended 30th September 2019.

2019 has been a very busy year for Synergy Credit Union. Last year, members were advised that the Board had invested in a Joint Venture Collaboration. On 4th July last, the Minister for Finance formally launched "Metamo", a 50:50 joint venture between 16 investing credit unions incorporated under the name Metacu and Fexco, one of Ireland's largest financial services companies. Metacu credit unions represent over 480,000 members from across the country and combined assets of over €3 billion (c.19% of the sector). The primary objective of Metamo is to support credit union viability and sustainability through the provision of a more modernised suite of financial products including enhanced lending capabilities. Metamo is also uniquely positioned to develop more efficient operating systems for credit unions in areas like process improvement, risk management and technology delivery.

As also advised last year, Synergy Credit Union received approval from the Central Bank of Ireland to provide Member Personal Current Account Services. The new full-service current account includes the globally accepted MasterCard Debit Card with contactless payments, automated regular payments by standing order or direct debit and, subject to credit criteria, the option of an overdraft. I am delighted to confirm that current accounts are now available at your credit union. You can apply online @ [www.synergycu.ie](http://www.synergycu.ie) or in any of the three branches in Fermoy, Cork City or Watergrasshill.

Total assets of Synergy Credit Union as at 30th September have increased by 9.30% to €90,834,119. Loans to members increased by 10.17% to €24,707,605 and represented 27.20% of total assets. Deposits & Investments increased by 9.43% to €65,017,234 to represent 71.58% of total assets.

Member shares increased by 10.36% to €77,108,669. This increase had the effect of reducing our Regulatory Reserve from 12% to 10.98%. Credit Unions are required to maintain a minimum Regulatory Reserve of 10% therefore the Board will shortly be discussing options to address the pressure being placed on the Regulatory Reserve figure by the increase in members' shares.

Income for the year increased by 25.05% to €3,305,536. Interest from members' loans at €1,995,414 represented 78.75% of total income (excluding IBRC income). Total income is inclusive of impairment of loan interest reclassified as bad debt recoveries. Other interest and similar income included €754,000 received from the Irish Bank Resolution Corporation. This is the final tranche owed to Synergy Credit Union from the Anglo-Irish Credit Union Bond and therefore will not be recurring. Excluding that figure our interest income from surplus funds invested came to €533,373 and represented 20.38% of total income.

In short, 27.20% of our total assets (our members' loans) generated 78.75% of our total income whereas 71.58% of our total assets (our Deposits & Investments) generated just 20.38% of our total income. This is the effect of the low investment returns now available and demonstrates how the Credit Union needs all our members to consider the Credit Union first when they have a borrowing need. If we're not lending members' shares to other members, we must try to invest them and there appears to be little hope of those investment returns improving in the foreseeable future.

Our expenditure increased by 90.55% to €2,704,164. Employment costs increased by 23.74% to €1,161,756. This was due to the full year impact of the merged entities and to new roles required to meet our increased regulatory obligations. Last year, we exceptionally released €666,468 from the provision for bad debts. The Board have taken a prudent approach to provisioning this year to cover the possible negative impact of Brexit and macro-economic factors on future loan repayments. This prudent approach has resulted in a 16.65% increase in the provision for bad debts to increase the total provision to €2,135,851. This increase should not be taken as an indicator of increased arrears, it is a prudent approach given the economic uncertainty currently prevailing.

The surplus reported as at 30th September 2019 amounts to €601,372, a decrease of 50.87% on 2018. In the view of the board this is not a sustainable position and immediate action needs to be taken to address this, including a savings management strategy and a review of discretionary costs.

## Chairperson's Address (continued)

At the 2018 AGM a commitment was given to communicate the benefits of life savings, loan protection and death benefit insurances to members. As these insurances are currently under review and new products will shortly becoming available this communication has been deferred until early 2020.

When considering the distribution of surplus, the board must consider the stability of the balance sheet. No transfer is being made to the Regulatory Reserve which is therefore reduced from 12% to 10.98%. Total reserves while at a healthy 14.50% have decreased from the 2018 position of 15.33%.

The Board is recommending the distribution of €7,402 by way of a dividend to members which is the equivalent of 0.01%. It is also proposed to make a repayment in the amount of €19,702 by way of an interest rebate to members who have loans at our standard loan rate of 12%. This is the equivalent of 2.5 % of total loan interest paid by those borrowing members during the financial year.

I wish to thank the volunteers who work tirelessly and spend long hours as members of sub-committees and / or members of the Board. It is a unique feature that has served this and other Credit Unions extremely well for over 50 years. Let's make sure this continues by volunteering whenever possible and, as I said already, by considering your Credit union first when you have any borrowing needs. At Synergy we can now also offer you a credible alternative when it comes to meeting your current account needs, so why go elsewhere?

Synergy Credit Union continues to be very lucky with the calibre of its staff led by our extremely hard-working CEO Martina Cotter. On my own behalf and that of my fellow Board members, I thank Martina, her Management team and all the staff for their continued dedication and their assistance and courtesy always. Your Board will continue to work diligently in the best interests of the Credit Union and will shortly discuss, agree and announce measures to deal with the ongoing poor investment returns and the pressure on our Reserves as a result of the continuing increase in members' shares.

I conclude by thanking the Board members stepping down tonight, Denis Granville, Emily Harrington and Freda Cahill. Denis preceded me as Chair and served 4 years in that role and I want to particularly acknowledge the help and guidance he's given me in the past year. I also welcome those elected to the Board tonight and assure you that you will have the full support of all of us in getting familiar with your new roles.



**Pat Leogue**  
**Chairperson**

## Board Oversight Committee Report

The Board Oversight Committee is pleased to report to you, the members of Synergy Credit Union Limited, in respect of the year ended 30th of September 2019.

Credit Unions are volunteer led and professionally run. The Directors are members themselves and are responsible for appropriate governance arrangements which will protect members' savings.

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 & IV (a) of the Act, any regulations made for the purposes of Part IV & IV (a) of the Act and any other matter prescribed by the Central Bank of Ireland.

During the past year the Board Oversight Committee has discharged its obligations under the Act. Work undertaken by the committee included holding our monthly committee meetings to discuss Credit Union matters and ensuring that the committee was present at all meetings of the Board of Directors. The committee held four quarterly meetings with the Board of Directors in accordance with the Act and we attended various committee meetings throughout the year including the Credit Union's Strategic Planning Programme. It is our view that the Board of Directors have operated in accordance with all legislative and regulatory requirements in all material respects.

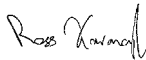
The Board Oversight Committee is satisfied to report that the actions and decisions of the Board of Directors of Synergy Credit Union Ltd, as reviewed, have been found to be compliant with current rules and legislation. Members of the Board Oversight Committee undertake training and professional development throughout the year to ensure that we have the skills and knowledge to discharge our duties.

The Board Oversight Committee would like to thank Ross Kavanagh who is stepping down with effect from this AGM, for his commitment and contributions during his time with the Credit Union. The Board Oversight Committee is actively looking for new volunteers and if anyone is interested in joining please make your interest known to any member of the committee.

We also wish to pay tribute to the outgoing Directors for their very considerable contributions and efforts over the last few years.

Finally, we wish to thank the Board of Directors, the CEO, her management team and the staff for their professionalism, sincerity and support throughout the last 12 months.

**Ross Kavanagh**  
Chairperson



## Statement of Board Oversight Committee's Responsibilities

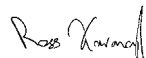
**For the Financial Year Ended 30 September 2019**

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

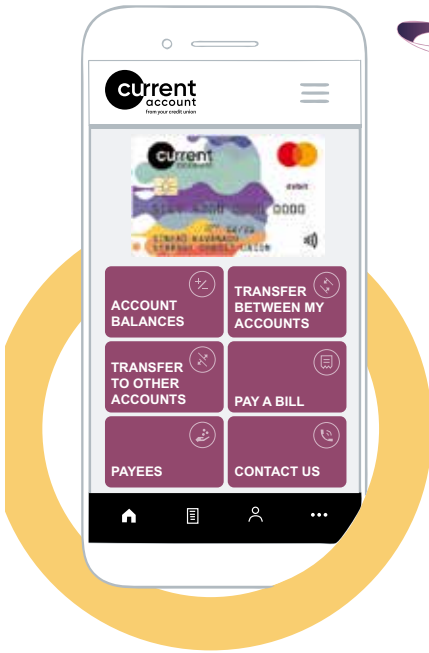
This statement was approved by the board oversight committee on 21<sup>st</sup> October 2019 and signed on its behalf by:

**On behalf of the Board Oversight Committee:**

**Chairperson of the Board Oversight Committee: Ross Kavanagh**



**Date: 21<sup>st</sup> October 2019**



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## Introducing the new current account from your credit union

You can now manage your daily finances no matter where you are in the world. With access to your funds in-branch, online or on the app, Current Account from your credit union gives you all the benefits you expect, but with the personal touch of your trusted credit union.

### Features & Benefits

- ✓ Easy to sign up
- ✓ Globally accepted Mastercard® Debit Card
- ✓ Cashback available at participating retailers
- ✓ Transparent Fees
- ✓ Automate regular payments using Standing Orders & Direct Debits
- ✓ Secure online shopping
- ✓ Same friendly service
- ✓ Use in-store, online or at ATMs
- ✓ Contactless payment
- ✓ Apply for an overdraft from €200 up to a maximum of €5,000
- ✓ No surcharge interest on overdrafts
- ✓ Stay in control with our Mobile App, eStatements and eFee Advices
- ✓ 24/7 support for lost/stolen debit cards

## **Independent Auditors' Report**

**to the members of Synergy Credit Union Limited**

### **Opinion**

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

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

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

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

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the credit union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

### **Other information**

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

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

## **Independent Auditors' Report (continued)**

to the members of Synergy Credit Union Limited

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

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

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

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

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

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

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

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

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

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

## **Independent Auditors' Report (continued)**

**to the members of Synergy Credit Union Limited**

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

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

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

Denise O'Connell  
for and on behalf of  
**Grant Thornton**  
Chartered Accountants  
& Statutory Audit Firm  
Mill House, Henry Street, Limerick

**Date: 21<sup>st</sup> October 2019**



## Income and Expenditure Account

For the Financial Year Ended 30 September 2019

		2019	2018
	Schedule	€	€
<b>Income</b>			
Interest on members' loans		1,995,414	1,682,065
Other interest and similar income	1	1,287,373	940,879
<b>Net interest income</b>		<u>3,282,787</u>	<u>2,622,944</u>
Other income	2	22,749	20,363
<b>Total income</b>		<u>3,305,536</u>	<u>2,643,307</u>
<b>Expenditure</b>			
Employment costs		1,161,756	938,872
Other management expenses	3	1,315,266	1,365,638
Depreciation		151,715	135,315
Net impairment losses/(gains) on loans to members (note 5)		75,427	(1,020,657)
<b>Total expenditure</b>		<u>2,704,164</u>	<u>1,419,168</u>
<b>Surplus for the financial year</b>		<u>601,372</u>	<u>1,224,139</u>

The financial statements were approved and authorised for issue by the board on 21<sup>st</sup> October 2019 and signed on behalf of the credit union by:

**Chief Executive Officer: Martina Cotter**  
Date: 21<sup>st</sup> October 2019

*Martina Cotter*

**Member of the Board Oversight Committee: Ross Kavanagh**  
Date: 21<sup>st</sup> October 2019

*Ross Kavanagh*

**Member of the Board of Directors: Pat Leogue**  
Date: 21<sup>st</sup> October 2019

*Pat Leogue*

The notes on pages 20 to 33 form part of these financial statements.

## Statement of Comprehensive Income

For the Financial Year Ended 30 September 2019

	2019	2018
	€	€
Surplus for the financial year	601,372	1,224,139
Other comprehensive income	-	-
<b>Total comprehensive income for the financial year</b>	<b>601,372</b>	<b>1,224,139</b>

The financial statements were approved and authorised for issue by the board on 21<sup>st</sup> October 2019 and signed on behalf of the credit union by:

**Chief Executive Officer: Martina Cotter**  
Date: 21<sup>st</sup> October 2019

*Martina Cotter*

**Member of the Board Oversight Committee: Ross Kavanagh**  
Date: 21<sup>st</sup> October 2019

*Ross Kavanagh*

**Member of the Board of Directors: Pat Leogue**  
Date: 21<sup>st</sup> October 2019

*Pat Leogue*

The notes on pages 20 to 33 form part of these financial statements.

## Balance Sheet

As at 30 September 2019

	Notes	2019 €	2018 €
<b>Assets</b>			
Cash and balances at bank	6	1,455,310	1,534,739
Deposits and investments – cash equivalents	7	14,930,561	14,257,925
Deposits and investments – other	7	50,086,673	45,154,150
Loans to members	8	24,707,605	22,427,420
Provision for bad debts	9	(2,135,851)	(1,831,007)
Tangible fixed assets	10	1,381,741	1,439,051
Investment in associates	11	265,000	-
Prepayments and accrued income	12	143,080	119,432
<b>Total assets</b>		<b>90,834,119</b>	<b>83,101,710</b>
<b>Liabilities</b>			
Members' shares	13	77,108,669	69,872,071
Members' current accounts	14	2,449	-
Other liabilities, creditors, accruals and charges	15	539,500	475,822
Other provisions	16	10,982	10,842
<b>Total liabilities</b>		<b>77,661,600</b>	<b>70,358,735</b>
<b>Reserves</b>			
Regulatory reserve	18	9,972,205	9,972,205
Operational risk reserve	18	743,134	520,268
Other reserves			
- Realised reserves	18	2,363,545	2,154,184
- Unrealised reserves	18	93,635	96,318
<b>Total reserves</b>		<b>13,172,519</b>	<b>12,742,975</b>
<b>Total liabilities and reserves</b>		<b>90,834,119</b>	<b>83,101,710</b>

The financial statements were approved and authorised for issue by the board on 21<sup>st</sup> October 2019 and signed on behalf of the credit union by:

**Chief Executive Officer: Martina Cotter**

**Date: 21<sup>st</sup> October 2019**

**Member of the Board Oversight Committee: Ross Kavanagh**

**Date: 21<sup>st</sup> October 2019**

**Member of the Board of Directors: Pat Leogue**

**Date: 21<sup>st</sup> October 2019**

*Martina Cotter*  
*Ross Kavanagh*  
*Pat Leogue*

The notes on pages 20 to 33 form part of these financial statements.

## Statement of Changes in Reserves

For the Financial Year Ended 30 September 2019

	Regulatory reserve	Operational risk reserve	Realised reserves	Unrealised reserves	Total
	€	€	€	€	€
<b>As at 1 October 2017</b>	<b>8,247,549</b>	<b>400,034</b>	<b>1,955,609</b>	<b>73,089</b>	<b>10,676,281</b>
Surplus for the year	84,032	95,234	1,021,644	23,229	1,224,139
Dividends and loan interest rebate paid	-	-	(127,510)	-	(127,510)
Transfer of engagements	876,217	25,000	68,848	-	970,065
Transfers between reserves	764,407	-	(764,407)	-	-
<b>As at 1 October 2018</b>	<b>9,972,205</b>	<b>520,268</b>	<b>2,154,184</b>	<b>96,318</b>	<b>12,742,975</b>
Surplus for the year	-	22,866	573,849	4,657	601,372
Dividends and loan interest rebate paid	-	-	(164,328)	-	(164,328)
Payment from reserves	-	-	(7,500)	-	(7,500)
Transfers between reserves	-	200,000	(192,660)	(7,340)	-
<b>As at 30 September 2019</b>	<b>9,972,205</b>	<b>743,134</b>	<b>2,363,545</b>	<b>93,635</b>	<b>13,172,519</b>

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2019 was 10.98% (2018: 12.00%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2019 was 0.82% (2018: 0.63%).

The notes on pages 20 to 33 form part of these financial statements.

## Statement of Cash Flows

For the Financial Year Ended 30 September 2019

		2019 €	2018 €
<b>Opening cash and cash equivalents</b>		<b>15,792,664</b>	<b>16,452,657</b>
<b>Cash flows from operating activities</b>			
Loans repaid by members	8	10,402,568	8,793,605
Loans granted to members	8	(12,939,890)	(10,945,528)
Members' current accounts lodgements		23,957	-
Members' current accounts withdrawals		(21,508)	-
Interest on loans		1,995,414	1,682,065
Investment income		1,287,373	940,879
Bad debts recovered and recoveries		486,554	597,774
Other receipts		22,749	20,363
Dividends paid		(68,195)	(53,856)
Loan interest rebate paid		(96,133)	(73,654)
Operating expenses		(2,484,522)	(2,304,510)
Movement in other assets and liabilities		40,170	178,793
<b>Net cash flows from operating activities</b>		<b>(1,351,463)</b>	<b>(1,164,069)</b>
<b>Cash flows from investing activities</b>			
Cash and investments introduced on transfer of engagements		-	7,370,444
Fixed asset purchases/disposals		(94,405)	(365,580)
Investment in associates		(265,000)	-
Net cash flow from other investing activities		(4,932,523)	(9,895,610)
<b>Net cash flows from investing activities</b>		<b>(5,291,928)</b>	<b>(2,890,746)</b>
<b>Cash flows from financing activities</b>			
Members' shares received	13	64,111,698	56,328,523
Members' shares withdrawn	13	(56,875,100)	(52,933,701)
<b>Net cash flow from financing activities</b>		<b>7,236,598</b>	<b>3,394,822</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>593,207</b>	<b>(659,993)</b>
<b>Closing cash and cash equivalents</b>	<b>6</b>	<b>16,385,871</b>	<b>15,792,664</b>

The notes on pages 20 to 33 form part of these financial statements.

## **Notes to the Financial Statements**

**For the Financial Year Ended 30 September 2019**

### **1. Legal and regulatory framework**

Synergy Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at 27/29 Patrick Street, Fermoy, Co Cork.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

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

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

The following principal accounting policies have been applied:

#### **2.2 Statement of compliance**

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

#### **2.3 Going concern**

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

#### **2.4 Income**

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

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

##### **Deposit and investment income**

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

##### **Other income**

Other income is recognised on an accruals basis.

#### **2.5 Cash and cash equivalents**

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

#### **2.6 Investments**

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

##### **Held at amortised cost**

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

## **Notes to the Financial Statements (continued)**

For the Financial Year Ended 30 September 2019

### **2. Accounting policies (continued)**

#### **Central Bank Deposits**

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

#### **Investments at fair value**

Investments held for trading and investment in stock market shares (i.e. non-convertible preference shares and non-puttable ordinary shares or preference shares) are included in this category. Financial assets at fair value are classified as held for trading if they are acquired for sale in the short term. They are valued at fair value (market value) at the year-end date and all gains and losses are taken to the income and expenditure account.

The fair value of quoted investments is determined by reference to bid prices at the close of business on the balance sheet date. Where there is no active market these assets will be carried at cost less impairment.

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

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

Loans are derecognised when the right to receive cash flows from the asset has expired, usually when all amounts outstanding have been repaid by the member.

### **2.8 Provision for bad debts**

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

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

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

### **2.9 Tangible fixed assets**

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

The credit union adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the credit union. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the income and expenditure account during the period in which they are incurred.

## **Notes to the Financial Statements (continued)**

**For the Financial Year Ended 30 September 2019**

### **2. Accounting policies (continued)**

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

Depreciation is provided on the following basis:

Freehold premises	2% straight line per annum
Furniture and fittings	10% straight line per annum
Computer and office equipment	20% straight line per annum

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

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

#### **2.10 Impairment of assets**

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

#### **2.11 Investments in associates**

Investments in associates are accounted for at cost less impairment.

#### **2.12 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.

#### **2.13 Financial liabilities – members' shares**

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

#### **2.14 Members' current accounts**

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

#### **2.15 Other payables**

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

#### **2.16 Pension costs**

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

#### **2.17 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.



## **Notes to the Financial Statements (continued)**

**For the Financial Year Ended 30 September 2019**

### **2. Accounting policies (continued)**

#### **2.18 Derecognition of financial liabilities**

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

#### **2.19 Regulatory reserve**

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

#### **2.20 Operational risk reserve**

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

The definition of operational risk is the risk of losses stemming from inadequate or failed internal processes, people and systems or from external events. The Directors have considered the requirements of the Act and have considered an approach to the calculation of the operational risk reserve. Synergy Credit Union Limited uses the Basic Indicator Approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the operational risk reserve. Therefore Synergy Credit Union Limited will hold an operational risk reserve which will at a minimum equal 15% of the average positive gross income for the previous three years. For any year in which there was a deficit, this will be excluded from the calculation.

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

#### **2.21 Other reserves**

Other reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members. The other reserves are subdivided into realised and unrealised. The credit union has established a social fund reserve to be used by the credit union for social, cultural and charitable purposes in accordance with section 44 of the Credit Union Act, 1997 (as amended) and this is included in realised reserves. In accordance with the Central Bank guidance note for credit unions on matters relating to accounting for investments and distribution policy, investment income that has been recognised but will not be received within 12 months of the balance sheet date is classified as "unrealised" and is not distributable. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date. The directors have deemed it appropriate that interest on loans receivable at the balance sheet date is also classified as "unrealised" and is not distributable. All other income is classified as "realised".

#### **2.22 Distribution policy**

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

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

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

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

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

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

## Notes to the Financial Statements (continued)

For the Financial Year Ended 30 September 2019

### 2. Accounting policies (continued)

#### 2.23 Taxation

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

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

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

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

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. 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. The net book value of tangible fixed assets subject to depreciation at the year end was €1,381,741 (2018: €1,439,051).

#### **Provision for bad debts**

Synergy Credit Union Limited's accounting policy for impairment of loans is set out in the accounting policy in note 2.8. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and, other external factors such as legal and regulatory requirements. The provision for bad debts in the financial statements at the year end was €2,135,851 (2018: €1,831,007) representing 8.64% (2018: 8.16%) of the total gross loan book.

#### **Investment in associates**

The investment in associates represents Synergy Credit Union Limited's investment in Metacu Management Designated Activity Company. This investment was made for operational purposes. The credit union holds 6.25% Redeemable A Ordinary shares in the company and through the terms of the shareholders agreement agreed between each of the participating credit unions, Synergy Credit Union Limited is deemed to have influence over the operations of this company. Therefore the investment has been accounted for as an investment in an associate.

#### **Operational risk reserve**

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have considered an approach to the calculation of the operational risk reserve. Synergy Credit Union Limited uses the basic indicator approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the minimum operational risk reserve. In addition, the credit union has included in its operational risk reserve a Member Personal Current Account Service operational risk reserve, in accordance with Section 49(3) of the Credit Union Act, 1997 (as amended). The operational risk reserve of the credit union at the year end was €743,134 (2018: €520,268).

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

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

## Notes to the Financial Statements (continued)

For the Financial Year Ended 30 September 2019

### 4. Key management personnel compensation

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

	2019 €	2018 €
Short term employee benefits paid to key management	451,392	434,195
Payments to pension schemes	41,054	32,517
<b>Total key management personnel compensation</b>	<b>492,446</b>	<b>466,712</b>

### 5. Net impairment losses/ (gains) on loans to members

	2019 €	2018 €
Bad debts recovered (net)	(421,457)	(520,608)
Impairment of loan interest reclassified as bad debt recoveries	(65,097)	(77,166)
Movement in bad debts provision during the year	304,844	(666,468)
Loans written off	257,137	243,585
<b>Net impairment losses/(gains) on loans to members</b>	<b>75,427</b>	<b>(1,020,657)</b>

Bad debts recovered (net) is analysed as follows:

	2019 €	2018 €
Bad debt recovered	451,735	542,101
Legal fees associated with the bad debts recovered	(30,278)	(21,493)
<b>Bad debts recovered (net)</b>	<b>421,457</b>	<b>520,608</b>

### 6. Cash and cash equivalents

	2019 €	2018 €
Cash and balances at bank	1,455,310	1,534,739
Deposits & investments (note 7)	65,017,234	59,412,075
Less: Deposit & investment amounts maturing after three months	(50,086,673)	(45,154,150)
<b>Total cash and cash equivalents</b>	<b>16,385,871</b>	<b>15,792,664</b>

### 7. Deposits and investments

	2019 €	2018 €
<b>Deposits and investments – cash equivalents</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	14,930,561	14,257,925
<b>Total deposits and investments – cash equivalents</b>	<b>14,930,561</b>	<b>14,257,925</b>
<b>Deposits and investments – other</b>		
Accounts in authorised credit institutions (Irish and non-Irish based)	38,861,915	36,989,314
Bank bonds	7,646,825	5,651,945
Other	2,960,452	1,975,382
Central Bank deposits	617,481	537,509
<b>Total deposits and investments – other</b>	<b>50,086,673</b>	<b>45,154,150</b>
<b>Total deposits and investments</b>	<b>65,017,234</b>	<b>59,412,075</b>

## Notes to the Financial Statements (continued)

For the Financial Year Ended 30 September 2019

### 8. Financial assets – loans to members

	2019 €	2018 €
As at 1 October	22,427,420	18,291,005
Loans arising on transfer of engagements	-	2,228,077
Loans granted during the year	12,939,890	10,945,528
Loans repaid during the year	(10,402,568)	(8,793,605)
<b>Gross loans and advances</b>	<b>24,964,742</b>	<b>22,671,005</b>
<b>Bad debts</b>		
Loans written off during the year	(257,137)	(243,585)
<b>As at 30 September</b>	<b>24,707,605</b>	<b>22,427,420</b>

### 9. Provision for bad debts

	2019 €	2018 €
As at 1 October	1,831,007	2,052,760
Provisions arising on transfer of engagements	-	444,715
Movement in bad debts provision during the year	304,844	(666,468)
<b>As at 30 September</b>	<b>2,135,851</b>	<b>1,831,007</b>

The provision for bad debts is analysed as follows:

	2019 €	2018 €
Grouped assessed loans	2,135,851	1,831,007
<b>Provision for bad debts</b>	<b>2,135,851</b>	<b>1,831,007</b>

### 10. Tangible fixed assets

	Freehold premises €	Fixtures & fittings €	Computer and office equipment €	Total €
<b>COST</b>				
1 October 2018	1,044,129	1,004,217	1,046,664	3,095,010
Additions	-	22,942	71,463	94,405
<b>At 30 September 2019</b>	<b>1,044,129</b>	<b>1,027,159</b>	<b>1,118,127</b>	<b>3,189,415</b>
<b>Depreciation</b>				
1 October 2018	44,468	781,389	830,102	1,655,959
Charge for year	20,883	31,117	99,715	151,715
<b>At 30 September 2019</b>	<b>65,351</b>	<b>812,506</b>	<b>929,817</b>	<b>1,807,674</b>
<b>Net book value</b>				
<b>30 September 2019</b>	<b>978,778</b>	<b>214,653</b>	<b>188,310</b>	<b>1,381,741</b>
30 September 2018	999,661	222,828	216,562	1,439,051

## 11. Investments in associates

	€
<b>Cost</b>	
At 1 October 2018	-
Additions in the year	265,000
	<b>265,000</b>
<b>At 30 September 2019</b>	<b>265,000</b>
<b>Accumulated impairment</b>	
At 1 October 2018	-
Impairment loss	-
	-
<b>At 30 September 2019</b>	-
<b>Net book value</b>	
<b>30 September 2019</b>	<b>265,000</b>
30 September 2018	-

### Interests in associate

The credit union has interests in the following associate:

Associate	Type of shares held	Proportion held (%)	Net Assets €	Profit or loss €
Metacu Management Designated Activity Company	Redeemable A Ordinary	6.25%	-*	-*

The effect of including this investment as if it had been accounted for using the equity method would be as follows:

	Share of net assets €
At 1 October 2018	-
Investment during the year	265,000
Share of profit/(loss) for the financial year after tax	-*
Share of other comprehensive income	-*
	-
<b>At 30 September 2019</b>	<b>265,000</b>

\*Metacu Management Designated Activity Company commenced trading during 2019 and has not yet prepared its first year financial statements. Consequently the net assets or profit/loss of the company is not yet available.

## Notes to the Financial Statements (continued)

For the Financial Year Ended 30 September 2019

### 12. Prepayments and accrued income

	2019	2018
	€	€
Loan interest receivable	77,528	78,253
Prepayments	65,552	41,179
	<u>143,080</u>	<u>119,432</u>

### 13. Members' shares

	2019	2018
	€	€
As at 1 October	69,872,071	57,807,011
Member savings arising on transfer of engagements	-	8,670,238
Received during the year	64,111,698	56,328,523
Withdrawn during the year	(56,875,100)	(52,933,701)
<b>As at 30 September</b>	<u><b>77,108,669</b></u>	<u><b>69,872,071</b></u>

### 14. Members' current accounts

	2019	2018
	€	€
As at 1 October	-	-
Lodgements	23,957	-
Withdrawals	(21,508)	-
<b>As at 30 September</b>	<u><b>2,449</b></u>	<u><b>-</b></u>
	<b>No. of Accounts</b>	<b>Balance of Accounts</b>
	€	€
Debit	-	-
Credit	16	2,449
Permitted overdrafts	2	1,000

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

	2019	2018
	€	€
Other liabilities, creditors, accruals and charges	510,506	454,981
PAYE/PRSI	28,994	20,841
	<u>539,500</u>	<u>475,822</u>

### 16. Other provisions

<b>Holiday Pay Accrual</b>	<b>2019</b>	<b>2018</b>
	€	€
At 1 October	10,842	7,312
Charged to the income and expenditure account	140	3,530
<b>At 30 September</b>	<u><b>10,982</b></u>	<u><b>10,842</b></u>

## Notes to the Financial Statements (continued)

For the Financial Year Ended 30 September 2019

### 17. Financial instruments

#### 17a. Financial instruments – amortised cost

<b>Financial assets</b>	<b>2019</b>	<b>2018</b>
	€	€
Financial assets measured at amortised cost	90,467,549	81,398,852
<b>Financial liabilities</b>	<b>2019</b>	<b>2018</b>
	€	€
Financial liabilities measured at amortised cost	77,661,600	70,358,735

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, loans and investment in associates.

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

#### 17b. Financial instruments – fair value measurements

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

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

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

<b>At 30 September 2019</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	€	€	€	€
Other	977,600	-	977,600	-
<b>Total</b>	<b>977,600</b>	<b>-</b>	<b>977,600</b>	<b>-</b>
<b>At 30 September 2018</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	€	€	€	€
Other	1,975,382	-	1,975,382	-
<b>Total</b>	<b>1,975,382</b>	<b>-</b>	<b>1,975,382</b>	<b>-</b>

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

## Notes to the Financial Statements (continued)

For the Financial Year Ended 30 September 2019

### 18. Reserves

	Balance 1/10/2018	Payment of dividends and loan interest rebates	Payments from reserves	Appropriation of current year surplus	Transfers between reserves	Balance 30/09/2019
	€	€	€	€	€	€
Regulatory reserve	9,972,205	-	-	-	-	9,972,205
Operational risk reserve	520,268	-	-	22,866	200,000	743,134
<b>Other reserves</b>						
<b>Realised</b>						
Special reserve: dividend and loan interest rebate	163,637	(164,328)	-	27,104	691	27,104
Future dividend reserve	123,767	-	-	-	(103,767)	20,000
General reserve	1,836,780	-	-	546,745	(89,584)	2,293,941
Social fund reserve	30,000	-	(7,500)	-	-	22,500
<b>Total realised reserves</b>	<b>2,154,184</b>	<b>(164,328)</b>	<b>(7,500)</b>	<b>573,849</b>	<b>(192,660)</b>	<b>2,363,545</b>
<b>Unrealised</b>						
Interest on loans reserve	78,253	-	-	-	(725)	77,528
Investment income reserve	18,065	-	-	4,657	(6,615)	16,107
<b>Total unrealised reserves</b>	<b>96,318</b>	<b>-</b>	<b>-</b>	<b>4,657</b>	<b>(7,340)</b>	<b>93,635</b>
<b>Total reserves</b>	<b>12,742,975</b>	<b>(164,328)</b>	<b>(7,500)</b>	<b>601,372</b>	<b>-</b>	<b>13,172,519</b>



## Notes to the Financial Statements (continued)

For the Financial Year Ended 30 September 2019

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

	2019		2018	
	€	%	€	%
<b>Loans not impaired</b>				
Total loans not impaired, not past due	22,412,312	90.71%	19,880,262	88.64%
<b>Impaired loans:</b>				
Not past due	487,930	1.98%	591,346	2.64%
Up to 9 weeks past due	849,583	3.44%	902,025	4.02%
Between 10 and 18 weeks past due	224,621	0.91%	159,902	0.71%
Between 19 and 26 weeks past due	30,649	0.12%	107,253	0.48%
Between 27 and 39 weeks past due	106,509	0.43%	61,940	0.28%
Between 40 and 52 weeks past due	78,947	0.32%	63,162	0.28%
53 or more weeks past due	517,054	2.09%	661,530	2.95%
<b>Total impaired loans</b>	<b>2,295,293</b>	<b>9.29%</b>	<b>2,547,158</b>	<b>11.36%</b>
<b>Total loans</b>	<b>24,707,605</b>	<b>100.00%</b>	<b>22,427,420</b>	<b>100.00%</b>

### 20. Related party transactions

#### 20a. Loans

	2019		2018	
	No. of Loans	€	No. of Loans	€
Loans advanced to related parties during the year	12	78,850	20	136,303
Total loans outstanding to related parties at the year end	20	163,688	25	228,616
Total provision for loans outstanding to related parties		6,420		1,789

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

Total loans outstanding to related parties represents 0.66% of the total loans outstanding at 30 September 2019 (2018: 1.02%).

#### 20b. Savings

The total amount of savings held by related parties at the year end was €211,807 (2018: €204,949).

## Notes to the Financial Statements (continued)

For the Financial Year Ended 30 September 2019

### 20c. Transactions involving directors

There were no transactions involving directors during the year ended 30 September 2019. Synergy Credit Union Limited purchased furniture and office supplies in the amount of €600 and €1,850 from Oak Tree Financial Limited and Simply Office Solutions Limited respectively during the year ended 30 September 2018. Adrian Godwin (Director of Synergy Credit Union Limited) is a Director of Oak Tree Financial Limited and was a Director of Simply Office Solutions Limited when these purchases were made.

### 21. Additional financial instruments disclosures

#### 21a. Financial risk management

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

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

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

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

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

#### 21b. Liquidity risk disclosures

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

#### 21c. Interest rate risk disclosures

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

	2019		2018	
	Average interest rate	Average interest rate	Average interest rate	Average interest rate
	€	%	€	%
Gross loans to members	<u>24,707,605</u>	9.07%	<u>22,427,420</u>	9.13%

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

## Notes to the Financial Statements (continued)

For the Financial Year Ended 30 September 2019

### 22. Dividends and loan interest rebate

The following distributions were paid during the year:

	%	2019 €	%	2018 €
Dividend on shares	0.10%	68,195	0.10%	53,856
Loan interest rebate	5.00%	96,133	5.00%	73,654

The directors propose the following distributions in respect of the year:

	%	2019 €	%	2018 €
Dividend on shares	0.01%	7,402	0.10%	68,316
Loan interest rebate (2019: on standard rate loans only (2018: on all loans))	2.50%	19,702	5.00%	95,321

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

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

### 24. 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).

### 25. Capital commitments

There were capital commitments as at 30 September 2019 to upgrade computers and servers for approximately €25,000.

### 26. Contingent liabilities

**26a.** In September 2018, the Registry of Credit Unions advised all credit unions of a potential matter in relation to accrued interest outstanding on certain top-up loans which may have led to a potential over-collection of interest. The credit union has commenced a review to ascertain whether any top-up loans made to members might be impacted by these circumstances, and if so, to determine what actions may need to be taken. Consequently it is impracticable at this time to estimate the impact, financial or otherwise, if any, of this matter and whether any net amounts will become payable or not in the future.

**26b.** There is a contingent liability included in the Letter of Authority held by Bank of Ireland with regard to an Electronic Funds Transfer in the amount of €100,000.

### 27. Comparative information

Comparative information has been reclassified where necessary to conform to current year presentation

### 28. Approval of financial statements

The board of directors approved these financial statements for issue on 21<sup>st</sup> October 2019.

## Schedules to the Income and Expenditure Account

For the Financial Year Ended 30 September 2019

The following schedules do not form part of the statutory financial statements which are the subject of the Independent Auditors Report on pages 12 to 14.

### Schedule 1 – Other interest income and similar income

	2019	2018
	€	€
Investment income and gains received/receivable within 1 year	1,282,716	930,658
Investment income receivable outside of 1 year	4,657	10,221
<b>Total per income and expenditure account</b>	<b>1,287,373</b>	<b>940,879</b>

### Schedule 2 – Other income

	2019	2018
	€	€
Commissions and sundry income	17,494	20,363
ECCU refund	5,255	-
<b>Total per income and expenditure account</b>	<b>22,749</b>	<b>20,363</b>

### Schedule 3 – Other management expenses

	2019	2018
	€	€
Rent and rates	23,074	18,410
Light and heat	16,295	18,238
Repairs and office administration	117,101	91,702
Printing and stationery	35,802	31,163
Postage and telephone	18,822	17,719
Donations and sponsorship	37,121	20,679
Promotion and advertising	60,729	45,136
Training costs	25,470	28,347
AGM and convention expenses	30,595	25,739
Travel and subsistence	26,988	24,872
Affiliation and associated fees and repayments and SPS fund	53,241	20,064
Deposit guarantee scheme	62,229	60,848
Audit fee	22,140	22,140
General insurance	40,205	32,629
Share and loan insurance	208,807	219,136
Death benefit insurance	137,172	74,839
Computer and software maintenance	133,277	78,232
Regulatory levies	76,788	47,128
Legal and professional fees	123,939	83,172
Cash under/(over)	839	903
Board and board oversight expenses	10,120	10,916
Bank charges	53,317	50,539
Miscellaneous expenses	1,195	2,192
Social fund reserve expenditure	7,500	-
Part utilisation of the social fund reserve	(7,500)	-
Transfer of engagements costs	-	64,633
Research and product development	-	276,262
<b>Total per income and expenditure account</b>	<b>1,315,266</b>	<b>1,365,638</b>

## Minutes from the Annual General Meeting 2018

Minutes of the Annual General Meeting of Synergy Credit Union Ltd which took place on Tuesday 11th December 2018 at 8pm in Corrin Event Centre, Corrin, Co. Cork.

The Chairperson, Denis Granville extended a welcome to members and invited guests to the 53rd Annual General Meeting of the Credit Union. He went on to say that the attendance serves to remind us of the pivotal role that Synergy Credit Union plays in the community. The Chairperson confirmed the attendance of 93, and the meeting as being quorate. The Chairperson formally opened the meeting and confirmed no authorities were presented to the Board in respect of non-natural persons.

### **STANDING ORDERS:**

The Chairperson called upon Joe Tobin, Chairperson of the Standing Order Committee to propose the adoption of the Standing Orders. Joe Tobin proposed the adoption of the standing order, this proposal was seconded by John O'Brien. Unanimously agreed.

### **APPOINTMENT OF TELLERS:**

The Chairperson proposed the appointment of the following tellers: Stephen Geary, Veronica Scanlon, Mary O'Farrell and Karen Allen. Virginia Hyvernat was proposed from the floor. The vote for the appointment of tellers was unanimous.

### **NOTICE OF MOTIONS:**

The Chairperson advised the members that the Notice of Motions was circulated on page 2 of the Annual Report.

The following motions were put forward to the membership:

#### **Motion Number 1:**

Board of Directors membership and General Provisions.

The Rule 42 of Synergy Credit Union Ltd., is hereby amended to read:

"At the time of the adoption of these rules the Board of Directors has consisted of nine members, all of whom shall be members of the Credit Union."

This was seconded by Patrick Higgins. All in favour.

#### **Motion Number 2:**

Board Oversight Committee. Board Oversight Committee Membership and General Provisions.

That Rule 53.1 of Synergy Credit Union Ltd., is hereby amended to read:

"The Credit Union shall have a Board Oversight Committee which shall consist of three members" This was seconded by Amanda Richards. All in favour.

#### **Motion Number 3:**

Synergy Credit Union Social Fund.

That the purpose of the Synergy Credit Union Social Fund is amended to read:

"In accordance with Section 441 of the Credit Union Act 1997 as amended, the Social Fund shall be used by the Credit Union for social, cultural or charitable purposes including community development"

This was seconded by John O'Brien. All in favour.

#### **Motion Number 4:**

Amendment to the Standard Rules arising from the League AGM of 2018.

That this AGM amends the standard rules of Credit Unions of the Republic of Ireland by the deletion of Rule 1098.

Rule 109(8)

"Subject to the Act and any regulations made thereunder the forms used by the Credit Union shall contain as a minimum the information set out in the forms contained in the Appendices to these rules which forms may be amended from time to time by the Irish League of Credit Unions."

Seconded by Amanda Richards. All in favour.

### **MINUTES OF THE 2017 AGM:**

The Chairperson then called upon Adrian Godwin to propose the adoption of the minutes of the 2017 Annual General Meeting as circulated on pages 33 to 35 of the Annual Report. Adrian Godwin proposed the adoption of the 2017 minutes, this proposal was seconded by John O'Brien. Unanimously agreed.

### **REPORT OF THE BOARD OF DIRECTORS.**

The Chairperson went on to give the Chairpersons address as circulated on pages 7 and 8 of the Annual Report:

The adoption of the Chairpersons address was proposed by John O'Brien and seconded by Pdraig Gubbins.

## Minutes from the Annual General Meeting 2018 (continued)

### **PRESENTATION OF ACCOUNTS:**

The accounts for the year ending the 30th September 2018 were presented to the meeting by Adrian Godwin.

Proposed by Adrian Godwin. Seconded by: Stephen Geary

Proposed Dividend of 0.1%. - Proposed by Adrian Godwin Seconded by: John O'Brien

Loan Interest Rebate of 5% - Proposed by: Adrian Godwin Seconded by: Virginia Hyvernat

### **AUDITORS REPORT:**

Marina Fitzgerald of Grant Thornton presented the Auditors Report.

Proposed by: John O'Brien Seconded by: Betty Moore.

### **REPORT OF THE BOARD OVERSIGHT COMMITTEE:**

Mr. Ross Kavanagh presented and proposed the adoption of the report of the Board Oversight Committee for the year ended 30th September 2018 as circulated on page 9 of the annual report. The adoption was seconded by Amanda Richards.

### **REPORT OF THE NOMINATION COMMITTEE:**

Veronica Gubbins presented the report of the Nomination Committee and on behalf of the committee proposed the following:

Position of Auditor – Grant Thornton have offered themselves and are eligible for re-election to the position of auditor.

Board Oversight Committee – There is one vacancy and one valid nomination.

- Ross Kavanagh

Board of Directors - There are five vacancies and five valid nominations.

- Ray Alley
- Catherine Buckley
- Freda Cahill
- Mairead Clancy
- Triona O'Flynn

Veronica confirmed that all candidates have been accessed under the Fitness & Probity requirements with no issues arising.

Veronica proposed the report of the Nomination Committee, seconded by Pauline Wilson.

### **ELECTIONS:**

Elections were held for the positions on the Board of Directors, Board Oversight Committee and Auditor. The appointed tellers supervised the voting and collection of ballot papers. The tellers adjourned to count the ballots cast.

### **REPORT OF THE CREDIT COMMITTEE:**

Pat Leogue proposed the adoption of the report of the Credit Committee as presented. Seconded by Tim Barry. Unanimously Agreed.

### **REPORT OF THE CREDIT CONTROL COMMITTEE:**

Adrian Godwin proposed the adoption of the report of the Credit Control Committee as presented. Seconded by: Mr. John O'Brien.

### **REPORT OF THE MEMBERSHIP COMMITTEE:**

Pat Leogue proposed the adoption of the report of the Membership Committee as presented. Seconded by: Pauline Wilson.

### **ELECTION RESULTS:**

The Chairperson confirmed that:

Grant Thornton had been approved as Auditors.

Elected to the Board Oversight Committee: Ross Kavanagh.

Elected to the Board of Directors: Triona O'Flynn, Catherine Buckley, Mairead Clancy, Ray Alley and Freda Cahill.

### **ANY OTHER BUSINESS:**

Presentations were made to retiring directors Veronica Scannell, Paul O'Meara, Jessie Duggan, Nora Buckley, Veronica Gubbins and Patrick Higgins.

### **CLOSE OF MEETING:**

The Chairperson thanked the members for attending the meeting and for having a productive meeting. He then closed the meeting.

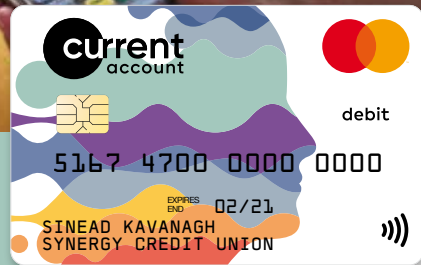
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P126AE 07/19



# current account

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