



CARRICKMACROSS
CREDIT UNION LTD.

ANNUAL REPORT

2016



YOUR
CREDIT UNION
IN SAFE HANDS



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.

CONTACT DETAILS

Carrickmacross Credit Union Limited
15 & 17 O'Neill Street
Carrickmacross
Co. Monaghan

Telephone: 042 9661937
Fax: 042 9663928
Email: info@carrickmacrosscu.ie
Web: www.carrickmacrosscu.ie

Chairperson Vice Chairperson Secretary

Marie Brady
Mark Clarke
Aileen Devine

Board members

Marie McNally, Paul Duffy, Dermot Conlon,
Una Curley, Brian Duffy, Brenda Carragher,
Adele Ward and Charlie Murtagh

Board Oversight Committee

Patricia Fenix – Chairperson
Una Clarke – Secretary
Marie McKeown

CEO

Marian McEnaney

Management Team

Noeleen Byrne- Member Services Officer
Irene Marron – Staff Officer
Audrey O'Reilly - Credit Controller
Brid Treacy – Credit Controller
Niamh Kieran – Risk and Compliance Officer

Office Clerks

Eileen Winters, Kathleen Kiernan,
Kathryn McClure, Lorraine Rooney
Aisling Martin, Edel Lynch and Carmel Clarke

Auditor

T. D. Fitzpatrick C.P.A.
77 Merrion Square, Dublin 2

Internal Auditor

FMB Chartered Accountants, Longboat,
56 Sir John Rogerson's Quay, Dublin 2

Solicitors

Enda P. O'Carroll	Pierce & Fitzgibbon
Main Street	Market Square
Carrickmacross	Listowel
Co. Monaghan	Co. Kerry

OFFICE HOURS

Monday	9.30 a.m. - 5.00 p.m.
Tuesday	10.00 a.m. – 5.00 p.m.
Wednesday	CLOSED
Thursday	9.30 a.m. - 5.00 p.m.
Friday	9.30 a.m. – 5.00 p.m.
Saturday	9.30 a.m. – 4.00 p.m.



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Members of Carrickmacross Credit Union Limited will take place in, **Inver College, Carrickmacross** on **Monday, 12th December** at **8pm**.

PLEASE BRING THIS BOOKLET WITH YOU.

ORDER OF BUSINESS AT ANNUAL GENERAL MEETING

- | | |
|---|--|
| (a) The acceptance by the Board of Directors of the authorised representatives of Members that are not natural persons; | (j) Declaration of dividend and rebate of interest; |
| (b) Ascertainment that a quorum is present; | (k) Report of the Credit Committee; |
| (c) Adoption of Standing Orders; | (l) Report of the Membership Committee; |
| (d) Reading and approval (or correction) of the minutes of the last Annual General Meeting ; | (m) Report of the Nomination Committee; |
| (e) Appointment of Tellers; | (n) Election of Auditor; |
| (f) Report of the Board of Directors; | (o) Election to fill vacancies on the Board Oversight Committee; |
| (g) Consideration of Accounts; | (p) Election to fill vacancies on the Board of Directors; |
| (h) Report of the Auditor; | (q) Any Other Business; |
| (i) Report of the Board Oversight Committee; | (r) Announcement of the election results; |
| | (s) Adjournment or close of meeting. |

The Members assembled at any Annual General Meeting may suspend the Order Of Business upon a two-thirds (2/3) vote of the Members present at the meeting.

Aileen Devine **Honorary Secretary**

FREE DRAW

PRIZES FOR MEMBERS ATTENDING ON THE NIGHT.

NO TICKETS DISTRIBUTED AFTER 8.30 P.M. ONE TICKET PER PERSON PERMITTED. DRAW MAY TAKE PLACE AT ANY TIME.

Statement of Directors' Responsibilities

The Credit Union Act's 1997-2012 requires the Directors to prepare financial statements for each financial year which give a true and fair view of the statement 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:

- i) select suitable accounting policies and then apply them consistently;
- ii) make judgements and estimates that are reasonable and prudent;
- iii) prepare the financial statements on a going concern basis unless it is
- iv) inappropriate to presume that the Credit Union will continue in business.

The Directors are responsible for keeping proper accounting records 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's 1997-2012. 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.

Chairperson

Marie Brady

Secretary

Aileen Devine

Statement of Board Oversight Committee Responsibilities

The Credit Union Acts 1997-2012 requires the appointment of a Board Oversight Committee to assess whether the Board of Directors has operated in accordance with Part IV, Part IV (A) and any regulations made for the purposes of Part IV or Part IV (A) of the Credit Union Acts 1997 and 2012 and any other matter prescribed by the Bank in respect of which they are to have regard to in relation to the Board.

Chairperson

Patricia Fenix

Secretary

Una Clarke



Chairperson's Report to the AGM 2016

Firstly, I would like to welcome you all to the 53rd AGM of Carrickmacross Credit Union. It is hard to believe that another year has passed us all by, but it has been another good year for our Credit Union which is reflected in the accounts which we will go through.

Carrickmacross Credit Union - Strategic Plan

Carrickmacross Credit Union is fully committed to setting out and achieving our goals outlined in the Strategic Plan (2015 – 2018). We strive to satisfy the needs of our members and to remain competitive in the market place as we continue to grow and develop our business. The Strategic plan sets out how we achieve this growth through the use of key performance indicators. The performance of these objectives are measured and reviewed on a quarterly basis by the Board of Directors in conjunction with the Management Team. As objectives are achieved, new key business models are explored and incorporated into the plan.

Our current objectives for 2017 include:

- Developing the business of our Credit Union
- Product Development
- Educate our Members
- Excel at customer service
- Compliance and the Central Bank
- Impact of Brexit

In 2016 Carrickmacross Credit Union held an open day where we launched our new website, which I hope you have taken time out to explore. There are many new enhancements to our site allowing easier navigation around our products and services. These improvements include a loan calculator which enables our members to work out their repayments on a given loan and provides a summary of schedule repayments. The website also assists members to log on to our on line services, which can also be accessed through our mobile app with the use of an iPhone or Android smart phone.

Please visit our website and feel free to contact us, if you feel there is any information or improvements which you would like to include. I want to thank the Management, Staff and Directors who worked on developing our website this year.

Financial Performance

Once again our Credit Union has had a successful year financially and operationally. With signs of improvement in the economy, we have seen a steady growth in our loan book in the last twelve months. We wish to continue and improve on this growth, reminding you, our members to check our competitive rates across all our loans products. We continue to promote all our loans including car loans, home loans and student loans, so I would ask you to please call in and talk to a member of our team who will assist you in your queries.

Our investment portfolio generated income of €1.6m in 2016. This represented a solid return of 2.7% against a backdrop of increasingly adverse interest rates. Credit Unions are extremely limited with their investment portfolio, but with the help of our advisors Davy, we will always strive to build our portfolio to benefit you, the member. Our Portfolio of €87m is well positioned. At all times, we strive to minimise any risk to the investments in Carrickmacross Credit Union. Our portfolio is fully compliant with all investments limits specialised under new Regulations which were published earlier this year.

Our proposed dividend for 2016 is 0.5%. In the context of the backdrop of zero interest rates this reflects positively on our Credit Union and our commitment to our members who are our key priority. The Board and Investment Committee will continue to ensure that our member's savings remain safe and secure. To award our borrowing members we are also proposing a 10% Loan Interest Rebate.

Car Draw - we again asked our members to show an expression of interest in the setting up of this draw in our Credit Union. We needed a minimum of 3,000 members to sign up for the draw in order for it to be self-financing, but unfortunately we fell way short with only 800 members indicating their interest and therefore it was not possible to go ahead.

Community Fund

In 2016 we had 9 applications and we approved €47,754. The terms, conditions and application for this fund is available on our website. If you feel your organisation meets the criteria for Capital Funding - please visit our website or ask a member of staff.

Ongoing Education

Carrickmacross Credit Union continues to promote and support the further education of our Staff and Directors. This year we congratulate Noeleen on obtaining QFA Diploma qualification and Niamh on achieving her Certificate in CUC and CUG which were awarded by the LIA. Congratulations to them both on their achievements and we wish our members of staff who are currently working on their relevant qualifications continued success in their studies in the year ahead.



I would like to take this opportunity to mention one of our former Directors, Teresa Hunt, who passed away very recently. Teresa served 35 unwavering years on the Board of Carrickmacross Credit Union. She joined in 1970 and during her term she worked on many committees. Teresa took particular interest in our new current building. She was instrumental in the purchasing of Mohans Premises next door to our old Credit Union Office and took pride of place on the Building Committee. She chose many pieces of fine furniture for our Boardroom and throughout our building. There are many touches recommended and brought about by her excellent eye for detail. We pass condolences to her family and may she rest in peace.

Conclusion.

While remembering Teresa, I would also like to take this opportunity to remember all of our members who have died or suffered bereavements in the last twelve months. We extend our sincere sympathy to their families. To those who are sick and suffering, we remember them too and wish them a speedy recovery.

I want to say a huge thank you to our CEO Marian, her Management Team and all of the Staff for all of their work and support during the year. No job is too big or too small for them to take on and complete, and I know you the members appreciate their assistance when you visit your Credit Union.

Thank you to our Board Oversight Committee who oversee our Board of Directors and report back on a regular basis. Thank you to our Auditor Trevor Fitzpatrick for his professional help during the year.

To my fellow Directors who all bring a vast amount of experience to the Board and who work tirelessly for your Credit Union, I want to thank them for their support and commitment.

Finally, this is your Credit Union and I thank all members here tonight and at home who continue to support your Credit Union. I wish you all health and happiness.

Marie Brady
Chairperson

Credit Control Committee Report 2016

The Credit Control Committee is appointed by the Board of Directors to monitor slow and non-paying loan accounts. The Committee meets on a regular basis and attends meetings with the Credit Control staff to discuss the overall credit control figures and to agree actions on specific member accounts where appropriate. We report monthly to the Board of Directors.

Funding for loans to members comes directly from the savings of the entire Membership. Mindful of the fact that these savings must be safeguarded, the Committee makes every effort to ensure that repayment agreements are maintained as promised. Interest on loans provides the main income for our Credit Union so the primary focus of the Committee is to ensure that all loans are repaid and that borrowing members are adhering to the commitments they made when taking out their loans. Where it is discovered that members are not repaying as agreed, letters are sent in the first instance. Failure to respond to written correspondence then results in telephone calls or personal visits being made. It is only when all avenues open to the Committee are exhausted, do we consider the use of legal action for the recovery of the debt. We do not take this step lightly but borrowers must remember that the money they borrow is that of another member.

It is appreciated that changes in financial circumstances can occur at any time and we encourage any member having difficulty with loan repayments to contact the Credit Control Team immediately. Please do not ignore the problem. Our staff welcome members into the office to discuss, in confidence, any needs and problems of a financial nature and to work out a possible solution together. We urge members to engage with us in good time, before a problem gets out of control.

We heartily commend all borrowers who continue to honour their loan repayment commitments. We also commend those borrowers whose repayments fell into arrears and who engage fully with the Credit Control Team in order to resolve their difficulties. The Committee wishes to thank the Manager, Credit Control staff and Assistant and fellow Directors for their kind assistance during the year.

Aileen Devine, Paul Duffy, Dermot Conlon
Credit Control Committee

Credit Committee Report 2016

The Board of Directors appoint annually a Credit Committee who decide on applications for credit. This Committee is also ably assisted by two Credit Officers who operate within defined limits and authority however, the Credit Committee retains the overall responsibility for all loans. During the year the Board of Directors revised and updated Carrickmacross Credit Union's Lending Policy.

This year we had an exceptional increase in our loan book which increased by 11%. This has been attributed mainly to the hard work of our marketing team who worked diligently throughout the year at aiming to increase the loan book which had formed part of our Strategic Plan. We have exceeded all our expectations for the year and we will endeavour to pursue this growth through 2017. Member confidence has also been attributed to this significant growth and we thank you the borrowing members for letting us be YOUR KEY LENDER (our marketing theme for 2016).

WE HAVE A VARIETY OF LOAN PRODUCTS ON OFFER TO YOU THE MEMBER

- 10% Standard Lending Rate- Housing Loans, Agriculture and Small Business
- 6.99% Loans up to €5,000 net of shares
- 5.99% for all secured lending (loans fully secured by shares)
- 7.25% Special Car Loan Rate
- 5.99% for student loans up to €3,000 – max term 2 years
- 5.99% €2,000 1 year multi-loan

LOANS ISSUED DURING 2015-2016

Secured Loans (fully secured by shares)	2,187,177	Standard Car Loan Rate	889,138
Home Improvements	1,326,153	Building/Buying a house	539,000
Loans €5k (net of shares)	1,658,689	Wedding Expenses	280,500
Special rate Car Loans	1,043,700	Miscellaneous Loans	706,959
		TOTAL LOANS ISSUED	8,631,316

The Credit Committee would like to thank all the Members who co-operated with our lending policy and supplied the necessary additional information required to the support the loan applications. All of this additional information is required to ensure that our underwriting processes are adhered to and that we are compliant with our lending policy whilst protecting the Members' savings which we loan out at all times.

In conclusion we thank you the Members for your support during the year. We wish to express our sincere gratitude to the Board of Directors, the Loans Officers and Staff for their co-operation and assistance at all times.

Credit Committee

Marie McNally, Marian McEnaney, Brian Duffy and Adele Ward.

COMMUNITY FUND INITIATIVE



Carrickmacross Credit Union set up a special fund back in 2013. This fund is used to support worthy local projects for social, cultural, sporting or educational purposes. Since the initiative has been set up we have approved the sum of € 80,404 for local community projects. This funding is available for proposed and new projects but specifically excludes funding for any of the annual running costs of an organisation. For example, such projects might include the enhancement of the premises used by an organisation, the acquisition of equipment or support for a musical or cultural event.

The fund is open to all community or voluntary groups, local clubs or associations, not-for-profit and charitable organisations working at a local level within our common bond area. The common bond area is an area within a five mile radius of Carrickmacross.

We invite eligible organisations with a suitable project to apply to the fund for assistance with their particular projects. Application forms and terms and conditions are available from the Credit Union Office and can also be downloaded from our website at www.carrickmacrosscu.ie.



Director's Report

PRINCIPAL ACTIVITIES

The principal activities of the Credit Union involve the acceptance of members' shares/deposits and lending to members in accordance with legislation and criteria determined by the Irish League of Credit Unions and the Board of Directors of Carrickmacross Credit Union Limited.

AUTHORISATION

It is best practice to list any additional authorisation held by the Credit Union such as authorised to conduct investment business (arrange life insurance and pension policies for members), undertake foreign exchange transactions or arrange mortgage products for members.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

This should include comment on the level of business for the year and a look forward to the expected level of activity next year. Comment should also be made as to the soundness of the Credit Unions finances and its ability to trade into the future.

RESULTS AND DIVIDENDS

The Statement of Comprehensive Income and the Balance Sheet for the year ended 30 September 2016 are set out on pages 16 and 18. The Directors recommend payment of a dividend of 0.50% for the year and an interest rebate of 10%

PRINCIPAL RISKS AND UNCERTAINTIES

The Credit Union is fully aware of the industry relevant principal risks and challenges facing the business on a daily basis; primarily being:

- loan default
- not lending a sufficient proportion of funds so that too much of the Credit Unions resources are tied up in investment products;
- poor performance of investments;
- membership/common bond
- regulation and compliance
- insufficient cash resources to meet day to day running costs
- increase in savings/deposit withdrawal (liquidity risk).

Directors And Board Oversight Committee

The Directors and Board Oversight Committee of the Credit Union at 30 September 2016 and during the year are listed below:

DIRECTORS

Marie Brady
Mark Clarke
Aileen Devine
Marie McNally
Paul Duffy
Dermot Conlon

Chairperson
Vice-Chairperson
Secretary

Una Curley
Brian Duffy
Brenda Carragher
Adele Ward
Charlie Murtagh

BOARD OVERSIGHT COMMITTEE

Patricia Fenix
Una Clarke

Chairperson
Secretary

Marie McKeown

In accordance with Section 53 of the Credit Union Act 1997, the following Directors retire from the Board and, being eligible, offer themselves for re-election.

- Brenda Carragher • Paul Duffy • Aileen Devine
- Una Curley • Marie McNally • A.N.O.

In accordance with Section 58 of the Credit Union Act 1997, the following members of the Board Oversight Committee retire and, being eligible, offer themselves for re-election.

- Una Clarke

NOTICE OF INTENTION TO CHANGE AUDITOR

In accordance with Section 117 of the Credit Union Act 1997, (as amended) (Resolutions relating to appointment and removal of Auditors), the Board of Directors is proposing to change the Auditor of Carrickmacross Credit Union at the forthcoming Annual General Meeting.

On Behalf of the Board

Marie Brady **Director**, Aileen Devine **Director**,
21st November 2016

This report is made solely to the members of Carrickmacross Credit Union Limited, as a body, in accordance with Section 120 of the Credit Union Acts 1997 - 2012. Our audit work has been undertaken so that we might state to the Credit Union 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 members as a body, for our audit work, for this report or for the opinions we have formed.



Independent Auditors' Report to the members of Carrickmacross Credit Union Limited

We have audited the Financial Statements of Carrickmacross Credit Union Limited for the year ended 30 September 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law, including the Credit Union Act, 1997 - 2012 and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Credit Union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any material misstatements or inconsistencies, we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the Financial Statements:

- give a true and fair view of the state of the Credit Union's affairs as at 30 September 2016 and of its income and expenditure for the year then ended
- Have been prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- Have been properly prepared so as to conform to the requirements of the Credit Union Acts 1997 to 2012 and the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

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

We have availed of provisions available for Small Entities by engaging in the provision of non-audit services to the Credit Union. We have applied appropriate safeguards to reduce any self-review threat to an acceptable level as required by APB Ethical Standard 5.

DONAL LYCETT C.P.A.

DATE: 21st November 2016

TD Fitzpatrick Certified Public Accountants
& Statutory Auditors
77 Merrion Square
Dublin 2

AMENDMENTS TO STANDARD RULES ARISING FROM LEAGUE AGM 2016

That this annual general meeting agrees to amend to amend Rule 13(2) of The Standard Rules of Credit Unions (ROI) to read as follows:

- (2) A person shall be treated as having the qualification required for admission to membership of the credit union if he is a member of the same household as, and is a member of the family of, another person who is a member of the credit union and who has a direct common bond with those other members. However, a child or step-child of a member, where such child or step-child is under the age of 18 years and living outside the common bond but resident in the Republic of Ireland or the United Kingdom, shall not be precluded from membership of the Credit Union.



STATEMENT OF COMPREHENSIVE INCOME

INCOME	Notes	30-Sep-16 €	30-Sep-15 €
Interest on Members' Loans	Schedule 1	1,200,206	1,169,035
Other Interest Received	Schedule 2	1,662,795	2,225,193
Other Income	Schedule 3	41,946	41,924
Total Income		2,904,947	3,436,152
EXPENDITURE			
Salaries		587,587	565,588
Other Management Expenses	Schedule 5	895,589	842,173
Depreciation		24,977	26,620
Movements on Investments	Schedule 4	-1,305,459	983,358
Release of Provisions		-422,063	-463,157
Bad Debts Recovered		-102,011	-107,733
Bad Debts Written Off		44,653	209,025
Total Expenditure		-276,727	2,055,874
Excess of Income over Expenditure for year		3,181,674	1,380,278
ADD			
Undistributed Surplus 01 October 2015		8,677,742	8,768,008
Total		11,859,416	10,148,286

STATEMENT OF COMPREHENSIVE INCOME

	30-Sep-16	30-Sep-15
Excess of Income over Expenditure for the period	3,181,674	1,380,278
Other Comprehensive Income	0	0

On behalf of the Credit Union: -

Marian McEnaney

Marian McEnaney

CEO

Patricia Fenix

Patricia Fenix

Member of Board
Oversight Committee

Marie Brady

Marie Brady

Member of Board of
Directors

Date: 21st November 2016

Membership Committee Report

Our Board of Directors appoint a Membership Committee annually to approve membership applications in accordance with Section 5 Rules 13 to 25 of the Standard Rules for Credit Unions, registered under the Credit Union Act, 1997 (as amended). Applicants seeking membership of the Credit Union must be a resident or employed in the common bond of the Credit Union or hold the common bond of Carrickmacross Credit Union by association with an existing member. In the year ended 30th September 2016, Carrickmacross Credit Union accepted 408 new members.

MONEY LAUNDERING REPORTING REQUIREMENTS:

All Credit Unions must comply with 'The Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, as amended by Part 2 of the Criminal Justice Act 2013 ("the Act") to:

1. Take all reasonable measures to confirm the identity and place of residence of all account holders.
2. Ensure that all accounts held with the Credit Union are not used for the purpose of money laundering. Where necessary, the Financial Intelligence Unit (FIU) from the Garda Money Laundering Unit and Revenue Commissioners will be notified if money laundering is suspected.
3. Maintain a record of all large lodgements to accounts or large sums of money lodged over a period of time. In order to comply with "the Act", persons seeking membership are obliged to provide the following:

- ✓ Evidence of Identification – up to date passport or driving licence
- ✓ Evidence of Residence - e.g. original household bill, electoral registrar, other credit union/ building society/ bank statements (all dated within last 3 months)
- ✓ Evidence of PPS Number - e.g. social welfare card, payslip or tax credit certificate.

On existing accounts, our staff continue to carry out customer due diligence, by requesting up to date documentation where expiry has occurred. This is in your interest to protect your identity as a member of Carrickmacross Credit Union.

DORMANT ACCOUNTS:

An account will become dormant if no lodgement or withdrawal takes place after three years. The shares remain in your account and when applicable will earn an annual dividend. However, to activate or close a dormant account, you will be required to provide evidence of the aforementioned documentation above.

Membership Committee

Marie McNally and Audrey O'Reilly



BALANCE SHEET

as at 30 September 2016

	Notes	30-Sep-16 €	30-Sep-15 €
ASSETS			
Cash and Balances at Bank	7a	1,149,814	734,357
Deposits and Investments		87,515,426	83,869,646
Less: Investment Impairment		0	-1,305,459
Loans to Members	10	14,578,247	13,145,575
Less: Provision for Bad Debts		-1,090,089	-1,512,152
Tangible Fixed Assets	9	482,581	438,049
Debtors, Prepayments and Accrued Income	7b	800,967	759,046
TOTAL ASSETS		103,436,946	96,129,062
OTHER LIABILITIES			
Other Liabilities, Creditors, Accruals and Charges (Incl. DIRT)	12	584,206	508,943
MEMBERS LIABILITIES			
Members' Shares	11	79,521,119	74,442,377
Total Current Liabilities		80,105,325	74,951,320
Net Assets		23,331,621	21,177,742
MEMBERS RESOURCES			
Statutory Reserve		13,000,000	12,500,000
Operational Risk Reserve		700,000	0
Undistributed Surplus/Deficit		9,631,621	8,677,742
Total Resources		23,331,621	21,177,742

On behalf of the Credit Union:-

Marian McEnaney

Marian McEnaney

CEO

Patricia Fenix

Patricia Fenix

Member of Board
Oversight Committee

Marie Brady

Marie Brady

Member of Board of
Directors

Date: 21st November 2016

STATEMENT OF CHANGES TO RESERVES

	Regulatory Reserve	Operational Risk Reserve	Dividend Reserve	Undistributed Surplus	Total Reserves
Opening Balance 01 October 2014	12,500,000	0	0	8,768,008	21,268,008
Total Comprehensive Income during the year	0	0	0	1,380,278	1,380,278
Dividends Paid during the year	0	0	0	-1,470,544	-1,470,544
Movements between Reserves	0	0	0	0	0
	12,500,000	0	0	8,677,742	21,177,742
Opening Balance 01 October 2015	12,500,000	0	0	8,677,742	21,177,742
Total Comprehensive Income during the year	0	0	0	3,181,674	3,181,674
Dividends & Interest Rebate Paid	0	0	0	-1,027,795	-1,027,795
Movements between Reserves	500,000	700,000	0	-1,200,000	0
Closing Balance	13,000,000	700,000	0	9,631,621	23,331,621

The Regulatory reserve of the Credit Union as % of total assets as at 30th September 2016 was 12.57%. (2015: 13.00%).

In accordance with S45 of the Credit Union Act 1997 (as amended) Carrickmacross Credit Union Ltd. put in place an Operational Risk reserve during the current period. The Board approved a transfer of €700,000 from the undistributed surplus to the new Operational Risk Reserve, following the completion of an internal process of assessing the level of the reserve required to cover the Operational Risk within the Credit Union.

Following commencement of S13 of the 2012 Act, the requirement for Credit Unions to transfer 10% of their annual surplus to their Statutory Reserve (now known as the Regulatory Reserve) each year has been removed. Notwithstanding this the Board of Directors of Carrickmacross Credit Union Limited has transferred €500,000 of its current year surplus to its Regulatory Reserve so that the reserve would stand at 12.57% at the current year end, in excess of the required limit of 10%.



CASH FLOW STATEMENT

CASH FLOW STATEMENT	30-Sep-16 €	30-Sep-15 €
Cash and Cash Equivalents at beginning of year	83,298,544	77,658,579
Cash flows from Operating Activities		
Members Loans Interest Received	1,203,415	1,169,685
Members Loans Repaid	7,198,645	7,367,536
Members Loans Granted	-8,631,316	-6,849,165
Investment Interest Received	2,968,254	1,245,323
Other Income	41,946	41,924
Bad Debts Recovered	102,011	107,733
Dividends Paid and Loan Interest Rebate	-1,027,795	-1,470,544
Decrease/(Increase) in Prepayments	-45,130	-73,579
(Increase)/Decrease in Other Liabilities	75,263	-67,687
Operating Expenses	-1,527,828	-1,616,786
Net Cash flows from Operating Activities	357,465	-145,560
Cash flows from Investment Activity		
Fixed Assets Purchased	-69,509	-27,666
Losses on Investments	0	-3,488
Net Cash flows from Investment Activity	-69,509	-31,154
Cash flows from Financing Activity		
Members Shares Received	32,698,063	31,796,299
Members Share Withdrawn	-27,619,323	-25,979,620
Net Cash flows from Financing Activity	5,078,740	5,816,679
Net Increase/(Decrease) in Cash and Cash Equivalent	5,366,696	5,639,965
Cash and Cash Equivalent at end of year	88,665,240	83,298,544
Cash & Balance at Bank, plus Deposits & Investments	88,665,240	83,298,544

NOTES TO THE ACCOUNTS AND FINANCIAL STATEMENTS

For the year ended 30 September 2016

1. LEGAL AND REGULATORY FRAMEWORK

Carrickmacross Credit Union Limited is established under the Credit Union Act 1997 and 2012. Carrickmacross Credit Union Limited whose principle activity is to operate as a Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland.

2. ACCOUNTING POLICIES

Basis of Preparation

These financial statements have been prepared in accordance with FRS 102, being the financial reporting standard applicable in the Republic of Ireland.

First-Time Adoption FRS102

These are Carrickmacross Credit Union Limited's first financial statements to comply with FRS102. The date of transition to FRS102 is 01 October 2014.

The transition to FRS102 has resulted in a small number of accounting policy changes compared to those applied previously. Note 18 to the financial statements describes the difference between retained earnings and surplus or deficit presented previously, and the amounts as restated to comply with the accounting policies selected in accordance with FRS102 for the reporting period ended 30 September 2016, (being the comparative information), as well as the retained earnings presenting in the opening balance sheet at 01 October 2014. It also describes all of the required changes in the accounting policies made on first-time adoption of FRS102.

Going concern

The Directors of Carrickmacross Credit Union Limited believe that it is appropriate to prepare the financial statements on the going concern basis. The Directors of Carrickmacross Credit Union Limited believe this is appropriate as the Credit Union:

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



Income

Interest on loans to members is recognised using the effective interest method, and is calculated on an accrued daily basis.

Investment Income

Investment Income is accounted for differently depending on how the different investments are designated at the outset and based on meeting certain criteria. The Credit Union uses the following accounting methods:

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

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 any 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.

Held to Maturity investments

Investments designated on initial recognition as held-to-maturity are investments that the credit union intends, and is able to, hold to maturity. These are carried at amortised cost using the effective interest method. The fair value of some investment products will change during their life, but they will have a fixed maturity value at some future date. When designated as held-to-maturity, any change in the fair value during the term of the investment is ignored, with the credit union only accounting for interest received. Gains and losses are recognised in income when the investments are derecognised or impaired, as well as through the amortisation process. Investments intended to be held for an undefined period are not included in this classification.

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 shown as current assets and are not subject to impairment reviews.

Tangible fixed assets

Tangible fixed assets comprise of items of property, plant and equipment, which are stated at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is provided to write off the cost of each item of property, plant and equipment, less its estimated residual value, on a straight-line basis over its estimated useful life. The categories of property, plant and equipment are depreciated as follows:

Land and buildings	10 to 25 years
Office equipment	3 to 5 years
Fixtures and fittings	5 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and loans and advances to banks (i.e. cash deposited with banks) with maturity of less than or equal to three months.

Impairment of buildings

The Credit Union has in the recent past acquired independent professional valuations on the Credit Union offices. The building is carried at the lesser of cost or realisable value. Accordingly, no impairment review is required.

Financial Assets – loans and advances to members

Loans to members are financial assets with fixed or determinable payments. Loans are recognised when cash is advanced to members and measured at amortised cost using the effective interest method. Loans are derecognised when the right to receive cash flows from the asset have expired, usually when all amounts outstanding have been repaid by the member.



Impairment of Financial Assets

Carrickmacross Credit Union Limited assesses at each Balance Sheet date, if there is objective evidence that any of its loans to members are impaired. 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, during the course of the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Any bad debts/impairment losses are recognised in the Income and Expenditure account, as the difference between the carrying value of the loan and the net present value of the expected cash flows.

Financial Liabilities – Subscribed Capital

Members' shareholdings in Carrickmacross 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 the nominal amount.

Employee Benefits Pension Costs

The Credit Union participates in an industry-wide pension scheme for employees (Standard Life Pension Scheme). This is a funded scheme of the defined contribution type, with assets invested in separate trustee administered funds. Contributions payable to the Scheme are recognised in the income and expenditure account.

Reserves

Retained earnings are the accumulated surpluses to date that have not been declared as dividends returnable to members. The retained earnings are subdivided into realised and unrealised in accordance with the Central Bank Guidance Note for Credit Unions on Matters Relating to Accounting for Investments and Distribution Policy. Investment income that has been recognised but will not be received within 12 months of the Balance Sheet date is classified as "unrealised" and is not distributable as a dividend in accordance with the Central Bank direction. All other income is classified as "realised". A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date.

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. This reserve is similar in nature and replaces the Statutory Reserve which was a requirement of previous legislation.

3. OPERATION RISK RESERVE

Section 45(5)(a) of the 1997 Act requires each Credit Union to maintain an additional reserve that it has assessed which 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 for the calculation of the operational risk reserve based on indicative guidance issued by the Central Bank and using the higher of 15% of the average gross income over the previous three years (based on the Basel Indicator Approach); or 2% of Assets; or 30% of Expenditure.

4. USE OF ESTIMATES AND JUDGEMENTS

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

5. IMPAIRMENT LOSSES ON LOANS TO MEMBERS

Carrickmacross Credit Union Limited 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 quarterly basis. Any bad debts/impairment losses are recognised in the Income and Expenditure Account.

The provisions as at 30 September 2016 are analysed as follows:

	30-Sept-2016	30-Sept-2015
Individually Significant Loans	417,786	442,005
Collectively Assessed Loans	622,303	970,147
Other Impaired Loans	50,000	100,000



5a. Dividends to Members and Interest Rebates

Dividends are made from current year's surplus. The Board's proposed distribution to members each year is based on the dividend and loan interest rebate policy of the Credit Union.

The rate of dividend and loan interest rebate recommended by the Board will reflect:

- The risk profile of the Credit Union, particularly in its loan and investment 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 the minimum regulatory requirements.

Interest expense is the dividend paid to members for the prior period ended. The dividend is formally proposed by the Board of Directors during the Annual General Meeting. Accordingly, the approved dividend will not appear as a liability at the Balance Sheet date.

	30-Sept-16	30-Sept-15
Interest paid during the period:	910,825	1,338,683
Dividend Rate		
Standard Shares	0.50%	1.25%
Interest Proposed, but not recognised:		
Standard Shares	389,390	898,645

6. FEES AND COMMISSIONS RECEIVABLE

FEES AND COMMISSIONS RECEIVABLE	30-Sep-16	30-Sep-15
	€	€
Entrance Fees	244	258
Commissions	15,901	16,097
Other	25,075	22,415
Sundry Income	726	3,154
Total	41,946	41,924

7a. Cash and Cash Equivalents

Cash and Cash Equivalents	30-Sep-16 €	30-Sep-15 €
Cash and Balance at Bank	1,149,814	734,357
Deposits and Investments	87,515,426	83,869,647
Less: Deposits & Investments Maturing post 90 days	-65,423,176	-65,838,364
	23,242,064	18,765,640

7b. Deposits & Investments Cash Equivalent

Deposits & Investments Cash Equivalent	30-Sep-16 €	30-Sep-15 €
Accounts with Authorised Institutions (Irish and Non Irish Based)	65,367,346	71,980,277
Other	8,183,450	925,536
Total	73,550,796	72,905,813

7c. Deposits & Investments Other

Deposits & Investments Other	30-Sep-16 €	30-Sep-15 €
Accounts with Authorised Institutions (Irish and Non Irish Based)	52,605,576	56,180,067
Irish & EE State Bonds	3,870,000	3,925,485
Bank Bonds	8,947,600	5,732,812
	65,423,176	65,838,364

7d. Debtors, Prepayments and Accrued Income

Debtors, Prepayments and Accrued Income	30-Sep-16 €	30-Sep-15 €
Central Bank of Ireland Deposits	771,968	722,897
Loan Interest	28,726	31,935
Other	273	4,214
	800,967	759,046

7e. Statutory Audit Fees

Carrickmacross Credit Union Limited sets out below an analysis of audit fees.

	30-Sep-16 €	30-Sep-15 €
Statutory Annual Audit fee	26,445	25,000
Total Auditors Remuneration	26,445	25,000

8a. Number of Employees

The average number of employees during the period ended was:

	30-Sep-16	30-Sep-15
Management Team	6	6
Administration	7	7

8b. Employment Costs

Employment Costs		
Wages & Salaries	522,771	519,267
Social Insurance	64,816	46,321
Pension Contributions	55,125	54,080
	642,712	619,668

8c. Key Management Personnel

Key Management Personnel	30-Sep-16	30-Sep-15
Short term employee benefits	334,393	324,485
Payments defined contribution pension scheme	38,137	37,091
	372,530	361,576



9. TANGIBLE FIXED ASSETS

	Freehold Premises	Fixtures & Fittings	Computer Software & Hardware	Total
COST	€	€	€	€
Balance brought forward at start of period	400,000	160,988	403,845	964,833
Additions @ cost	0	1,033	68,476	69,509
Less: Disposal @ cost	0	0	0	0
Revaluation	0	0	0	0
Balance carried forward at end of period	400,000	162,021	472,321	1,034,342
DEPRECIATION	€	€	€	€
Balance brought forward at start of period	24,000	152,727	350,057	526,784
Less: Depreciation on disposals	0	0	0	0
DEPRECIATION:				
Depreciation on balance brought forward	8,000	1,652	13,447	23,099
Depreciation on additions in the period	0	14	1,864	1,878
Depreciation charge for the period	8,000	1,666	15,311	24,977
Balance carried forward at end of period	32,000	154,393	365,368	551,761
NET BOOK VALUE	€	€	€	€
At 30-Sep-16	368,000	7,628	106,953	482,581
At 30-Sep-15	376,000	8,261	53,788	438,049

10a. Loans to Members

As at 01 October 2015
 Loan Advances during the period
 Loans Repaid during the period

Gross Loans

Bad Debts

Loans written off during the period

At 30 September 2016

10b. Total Loan Assets for Regulatory Purposes

Gross Loans and Advances to Members
 Impairment of General Financial Assets
 Impairment of Specific Financial Assets

	30-Sep-16 €	30-Sep-15 €
As at 01 October 2015	13,145,576	13,663,947
Loan Advances during the period	8,631,316	6,849,165
Loans Repaid during the period	-7,153,992	-7,158,511
Gross Loans	14,622,900	13,354,601
Bad Debts		
Loans written off during the period	-44,653	-209,025
At 30 September 2016	14,578,247	13,145,576
	30-Sep-16 €	30-Sep-15 €
Gross Loans and Advances to Members	14,578,247	13,145,576
Impairment of General Financial Assets	-467,786	-542,005
Impairment of Specific Financial Assets	-622,303	-970,147
Total Loan Assets for Regulatory Purposes	13,488,158	11,633,424

**10c. Credit Risk Disclosure**

Carrickmacross Credit Union Limited does offer home loans however, the majority of all loans to members are unsecured with the exception that there are restrictions on the extent to which borrowers can withdraw their shares while a loan balance remains outstanding.

The carrying amount of the outstanding loans to members represents Carrickmacross Credit Union Limited's maximum Credit Risk. The table below sets out the credit quality of loan repayments. Where loans are not impaired it is expected that the amounts due from the member will be received in full.

Non-Impaired Loans:	30-Sep-16		30-Sep-15	
	€	%	€	%
Total Loans Not Impaired	13,452,433	92.27	11,436,881	87
	13,452,433		11,436,881	

Impaired Loans:

Not due, nor impaired	272,836	1.87	357,489	2.72
Up To 9 Weeks Past Due	141,974	0.98	195,409	1.49
Between 10 and 18 Weeks Past Due	45,128	0.31	114,785	0.87
Between 19 and 26 Weeks Past Due	2,460	0.02	48,154	0.37
Between 27 and 39 Weeks Past Due	23,265	0.16	14,484	0.11
Between 40 and 52 Weeks Past Due	12,848	0.09	35,515	0.27
53 Or More Weeks Past Due	627,303	4.30	942,858	7.17
	1,125,814		1,708,694	

Impairment Provisions	-1,090,089	-1,512,152
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Net book value	13,488,158	11,633,423
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The methodology in determining whether loans should be impaired or not are discussed at Note 2.

10d. Allowance for Impairment Losses

As at 01 October 2015	1,512,152	1,940,294
Provision for Losses during the period	0	0
Reversal of Provisions during the period	-422,063	-428,142

Provisions as at 30 September 2016**10e. Impairment Losses Recognised during the period**

Reversal of Impairment provisions	-422,063	-428,142
Total Impairment Losses Recognised during the period	-422,063	-428,142

11. SUBSCRIBED CAPITAL - FINANCIAL LIABILITIES

As at 01 October 2015	74,442,377	68,625,698
Received during the period	32,698,064	31,796,298
Redeemed during the period	-27,619,322	-25,979,619
	79,521,119	74,442,377

Deposits from members may only be made by way of share subscription.

12. OTHER PAYABLES

	30-Sep-16	30-Sep-15
	€	€
Taxation	12,716	16,395
Trade Creditors	101,928	69,691
Accruals	469,562	422,859
	584,206	508,945

13. ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURES**13a. Financial Risk Management**

Carrickmacross Credit Union Limited manages its subscribed capital and loans to members so that it earns income from the margin between interest receivable and interest payable.

The main financial risks arising from Carrickmacross Credit Union Limited activities are credit 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 a previously agreed repayment schedule to the Credit Union; thus, resulting in a financial loss to Carrickmacross Credit Union Limited. In order to manage this risk, the Board approves the lending policy and agrees all changes and amendments to the lending policy. All loan applications are regularly assessed with reference to the factors that may indicate there is a likelihood the repayment may have changed. Carrickmacross Credit Union Limited continuously monitors the company's banking facilities due to the ongoing volatility within the market.

Liquidity Risk

Carrickmacross Credit Union Limited employs a policy to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they become due. The objective of Carrickmacross Credit Union Limited's liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise. Note 2 provides further details about the impact of the maturity mismatch on the going concern status of Carrickmacross Credit Union Limited.

Market Risk

Carrickmacross Credit Union Limited conducts all transactions in Euros and does not deal in derivatives or commodity markets. Accordingly, Carrickmacross Credit Union Limited is not exposed to any form of currency or price risk.

Interest Rate Risk

Carrickmacross Credit Union Limited's main interest rate is set from differences between the interest rate exposures between both receivable interest and payable interest, forming an integral part of the Credit Unions operations. Carrickmacross Credit Union Limited considers the rate of interest receivable when setting the dividend rate payable to subscribed members; the Credit Union do not use interest rate options to hedge its position.

13b. Interest Rate Risk Disclosures

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

	30-Sep-16	Avg Interest	30-Sep-15	Avg Interest
Financial Assets	€	Rate	€	Rate
Loans to Members	14,578,247	8%	13,145,576	8%
Financial Liabilities				
Ordinary Shares	79,521,119		74,442,378	
	79,521,119		74,442,378	

The interest rates applicable to loans to members are variable and from 5.99% to 10.00%. The interest rate payable on subscribed capital is determined on the basis of income less administrative expenses and, as per above, a consistent margin is maintained between interest receivable and interest payable. The surplus for the period is not particularly sensitive to interest rate risk and sensitivity analysis is presented.

13c. Liquidity Risk Disclosures

Excluding short term payable as disclosed in the Balance Sheet, Carrickmacross Credit Union Limited's financial liabilities, being the subscribed Share Capital is repayable upon demand.

13d. Fair Value of Financial Instruments

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

14. CASH AND CASH EQUIVALENTS

	30-Sep-16	30-Sep-15
	€	€
Cash and balances on demand	1,149,814	734,357
Loans and Other Advances to Financial	0	0
	1,149,814	734,357

15. Post Balance Sheet Events

There were no material matters or events to report after the Balance Sheet date.

16. Contingent Liabilities

There is a Contingent Liability included in the Letter of Authority held by Danske Bank with regard to Electronic Funds Transfer in the sum of €200,000



17. RELATED PARTY TRANSACTIONS

The main financial risks arising from Carrickmacross Credit Union Limited's activities are Credit 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.

	30-Sep-16 €	No. of loans
Outstanding Loans due from Related Parties		
Loans Advanced	69,850	19
Loans Outstanding	136,242	33
Total Provisions for Loans Outstanding	4,122	

18. TRANSITIONS TO FRS102

Carrickmacross Credit Union Limited has adopted FRS102 for the first time in these financial statements for the period ended 30 September 2016. The reconciliations below set out the key impact on both the surplus for the financial period under review and the retained earnings forward.

Reconciliation of Current Period Surplus from previous accounting standards to FRS102

	30-Sep-15 €
Excess of Income Over Expenditure as previously stated	1,924,069
Release Provisions	-547,085
Accruals Basis for Income Recognition	-651
Short term Employee benefits	3,945
Surplus/(Deficit) - (per FRS102)	1,380,278

Reconciliation of Retained Surplus from previous accounting standards to FRS102

	30-Sep-15 €	30-Sep-14 €
Reserves as previously stated	8,236,955	7,783,430
Release Provisions	428,142	975,227
Accruals Basis for Income Recognition	31,935	32,586
Short term Employee benefits	-19,290	-23,235
Surplus/(Deficit) - (per FRS102)	8,677,742	8,768,008

18a. Bad Debt Provisions

FRS 102 does not allow general reserves for bad debts. FRS 102 does allow an Incurred But Not Reported (IBNR) Bad Debt Reserve which is similar to a General Reserve but calculated differently. IBNR is based on underlying evidence such as past experience of bad debts or linked to delinquency rather than a calculation based on worst case scenario and prudence.

18b. Accruals Basis for Income Recognition

Credit Unions historically accounted for interest income on a cash receipts basis. The 2012 Act introduced specific requirements and FRS 102 also requires that income be accounted for on an accrual basis. Interest earned as at 30 September but not received until after September is now accounted for as income in September. The correction is retrospective.

18c. Employee Benefits

FRS102 requires the cost of short term compensated absences to be recognised when employees render services which increases their entitlements to such absences. Accordingly, an accrual has been provided to allow for such liabilities.

19. 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)

20. RATES OF INTEREST CHARGED ON LOANS

	Apr%	Monthly%
Standard Loans	10.51%	10%
Special Car Loan Rate	7.51%	7.25%
Loans up to €5,000 net of Shares	7.22%	6.99%
Secured Loans	6.17%	5.99%
Student Loans, Max €3,000 (Max term 2 years)	6.17%	5.99%
Multi Loans, Max €2,000 (Max term 1 year)	6.17%	5.99%

SCHEDULE 1 – INTEREST ON LOANS

	30-Sep-16 €	30-Sep-15 €
Interest		
Loan Interest Income Received	1,171,480	1,137,100
Loan Interest Income Receivable	28,726	31,935
	1,200,206	1,169,035



SCHEDULE 2 – OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	30-Sep-16	30-Sep-15
	€	€
Davy	1,461,607	1,906,378
Davy a/c	201,188	198,815
Davy Third Party Income	0	120,000
Ulster Bank	1,662,795	2,225,193

SCHEDULE 3 – OTHER INCOME

	30-Sep-16	30-Sep-15
	€	€
Commissions	15,901	16,097
ECCU Refund	25,075	22,415
Entrance Fees	244	258
Central Bank of Ireland	155	2,165
Cash Over	571	989
Total	41,946	41,924

SCHEDULE 4 – INVESTMENT MOVEMENTS

	30-Sep-16	30-Sep-15
	€	€
Release Investment Provisions	-1,305,459	0
Movements on Investment Provisions	0	979,870
Realised losses on Investments	0	3,488
Total	-1,305,459	983,358

SCHEDULE 5 – ADMINISTRATION EXPENSES

	30-Sep-16	30-Sep-15
	€	€
Administration Expenses		
Rent & Rates	9,364	9,538
Light & Heat, Cleaning & Service Charges	16,193	15,005
Security	3,681	8,466
Repairs & Maintenance	13,273	17,582
Printing & Stationery	15,216	19,917
Postage & Telephone	8,728	8,960
Donations & Sponsorship	62,313	16,000
Scholarships	10,000	10,500
Promotion & Advertising	28,507	19,534
Training Costs	9,086	8,597
Convention Expenses	1,520	653
Chapter Expenses	1,631	1,380
AGM Expenses	23,056	15,055
Travel & Subsistence	5,664	6,832
Entertainment Cost	2,992	2,843
Bank Charges	44,357	27,972
Audit & Accountancy	26,445	25,000
Affiliation Fees	36,937	31,783
Regulatory Fees	92,044	80,607
General Insurance	20,988	20,129
Share & Loan Insurance	213,052	207,741
Death Benefit Insurance	78,636	71,524
Pension	55,125	54,080
Legal & Professional	49,640	31,894
Computer Maintenance	59,196	89,520
SPS Contribution	0	25,943
Miscellaneous Expenses	7,276	14,350
Cash Short	669	768
Total	895,589	842,173



SCHOLARSHIP WINNERS 2015



L-R: Marie Brady (Chairperson)
Audrey O'Reilly (Staff), Aveen
Murray (St. Louis Secondary School)



L-R: Marie Brady (Chairperson)
Audrey O'Reilly (Staff), Jamie Watters
(Patrician High School)



L-R: Marie Brady (Chairperson)
Audrey O'Reilly (Staff), Niall Meegan
(Inver College)



L-R: Marie Brady (Chairperson)
Audrey O'Reilly (Staff), Eva O'Hanlon
(Colaiste Oriel)

SCHOOL QUIZ 2016 WINNERS

Category B, Winners
St. Joseph's Boys
National School,
Carrickmacross



Category B, Runners-up
Scoil Bhríde
National School,
Mullaghrafferty,
Carrickmacross



Category A, Winners
Scoil Rois,
Carrickmacross



Category A, Runners-up
Scoil Naoimh Eanna
Killanny



CARRICKMACROSS CREDIT UNION



HAS IT ALL

WRAPPED UP 4U



**SPECIAL CAR
LOAN RATE**

7.25% VARIABLE
APR 7.51% VARIABLE
Terms And Conditions Apply

Term	Amount	Weekly Payment	Total Interest Cost	Total Amount Repayable	Monthly Payment	Total Interest Cost	Total Amount Repayable
3 year	€10,000.00	€71.36	€1,129.50	€11,129.50	€309.93	€1,155.80	€11,155.80
4 year	€20,000.00	€110.80	€3,042.42	€23,042.42	€481.26	€3,097.44	€23,097.44
5 year	€25,000.00	€114.65	€4,803.21	€29,803.21	€498.00	€4,875.22	€29,875.22

LET **US** BE YOUR **KEY** LENDER



Carrickmacross Credit Union Limited

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Terms & Conditions Apply.

Carrickmacross Credit Union is regulated by the Central Bank of Ireland Reg No. 141CU