



Blanchardstown  
& District  
Credit Union



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# ANNUAL REPORT 2019

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WE VALUE  
RELATIONSHIPS AND  
BELIEVE PEOPLE  
COME FIRST



# YEAR 2018/2019 IN NUMBERS

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**20,000**

TOTAL MEMBERSHIP



**1,100**

NEW MEMBERS



**4,000**

CASH DRAW MEMBERSHIP



**€88 M**

IN ASSETS



**3,500**

FOLLOWERS ON  
FACEBOOK



**€210 K**

CASH DRAW PRIZES



**€29 M**

IN LOANS



**€33 K**

IN LOCAL DONATIONS  
AND SPONSORSHIP



**97%**

LOANS APPROVED



**3,800**

LOANS ISSUED



**3,500**

MOBILE APP  
USERS



**6,500**

ONLINE BANKING  
USERS

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## 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.

## Notice of AGM

The 50<sup>th</sup> Annual General Meeting  
will be held at the Credit Union office  
on Tuesday 10<sup>th</sup> December 2019  
at 8pm

Members are requested to bring this report and their passbooks to the AGM.

Blanchardstown and District Credit Union Limited is regulated by the Central Bank of Ireland.

## Order of Business

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


## Notice of Elections

Elections will be held to fill:

- 3 vacancies on the Board of Directors
- 1 vacancy on the Board Oversight Committee
- The position of Auditor

**Shane Maguire**  
Honorary Secretary

## Board of Directors



Chairman:	Claude Hobbs
Vice Chairman:	Donal O'Sullivan
Secretary:	Shane Maguire
Directors:	Sean Creighton
	Mary Kellett
	Frances Maher
	Alan Keane
	John McGrath
	Brian O'Connor (Co-opted)
	Richard Carroll (Retired)

## Board Oversight Committee

Chairman:	Fred Finch
Secretary:	Michael Wilders
Committee members:	Gerard Moroney (Co-opted)
	Marian Cluskey (Retired)

# Standing Orders

for the AGM of Blanchardstown and District Credit Union Ltd.

## 1. VOTING

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

## 2 - 4 ELECTION PROCEDURE.

2. Elections to the board of directors, to the board oversight committee and the position of auditor shall be by majority vote and by secret ballot.

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

4. A Ballot Paper for the election of the Board, the Board Oversight Committee and the Auditor where applicable, will be distributed to each member at the AGM.

## 5 - 10 MOTIONS.

5. All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.

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

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

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

9. Members are entitled to speak on any such motion and must do so through the Chair. All speakers to any motion shall have such time as shall be at the discretion of the Chair.

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

## 11 - 16 MISCELLANEOUS.

11. The Chair of the Board of Directors shall be the Chair of any general meeting, except where he/she is not available, in which case it shall be the Vice-Chair, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chair of any general meeting.

12. The Chair may at his/her discretion, extend the privilege of the floor to any person who is not a member.

13. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the Chair.

14. The Chair's decision on any matter relating to these Standing Orders or interpretation of same shall be final.

15. No member shall have more than one vote on each question at any general meeting of the Credit Union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the Credit Union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the Board of Directors.

16. 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.

## 17. 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.

## 18. ALTERATION OF STANDING ORDERS.

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

## 19. ADJOURNMENTS.

Adjournments of the AGM shall take place only in accordance with Section 81(1) of the Credit Union Act.

# Chairman's Address

It is my privilege to present to you the 50th Annual Report and accounts of Blanchardstown and District Credit Union for the year ended 30th September 2019. Overall, this year's financial results have been strong, with savings, loans and income all coming in ahead of budget. In an improving economic climate both our savings and lending portfolios performed well, although the global low level of investment returns continues to impact on our income.

During the year, we again carried out two online member surveys, the results of which were very positive in respect of our service level and staff. I want to thank the members who took the time to give us specific feedback in this survey. It is important for us to know what the real issues are and we are committed to addressing the points raised by you. In this regard, you will have seen a number of enhancements in the counter area of the credit union, along with new product and service offerings. This process of continual improvement will be a feature in the current year when we have ambitious plans to introduce further new product ranges and services.

We continue to develop and progress the digital side of our service, and a substantial part of our business is now transacted through this medium. It is our committed strategy to develop this part of our business while maintaining traditional services and communication processes.

## Financial Performance:

I would like to comment on a number of key areas of financial performance, as follows: Total income for the year increased substantially from €2,395,786 in 2018 to €2,707,925 this year. This was due to an increase in the loan portfolio, along with stronger income from the investment portfolio. This was against the background of a significant fall in investment income, driven by worldwide low investment rates, which are set to continue. As you will see, loan quality continues to have a strong management focus, the results of which led to a further improvement in the quality of the loan portfolio this year.

You will also have noticed that salaries and overheads have increased during the year and this reflects our stated strategy to accommodate members' needs in an increasingly complex financial environment.

Overall the Credit Union announced a surplus for the year of €708,118 or 0.8% of Net Assets. Net assets grew by €3,532,789 to €88,334,191, with loans of €29,180,359 and shares of €71,091,209, reflecting another year of growth. Our regulatory reserves stand at 15.3% which is substantially above the Central Bank statutory reserve figure of 10%.

These factors all indicate that Blanchardstown and District Credit Union is in strong financial shape in this, its 50th year, which we will be celebrating through a number of initiatives during 2020.

## Dividend and Loan Interest Rebate:

In recognition of and to reward our members for your continued loyalty in borrowing from the Credit Union, the Board of Directors is recommending a dividend of 0.05% and a loan interest rebate of 6%. These figures represent a higher than average return in the industry.

In recent years, the credit union movement has witnessed significant levels of consolidation activity, resulting in well-resourced credit unions that are better positioned to serve their members' social and economic goals. It is a stated objective of our credit union to examine and pursue any such opportunity should it arise, provided it is in the best interest of our members. The Board of Directors will continue to keep you appraised on any developments in this regard.

I want to thank our management team and staff for their hard work and commitment throughout the year. It has been a challenging but positive year and once again they have risen to the challenge and delivered a professional service to our members. I want to thank my fellow directors and the Board Oversight Committee for their commitment and hard work during the year.

A special thanks to our volunteers who have contributed their time selflessly to the various committees and to administration and projects within the Credit Union.

Finally, I want to thank you, our members, for your continued support and loyalty. I wish you and your families a Happy Christmas and a Prosperous and Healthy 2020.



**Claude Hobbs**  
Chairman.



# Report of the CEO

I am very pleased to present the results of a successful year for Blanchardstown and District Credit Union. In a year of significant change within the financial services industry in general, and specifically within the credit union industry in Ireland, your credit union recorded a strong financial performance.

In financial terms, our income and balance sheet have again remained strong.

The main features of our financial performance for the year are as follows:

- Net income for the year was €708,118.
- Loan income grew from €2,046,742 in 2018 to €2,276,403 in 2019 reflecting the growth in our loan portfolio as outlined below.
- Total income grew from €2,395,786 in 2017 to €2,707,925 in 2018. Although global interest rates are remaining low, the credit union recorded growth in both loan and investment income.
- Our loan book grew by 11.5% to €29.1m and its quality has continued to improve.
- Loans issued grew by €1.1m, from €16.6m to €17.7m.
- Shares grew by €3.1m to €71m.
- Net assets increased by €3.5m to €88.3m.
- Reserves stand at €13.5m which represents 15.3% of assets.

During the year, we introduced our first in a range of Pro-Energy products with a view to supporting our membership to achieve energy efficiencies in your homes. This product range will be developed over the coming years to include funding for energy efficient modes of transport and other initiatives.

On the Community side, we have continued to develop and support our schools savings scheme. We increased our local sponsorship during the year to €33,000 and this has benefitted a diverse range of groups across our common bond.

For the fifth year running, credit unions in Ireland have been the number one brand in the annual Customer Experience Report. During the year, we carried out two member surveys, the results of which were hugely positive. A large number of you took the time to make suggestions as to how we might improve on our service quality, product range and service, following which we introduced a number of changes in our front office layout. We will be introducing further changes during the coming year, particularly in our range of services. New products and services which are planned include a range of protection and investment products, the details of which we will be announcing shortly.

While we are continuing to invest in digital based products and services on an ongoing basis, it is our intention to retain traditional methods of cash transacting and loan processing so that we will be in a position to support our membership at all age ranges and diverse service requirements.

The challenges facing us into the future still include the low return on our investment portfolio resulting from low global interest rates. However, I have to acknowledge the support that you, our members, have given to the Credit Union in the past year in the form of your increased volume of loan applications. It is this support that has led to the growth in our loan portfolio and consequently the growth in our income. I want to acknowledge the substantial support and guidance that the Board of Directors have given to me and the team during 2018/19. I also want to thank our volunteers who give tirelessly of their time, energy and experience in supporting us and finally to our staff who have shown ongoing commitment to you our members in the delivery of our products and services.

In conclusion, I want to thank you, our members, for your continued support throughout the year and to wish you a happy, peaceful Christmas and a prosperous 2020.



**Brian Conroy**  
CEO



## Statement of Directors' Responsibilities

for year ended 30th 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.



Chairperson



Secretary

## Statement of the Board Oversight Committee Responsibilities

for year ended 30th 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 IVA and any regulations made for the purposes of Part IV or Part IVA of the Credit Union Act, 1997 (as amended). In addition, they are required to assess whether the Board of Directors has operated in accordance with any other matter prescribed by the Central Bank.



Chairperson



Secretary

# Independent Auditors' Report

To the Members of Blanchardstown and District Credit Union Limited

## Opinion

We have audited the financial statements of Blanchardstown & District Credit Union Limited ("The Credit Union"), which comprise the Statement of 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 the financial statements:

- give a true and fair view of the state of the assets, liabilities and financial position of the Credit Union as at 30th September 2019, and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance 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 auditor's responsibilities 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, including the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which 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.

# Independent Auditors' Report (continued)

To the Members of Blanchardstown and District Credit Union Limited

## Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## 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 we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Credit Union were sufficient to permit the financial statements to be readily and properly audited,

The financial statements are in agreement with the accounting records.

- 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 Credit Union Act 1997 (as amended)

## Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Credit Union and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

## Responsibilities of directors

As explained more fully in the directors' responsibilities statement [set out on page 9], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

# Independent Auditors' Report (continued)

To the Members of Blanchardstown and District Credit Union Limited

## Auditor's responsibilities for the audit of the financial statements

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

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

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

required to draw attention in the auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause the credit union to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

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

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



### RBK Partnership

Chartered Accountants and Registered Auditor,  
Boole House,  
Beech Hill Office Campus,  
Clonskeagh,  
Dublin 4.

Date: 22/10/2019

# Statement of Comprehensive Income

for year ended 30th September 2019

	Schedule	2019 €	2018 €
<b>INCOME</b>			
Interest on Member's Loans	1	2,276,403	2,046,742
Members' Deposits interest expense		(3,501)	(3,401)
Other Interest Receivable and Similar Income	2	422,347	324,439
Net Interest Income		<u>2,695,249</u>	<u>2,367,780</u>
Other Income	3	<u>12,676</u>	<u>28,006</u>
<b>TOTAL INCOME</b>		<u><u>2,707,925</u></u>	<u><u>2,395,786</u></u>
<b>EXPENDITURE</b>			
Employment costs		816,376	670,560
Other operating expenses	4	1,332,754	1,148,066
Depreciation		130,417	121,391
Bad debt provision/write off/recoveries (Note 5)		(279,740)	(484,395)
<b>TOTAL EXPENDITURE</b>		<u><u>1,999,807</u></u>	<u><u>1,455,622</u></u>
<b>SURPLUS FOR THE YEAR</b>		<u>708,118</u>	<u>940,164</u>
Dividend and loan interest rebate paid		(277,863)	(260,504)
Add: Undistributed Surplus/(Deficit) at start of year		<u>4,001,339</u>	<u>3,686,068</u>
<b>TOTAL</b>		<u><u>4,431,594</u></u>	<u><u>4,365,728</u></u>
Less:			
Transfer to Regulatory Reserve		(375,000)	(450,000)
Transfer to Unrealised Investment Income Reserve		-	85,611
Transfer to operational risk reserve		(12,000)	-
<b>TOTAL</b>		<u><u>(387,000)</u></u>	<u><u>(364,389)</u></u>
<b>Undistributed Surplus at end of year</b>		<u><u>4,044,594</u></u>	<u><u>4,001,339</u></u>

On behalf of the Credit Union

**Claude Hobbs**  
Director

**Brian Conroy**  
Chief Executive Officer

**Fred Finch**  
Board Oversight Committee

Date: 22/10/2019

*Claude Hobbs*  
*Brian Conroy*  
*Fred Finch*

# Balance Sheet

as at 30th September 2019

	Note	2019 €	2018 €
<b>ASSETS</b>			
Deposits and Investments	4	57,316,648	55,452,719
Loans to Members	5	29,180,359	26,180,071
Less: Provision for bad and doubtful debts	5	(1,241,758)	(1,260,062)
Tangible Fixed Assets	6	1,192,555	1,266,427
Debtors, Prepayments and Accrued Income	7	216,927	178,582
Cash and Balances at Bank		1,669,460	2,983,664
<b>TOTAL ASSETS</b>		<b>88,334,191</b>	<b>84,801,402</b>
<b>OTHER LIABILITIES</b>			
Members' shares	8	71,091,209	67,929,435
Members' deposits	8	3,547,016	3,637,752
Other Creditors and accruals		151,372	119,876
		74,789,597	71,687,063
<b>MEMBERS' RESOURCES</b>			
Regulatory Reserve		8,860,000	8,485,000
Other Realised Reserves		4,044,594	4,001,339
Dividend Reserve		500,000	500,000
Operational Reserve		140,000	128,000
Unrealised Reserve		-	-
		13,544,594	13,114,339
<b>TOTAL LIABILITIES</b>		<b>88,334,191</b>	<b>84,801,402</b>

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:

**Claude Hobbs**  
Director



**Brian Conroy**  
Chief Executive Officer



**Fred Finch**  
Board Oversight Committee



Date: 22/10/2019



# Statement of Changes In Reserves

For the year ended 30th September 2019

	Regulatory Reserve	Operational Risk Reserve Interest Rebate Reserve	Dividend Reserve	Unrealised Reserve	Undistributed Surplus	Total
	€	€	€	€	€	€
<b>Opening balance at 1 October 2017</b>	<b>8,035,000</b>	<b>128,000</b>	<b>500,000</b>	<b>85,611</b>	<b>3,686,068</b>	<b>12,434,679</b>
Surplus for the year	-	-	-	-	940,164	940,164
Transfer to regulatory reserve	450,000	-	-	-	(450,000)	-
Dividend/Loan interest rebate paid	-	-	-	-	(260,504)	(260,504)
Transfer to Operational Risk Reserve	-	-	-	-	-	-
Transfer between reserves	-	-	-	(85,611)	85,611	-
<b>Closing balance at 30 September 2018</b>	<b>8,485,000</b>	<b>128,000</b>	<b>500,000</b>	<b>-</b>	<b>4,001,339</b>	<b>13,114,339</b>
<b>Opening balance at 1 October 2018</b>	<b>8,485,000</b>	<b>128,000</b>	<b>500,000</b>	<b>-</b>	<b>4,001,339</b>	<b>13,114,339</b>
Surplus for the year	-	-	-	-	708,118	708,118
Transfer to regulatory reserve	375,000	-	-	-	(375,000)	-
Dividend/Loan interest rebate paid	-	-	-	-	(277,863)	(277,863)
Transfer to Operational Risk Reserve	-	12,000	-	-	(12,000)	-
<b>Closing balance at 30 September 2019</b>	<b>8,860,000</b>	<b>140,000</b>	<b>500,000</b>	<b>-</b>	<b>4,044,594</b>	<b>13,544,594</b>

# Cash Flow Statement

For the year ended 30th September 2019

	Notes	2019 €	2018 €
<b>Cash flows from operating activities</b>			
Surplus		708,118	940,164
<b>Adjustments for non-cash items:</b>			
Movement in provision		(18,304)	(218,870)
Bad debt write offs		153,776	158,395
Depreciation	6	130,417	121,391
		265,889	60,916
<b>Movements in:</b>			
Decrease/(Increase) in prepayment & accrued interest		(38,345)	180,299
Decrease in creditor & accruals		31,496	(25,659)
		(6,849)	154,639
<b>Cash flows from changes in operating assets and liabilities</b>		967,158	1,155,719
<b>Cashflows from Financing Activities</b>			
Members shares, savings and deposits received		30,404,330	30,301,380
Members shares, savings and deposits repaid		(27,333,292)	(26,375,612)
New loans to members		(17,713,223)	(16,628,332)
Repayment of loans by members		14,559,159	13,807,778
		(83,026)	1,105,214
<b>Net cash flows from operating activities</b>		884,132	2,260,933
<b>Cash flows from investing activities</b>			
Movement in investments		(2,550,539)	(6,549,182)
Purchase of property, plant and equipment	6	(56,545)	(100,075)
Dividend paid		(277,863)	(260,504)
<b>Net cash flows from investing activities</b>		(2,884,946)	(6,909,761)
<b>Net increase in cash and cash equivalents</b>		(2,000,814)	(4,648,827)
<b>Cash and cash equivalents at beginning of year</b>	9	14,746,033	19,394,860
<b>Cash and cash equivalents at end of year</b>		12,745,219	14,746,033

# Notes to the Financial Statements

for the year ended 30th September 2019

**1. Legal and Regulatory Framework**  
Blanchardstown & District Credit Union Limited is established under the Credit Union Act 1997 (as amended). Blanchardstown & District Credit Union Limited is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The principal place of business is Blanchardstown & District Credit Union Limited, Blanchardstown Business Centre, Clonsilla Road, Dublin 15.

## 2. Accounting policies

### 2.1 Basis of preparation

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

The directors of Blanchardstown & District Credit Union Limited believe that it is appropriate to prepare the financial statements on the going concern basis.

### 2.3 Currency

The financial statements are presented in Euro (€) which is the functional currency of Blanchardstown & District Credit Union Limited. Monetary amounts in these financial statements are rounded to the nearest Euro.

### 2.4 Income

#### *Interest on members' loans*

Interest on Members' Loans is recognised on an accruals basis over time irrespective of when the interest is physically received by the Credit Union. An adjustment is made to the year-end amount receivable for any irrevocable amounts or amounts written off for whatever reason. This is the method required by FRS102 and is prescribed by Section 110 (d) of the Credit Union Act 1997 (as amended).

#### *Investment income*

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

#### *Other income*

Other income is recognised on an accruals basis.

### 2.5 Investment Income

Investments are accounted for depending on how they are designated at purchase:

#### *Held at amortised cost*

Investments held at amortised cost are measured by the effective interest rate method less impairment. This means that the investment is measured at the cost less any capital adjustments paid, plus or minus the cumulative amortisation of interest, and compared to the original and maturity amount, less any impairment necessary. As done in previous years, this spreads out the return on any investments, less any possible or identified impairment.

#### *Deposits*

All other investments, which are deposits, are held at the cost paid or amount held. Any amounts held as a deposit with the Central Bank are not subject to any impairment reviews.

### 2.6 Tangible fixed assets

Tangible fixed assets include the categories listed below, which are stated at cost less depreciation and any potential impairment. Tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Depreciation is calculated per annum as follows:

#### Premises

4% Straight Line

#### Fixtures and Fittings

20% Reducing Balance

#### Computers

20% Straight Line

### 2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash deposits with maturity of three months or less.

# Notes to the Financial Statements continued

for the year ended 30th September 2019

## 2.8 Members Share and Loans

Members' shares are redeemable and therefore classified as liabilities by the credit union, as they are due to members. They are measured at the amount deposited.

Loans to members are financial assets with fixed payments. They are recognised when cash is advanced to members and measured at amortised cost using the effective interest method. Loans are only removed from the balance sheet when they are repaid by the member or written off by the credit union.

## 2.9 Impairment of Loans

Blanchardstown & District 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. Quarterly loan book reviews are also carried out, and provisions are made for any loans not performing, in line with regulatory requirements and accounting rules.

Any loans which are identified as impaired are approved for charge off by the board on a quarterly basis. Any movement in bad debts, including provisions, collection of charged off amounts, amounts charged off or reversal of any necessary provisions, are accounted for in the income and expenditure account. Blanchardstown & District Credit Union has identified the following categories for assessing impairment losses on loans.

### *Rescheduled Loans*

The provision applied to Rescheduled Loans is the greater of provision identified during the loan book review and any provision required under Regulatory Requirements issued by the Central Bank of Ireland.

### *Individual Significant Loans*

Each loan in this category is individually assessed. Credit risk is identified, assessed and measured through the use of rating and scoring tools with emphasis on weeks in arrears and other observable credit risk metrics. The ratings influence management of individual loans. The credit rating triggers the impairment assessment and if relevant the raising of the specific provision on individual loans where there is a doubt about their recoverability.

### *All Other Loans*

Blanchardstown & District Credit Union Limited uses Lending Analytics Software to calculate the statistical baseline for the part of its loan provision that is assessed on a collective grouped basis for loans which are not included in the above categories. The Lending Analytics Software employs a roll-rate methodology that analyses the movement in arrears of all the loans in each such group over the preceding 12 months. By taking into account the Credit Union's historical net recoveries on written-off loans, the Lending Analytics Software uses the results of its roll-rate analysis to compute a loss given default (LGD) projections for each loan in the group. Based on each loan's percentage of completion and number of months in arrears, its projected LGD is back-allocated to calculate the degree to which it is impaired. The sum of those individual impairments is the baseline provision for that group of loans.

## 2.10 Pension Costs

The pension scheme is a defined contribution scheme. Contributions are charged to the income and expenditure account in the year in which they fall due.

## 2.11 Reserves

### *Regulatory reserve*

Blanchardstown & District Credit Union Limited is required to maintain and establish a minimum Regulatory reserve of at least 10% of the assets of the Credit Union in accordance with the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

### *Operational Risk Reserve*

Blanchardstown & District Credit Union Limited has established an Operational Risk reserve which is a separate distinct reserve which the Credit Union is required to hold in addition to its Regulatory reserve. The amount held in the Operational risk reserve is the estimated impact of operational risk events that may have a material impact on the business of Blanchardstown & District Credit Union Limited. The directors, having considered the requirements of the Section (45)(5)(a) of the Credit Union Act 1997 (as amended), determine that an operational risk reserve of €140,000 is appropriate.

# Notes to the Financial Statements continued

for the year ended 30th September 2019

## *Dividend reserve and Loan interest rebate reserve*

Dividend and loan interest rebate reserves are the accumulated surplus to date that have been set aside for the purpose of future dividend and loan interest rebate payments.

## *Non Distributable Investment Income Reserves*

Investment income that has been recognised in the financial statements but will not be received within 12 months of the balance sheet date is classified as "non distributable" and is not distributable as a dividend in accordance with Section 31 of the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016. A reclassification between non-distributable and distributable is made as investments come within 12 months of maturity date.

## *Undistributed surplus*

Undistributed surplus are the accumulated reserves Blanchardstown & District Credit Union Limited to date that have not been declared as dividends returnable to members.

## 3. 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 the Credit Union'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:

### **Bad debts/impairment losses on Loans to Members**

Blanchardstown & District Credit Union Limited's accounting policy for impairment of loans is set out in the accounting policy note above. 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 climate, conditions in various sectors of the economy to which the Credit Union is exposed and other external factors such as legal and regulatory requirements.

### **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. The reserve has been calculate using the Basel III methodology.

# Notes to the Financial Statements continued

for the year ended 30th September 2019

## 4. Deposits and Investments

4a. Deposits and Investments – Cash Equivalents	2019 €	2018 €
Accounts in Authorised Credit Institutions (Irish and Non-Irish based)	9,176,353	10,702,285
Collective investment schemes	1,899,406	1,060,084
<b>Total Deposits and Investments – cash equivalents</b>	<b>11,075,759</b>	<b>11,762,369</b>
4b. Deposits and Investments – Other	2019 €	2018 €
Accounts in Authorised Credit Institutions (Irish and Non-Irish based)	35,769,252	33,256,943
Bank Bonds	9,826,359	9,808,105
Central Bank Deposits	645,278	625,302
<b>Total Deposits and Investments – other</b>	<b>46,240,889</b>	<b>43,690,350</b>
<b>Total Deposits and Investments</b>	<b>57,316,648</b>	<b>55,452,719</b>

5. Loans to Members	2019 €	2018 €
Gross Loans to members	29,180,359	26,180,071
Provision for bad and doubtful debts	(1,241,758)	(1,260,062)
<b>Net loans to members</b>	<b>27,938,601</b>	<b>24,920,009</b>
Opening provision for bad debts	1,260,062	1,478,932
Decrease/Increase in bad debt provision	(18,304)	(218,870)
<b>Closing provision for bad debts</b>	<b>1,241,758</b>	<b>1,260,062</b>

The current provision in the financial statements is €1,241,758 (2018: €1,260,062) representing 4.25% (2018: 4.81%) of the total loan book.

### Bad and Doubtful Debts in the statement of comprehensive income comprise:

	2019 €	2018 €
Bad debts recovered	(352,945)	(367,612)
Loan interest on impaired loans classified as bad debts recovered	(62,267)	(56,308)
Bad debts written off	153,776	158,395
<b>Increase/(Decrease) in provision for bad and doubtful debts</b>	<b>(18,304)</b>	<b>(218,870)</b>
<b>Bad and Doubtful Debts</b>	<b>(279,740)</b>	<b>(484,395)</b>



# Notes to the Financial Statements continued

for the year ended 30th September 2019

## 6. Tangible Fixed Assets

	Freehold Premises	Computer Equipment	Fixtures and Fittings	Total
<b>Cost:</b>	€	€	€	€
At 1 October 2018	1,667,441	308,322	509,597	2,485,360
Additions	-	16,343	40,202	56,545
Disposals	-	-	-	-
At 30 September 2019	1,667,441	324,665	549,799	2,541,905
<b>Depreciation</b>				
At 1 October 2018	589,148	184,857	444,927	1,218,933
Charge for the year	66,910	47,174	16,333	130,417
Disposals	-	-	-	-
At 30 September 2019	656,058	232,031	461,260	1,349,350
<b>Net book value at 30 September 2019</b>	<u>1,011,383</u>	<u>92,634</u>	<u>88,539</u>	<u>1,192,555</u>
<b>Net book value at 30 September 2018</b>	<u>1,078,293</u>	<u>123,465</u>	<u>64,669</u>	<u>1,266,427</u>

The premises located at Blanchardstown Business Centre, Clonsilla Road, Blanchardstown, Dublin 15 was valued by Sherry Fitzgerald Geraghty in 2016. The estimated market value of the property at that time was €975,000. The Board of Directors have conducted a value in use which indicates that the carrying value of the property is €9,736,822. Accordingly, no provisions for impairment is reflected.

## 7. Debtors, Prepayments and Accrued Income

	2019	2018
	€	€
Loan Interest Receivable	36,902	36,902
Prepayments	31,459	25,526
Other Debtors and Receivables	148,566	116,154
	<u>216,927</u>	<u>178,582</u>

## 8. Members' Funds

	2019	2018
	€	€
Regular share accounts	71,091,209	67,929,435
Deposit accounts	3,547,016	3,637,752
Total members' shares	<u>74,638,225</u>	<u>71,567,187</u>

## 9. Cash and Cash Equivalents

	2019	2018
	€	€
Cash and Balances at Bank	1,669,460	2,983,664
Deposits and investments	11,075,759	11,762,369
	<u>12,745,219</u>	<u>14,746,033</u>

# Notes to the Financial Statements continued

for the year ended 30th September 2019

## 10. Proposed Dividends and Loan Interest Rebate

The dividend is formally proposed by the Directors after the year end and is approved by members at the AGM, at which time it becomes a liability.

	2019 €	2018 €
Dividend proposed	36,920	66,132
Loan interest rebate proposed	138,612	210,304
Dividend and loan interest rebate rate:		
Share accounts	0.05%	0.1%
Loan interest rebate rate ( <i>excluding mortgages</i> ):	6%	10%

## 11. Key Management Remuneration

The Directors of Blanchardstown & District Credit Union Limited are all unpaid volunteers. The key management staff of Blanchardstown & District Credit Union Limited are the credit union CEO, the deputy CEO, the Member Relationship Manager and the risk and compliance officer.

	2019 €	2018 €
Remuneration including PRSI	264,328	201,766
Pension	18,014	15,240
<b>Total</b>	<b>282,342</b>	<b>217,006</b>

## 12. Credit Risk Disclosures

Blanchardstown & District Credit Union Limited offers all types of loans to members, including those who offer security for loans. Loans are stated in the balance sheet at the maximum amount of risk that Blanchardstown & District Credit Union Limited is exposed to.

The carrying amount of the loans to members represents Blanchardstown & District Credit Unions 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.

### Loans arrears analysis

	2019		2018	
	Amount €	Proportion %	Amount €	Proportion %
Total Loans not Impaired	26,583,145	91.10%	23,012,911	87.90%
Impaired loans				
Between 1 and 9 Weeks Past Due	1,556,348	5.33%	2,160,828	8.25%
Between 10 and 18 Weeks Past Due	232,565	0.80%	242,751	0.93%
Between 19 and 26 Weeks Past Due	108,839	0.37%	101,129	0.39%
Between 27 and 39 Weeks Past Due	233,780	0.80%	177,445	0.68%
Between 40 and 52 Weeks Past Due	110,601	0.38%	87,373	0.33%
53 or more Weeks Past Due	355,081	1.22%	397,634	1.52%
<b>Total Impaired Loans</b>	<b>2,597,214</b>	<b>8.90%</b>	<b>3,167,160</b>	<b>12.10%</b>
<b>Total Gross Loans</b>	<b>29,180,359</b>	<b>100%</b>	<b>26,180,071</b>	<b>100%</b>

# Notes to the Financial Statements continued

for the year ended 30th September 2019

## 13. Additional financial instruments disclosures

### 13a. Financial risk management

Detailed budgets are set by Blanchardstown & District Credit Union Limited for the entire duration of its Strategic Plan, and updated annually based on any changes in circumstances. These budgets seek to maximise returns on investments and loans, minimise the cost of operating a significant branch operation while providing a return to members in a low interest rate environment. This manages any potential interest rate risk that the credit union might possibly be exposed to.

The main financial risks arising from the Credit Union's activities are credit risk, market risk, liquidity risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

**Credit Risk:** Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the Credit Union, resulting in financial loss to the Credit Union.

BDCU has invested in putting in place a team in lending with strong underwriting experience to manage credit risk, and ensure that assessments in relation to loans are sufficiently robust. There are detailed policies and procedures in place to ensure these assessments can be measured constantly.

The first port of call for ensuring loans are repaid is to lend to members who can repay loans, this is noted above in the quality of lending section. When members encounter difficulty in paying loans, they have the option of discussing alternatives with our team. When members do not pay their loans, they are contacted regularly to ensure they are aware of their commitments. Monitoring of loans in arrears is carried out daily, with policies and procedures in place to deal with all scenarios.

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

**Liquidity Risk:** The policy of Blanchardstown & District Credit Union Limited is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The objective of the Credit Union'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.

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

**Interest Rate Risk:** Blanchardstown & District Credit Union Limited main interest rate risk arises from differences between the interest rate exposures on the receivables and payables that form an integral part of a Credit Union's operations. The Credit Union considers rates of interest receivable when deciding on the dividend rate payable on members' shares. Blanchardstown & District Credit Union Limited does not use interest rate options to hedge its own positions.

# Notes to the Financial Statements continued

for the year ended 30th September 2019

## 14. Interest rate risk disclosures

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

Loan Type	2019		2018	
	Interest Rate	APR	Interest Rate	APR
Standard loans	8.95%	9.33%	8.95%	9.33%
Student Loans	5.50%	5.64%	5.50%	5.64%
Promotional Loan	6.95%	7.33%	6.95%	7.33%
Community Loan	5.00%	5.12%	5.00%	5.12%
Mortgage	4.95%	5.10%	4.95%	5.10%

## 15. Pensions

Blanchardstown & District Credit Union Limited operates a defined contribution pension scheme available to all employees of the Credit Union. Contributions payable to the scheme are held separately from those of the credit union in an independently administered fund. The contributions to the pension scheme are charged to the income and expenditure account in the period to which they relate.

## 16. Related Party Transactions

	2019		2018	
	No of Loans	€	No of Loans	€
Loans advanced to related parties during the year	7	45,580	11	83,800
Total loans outstanding to related parties at year end	15	97,996	15	110,740

The related party loans stated above comprise loans to members of the Board of Directors, the management team and members of the family of a member of the Board of Directors and the management team of Blanchardstown & District Credit Union.

Total Loans outstanding to related parties represents 0.34% of the total loans outstanding at 30 September 2019 (2018: 0.42%)

## 17. Insurance against Fraud

The Credit Union has Insurance against fraud in the amount of €2,000,000 in compliance with Section 47 of the Credit Union Act 1997 (as amended).

## 18. Post Balance Sheet Events

There are no material events after the balance sheet date.

## Schedule 1

### Loan Interest

Loan interest received  
Loan interest receivable

**Total**

2019	2018
€	€
2,276,403	2,046,742
-	-
<u>2,276,403</u>	<u>2,046,742</u>

## Schedule 2

### Other interest receivable and similar income

Investment income and gains received  
Investment income receivable within 12 months  
Investment income receivable after 12 months

**Total**

2019	2018
€	€
373,037	200,080
49,310	124,359
-	-
<u>422,347</u>	<u>324,439</u>

## Schedule 3 - Other Income

Entrance fees  
Commissions

**Total**

2019	2018
€	€
791	789
11,885	27,217
<u>12,676</u>	<u>28,006</u>

## Schedule 4

### Other Management Expenses:

	2019 €	2018 €
Rates	23,364	22,460
Lighting, Heating and Cleaning	13,678	13,165
Repairs and Renewals	33,045	42,008
Security	23,245	23,641
Service Charges	15,206	12,807
Printing and Stationery	22,484	13,451
Postage and Telephone	21,085	23,529
Donations and Sponsorship	33,180	30,000
Debt Collection	74,410	81,802
Lending Credit Checks	16,198	11,482
Promotion and Advertising	41,707	31,775
Training Costs	15,965	16,078
Board Oversight	892	1,419
AGM and Convention Expenses	23,746	22,759
Travel and Subsistence	11,249	8,364
PAYAC Once Off Contribution	7,500	-
Bank Charges	27,327	23,506
Laser Machine Rental & Maintenance	15,364	14,929
Central Bank and Levy Fees	146,819	127,971
Audit Fee	23,185	22,300
Internal Audit	14,760	14,760
General Insurance	36,516	33,450
Share and Loan insurance	285,458	254,413
Death Benefit Insurance	131,618	125,480
Legal and Professional Fees	85,357	50,239
Computer Maintenance	108,462	65,058
Miscellaneous Expenses	13,132	8,642
Annual Subscriptions	15,378	12,676
CUDA	46,392	39,902
Staff Uniforms	6,032	-
<b>Total</b>	<b>1,332,754</b>	<b>1,148,066</b>



## Report of the Credit Committee

The Credit Committee is pleased to announce that this year we have again recorded substantial growth in loans issued to our members. For the year 1st October 2018 to 30th September 2019, we issued loans with a total value of €17,713,223, which is an increase of €1.1m over 2017/18. As at 30th September 2019 we had 4149 members with loans with a total value of €29,180,359. Overall, the loan book increased by 11.5% in the year.

30% of all loans issued were for home improvements. This was followed by car purchase at 27% and holiday loans (8%).

The economic success of the Credit Union is dependent on members availing of loans. Whilst the Credit Union is active in the promotion of loans, members can also play a key part in the growth of the Credit Union by giving preference to the Credit Union when in need of finance. The standard interest rate on loans is very competitive at 0.74% per month on a reducing balance. In addition, an attractive rebate has been given to loan recipients in the last three years. Members can also promote the advantages of the Credit Union for loans to their family and neighbours. This word of mouth endorsement is one of the best ways to increase loan growth.

Blanchardstown Credit Union has simplified our loan processing over the last few years and you can now download the application form online to streamline the process. We strive to approve loans within a tight timeframe and a large number of loans are issued on demand. Loan applications can be made over the phone and online.

Your credit union has plenty of funds to lend to our members and we are happy to discuss your credit requirement with you to see if we can help. We are also delighted to announce that we are now providing home loans to our members. Whether it's a new house or renovations to your existing house our loans are designed to give you the finance you need.

**John Duke**  
Chairperson

## Report of the Credit Control Committee

The main functions of the Credit Control committee are to monitor loans in arrears, to assist our Credit Controller in the support of members experiencing difficulty with their loan repayments and to recover any debts that are owed to the Credit Union. In most cases, a satisfactory arrangement can be arrived at to help the member through their difficulty.

Over the past number of years, substantial improvements have been made in the profile of the Credit Union's loan portfolio, as outlined in the following table. This improvement has been a continual process, and its success has been due to the ongoing commitment and engagement of our members.

The majority of our members have continued to meet their repayments and the improved profile of loans has led to an overall reduction again in our level of provisions during the year.

In the past year, €352,945 was recovered. In collecting this figure, a total of €74,410 was paid to agency professionals on behalf of the Credit Union.

**Frances Maher**  
Chairperson

# Report of the Investment Committee

2019 saw growing unease among investors about the impact of the trade war between the U.S. and China and the knock-on impact on economies globally. Talk of recession was commonplace over the course of the year, although economic growth remained relatively solid for the most part, with some minor exceptions. Politics also dominated headlines over the course of the year as Brexit impacted in the Eurozone, as well as key elections in Germany, Spain and Italy. Globally, interest rates fell in response to the weaker economic outlook and the lack of inflationary pressures. 2019 also saw central banks cutting rates further and implementing easier monetary policy to address the weaknesses. This has meant that interest rates, both long and short term have fallen continuously over the course of the year while more and more bonds are generating a negative rate of return.

These economic factors and resultant lower returns mean that 2019 was a challenging year for the generation of investment income. We have been working hard with our investment advisors to minimise the impact of these developments on our balance sheet and income levels and we are satisfied that the situation is being managed as well as possible within the conditions we are facing and the parameters of regulatory requirements.

Despite this, the investment portfolio generated income of €422,347 in the financial year ending 30th September 2019 which is a result of active portfolio management by the investment committee and board of directors. This represents a solid return against a backdrop of a persistently adverse investment environment. As a result of record low interest rates and bond yields, options available to credit unions remain extremely limited in spite of the introduction of the new investment regulations for credit unions.

Looking ahead it is possible that the current conditions could continue for an extended period. The ECB have signalled that a resumption of extraordinary measures of bond buying from financial institutions will be reinstated as a result of the persistent economic weaknesses. The interest rate on the main deposit facility for banks has been cut to -0.5% from -0.4% previously. Rate increases have been deferred and forward interest rate markets are indicating that any rate increases will be slow and much later than the ECB had previously been planning for.

In light of the challenges being faced, we believe that the investment portfolio of Blanchardstown and District Credit Union is as well positioned as possible. We have worked with our investment advisor to place a prudent proportion of the portfolio in medium term investments, while at the same time ensuring that liquidity levels remain appropriate. The portfolio also remains fully compliant with all investment regulations under Central Bank rules.

Our dividend for 2019, in the context of the backdrop of negative interest rates, reflects positively on our credit union and our commitment to members who are our key priority. The board and investment committee will continue to ensure that members savings remain safe and secure, and that investment performance is optimised within the context of the low risk mandate which underpins our investment objectives.

**Donal O'Sullivan**  
Chairman

## Report of the Membership Committee

The purpose of our Committee is to encourage potential members to join the Credit Union and also to ensure that all applicants are eligible for membership.

In the past year we have continued to experience growth in membership, with almost 100 new members joining the Credit Union every month. This figure includes 322 new junior members. We are delighted to see so many young people joining our Credit Union which has largely come about as a result of our ongoing commitment to developing our relationship with local schools. This activity over the years has given the credit union a strong representation locally in the younger age bracket which bides well for its future.

We would ask that members keep us informed of any change of personal or contact details. If you changed address, please notify the Credit Union immediately and provide some proof of the new address so we can update your account.

We would like to remember our members who passed away this year, may they rest in peace.

**Frances Maher**  
Chairperson

## Report of the Nomination Committee

- The identification of suitable candidates for election to the Board of Directors and Board Oversight Committee.
- The recruitment of volunteers to assist the Credit Union
- To fulfil its obligations under the Central Bank of Ireland's Fitness and Probity regulations.

The Committee has recently run a recruitment campaign for new volunteers and we hope to process these applications over the next few weeks. Applicants will be interviewed and an induction program arranged for the successful candidates. Volunteers are a vital part of the credit union as it helps to ensure a strong community aspect to our organisation.

The Nomination Committee carried out a skills audit of our Directors, Board Oversight Committee and volunteers in 2019. This indicated a strong balance of relevant skills in line with Credit Union requirements.

The Committee continues to monitor the skills required and will organise training for Directors, Board Oversight Committee and volunteers as required.

The Committee has reviewed relevant policies to ensure we are in compliance with Credit Union legislation.

**John McGrath**  
Chairperson

# Community Report

As a local Credit Union and non - profit organisation we invest in local communities that serve all our members in the local area. In 2017/2018 we increased our donation and sponsorship budget to €33,000 and supported over 30 different clubs, organisations and events to help them achieve their goals.

We are strong promoters of education in our local community and several primary schools have partnered with us to teach children the benefit of saving and investing in our community. We support local schools in many different ways: school saving scheme for local pupils, special lower rate loans for "Back to School" Expenses & Third level Education bursary. We also attend events like school career's nights and once a year we run a Primary School Quiz for local pupils.

## Schools

- Castaheany Educate Together National School
- Castleknock Educate Together National School
- Castleknock Main St National School
- Mary Mother of Hope
- Scoil Bhride Buachailli
- Scoil Bhride Cailini
- Scoil Ghrainne National School
- Scoil Mhuire National School
- Scoil Olibheir
- Scoil Thomas National School
- St. Brigid's National School
- St. Francis Xavier National School
- St. Patricks National School
- Tyrellstown Educate Together National School

During the year we supported a collection in favour of Pieta House in collaboration with our neighbouring credit unions, Community, Lucan and Palmerstown.

## Sport Clubs

- Corduff FC
- St. Mochtas FC
- St. Brigid's GAA
- Verona Sports Club
- National Aquatic Centre Swim Club

## Other organisations and societies

- Coolmine Panto Group
- Coolmine Musical Society
- Coolmine Therapeutic Community
- Crosscare Donation
- DOC-Disability Support Services
- Elm Eagles Golf Donation
- Irish Red Cross Sponsorship
- Mountview Family Resource Centre
- Parish of St. Philip de Apostille
- Pieta House
- St Vincent de Paul
- St. Francis Hospice
- St. Johns Ambulance Sponsorship
- St. Patrick S.S

# COMMUNITY

## Making things happen in our Community



[WWW.BLANCHARDSTOWNCU.IE](http://WWW.BLANCHARDSTOWNCU.IE)

# HOW TO APPLY FOR A LOAN?

## Where to apply...



### IN OFFICE

Unit 9/10,  
Blanchardstown Business  
Centre Clonsilla Road,  
Blanchardstown, Dublin 15



### ONLINE

[blanchardstownncu.ie](http://blanchardstownncu.ie)



### CALL US

01 820 3495

## What you will need...



### 1. PROOF OF PHOTO ID

- Passport,
- Driving Licence or
- EU Identity Card



### 2. PROOF OF INCOME

- Payslips or
- Social Welfare Receipts or
- Business Accounts



### 3. BANK STATEMENTS

Previous three months  
bank statements



### 4. PROOF OF MORTGAGE PAYMENTS (IF RELEVANT)



# OUR BRAND NEW WEBSITE & MOBILE APP

We are delighted to announce that we have completely redesigned and revamped our website.

Our website is now also fully optimized for use on mobile devices such as tablets or mobile phones.



**WWW.BLANCHARDSTOWNCU.IE**

Find us on  
**Facebook** /BlanchCU

**Instagram** @blanchcu



Introducing the Blanchardstown & District Credit Union App that allows easy access to your account or our services when on the move!

Visit our website for more details:  
[www.blanchardstowncu.ie](http://www.blanchardstowncu.ie)

You can download the Blanchardstown Credit Union App free from the App Store or Google Play.

# UNVEIL YOUR PERFECT CAR

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## Special Rate Car Loan January & February 2020

WWW.BLANCHARDSTOWNNCU.IE



**A LOAN OF €15,000 OVER 5 YEARS COSTS €296.73 PER MONTH  
AT AN ANNUAL PERCENTAGE RATE (APR) 7.18%\*.  
THE TOTAL AMOUNT YOU PAY IS €17,803.80.**

\*APR STANDS FOR ANNUAL PERCENTAGE RATE. THIS IS A VARIABLE RATE LOAN. THIS RATE IS APPLICABLE ONLY FOR APPROVED CAR LOANS OF MINIMUM OF €5,000 AND MAXIMUM OF €35,000 WHICH WERE APPLIED FOR/DRAWN DOWN WITH/FROM BLANCHARDSTOWN & DISTRICT CREDIT UNION LIMITED BETWEEN 1ST JAN 2020 AND 29TH FEB 2020. THIS RATE APPLIES TO NEW LOANS ONLY. REPRESENTATIVE EXAMPLE AND VARIABLE RATE OF 7.18% APR ARE CORRECT AS AT 31/10/2019 AND ARE SUBJECT TO CHANGE. LOANS ARE SUBJECT TO APPROVAL. TERMS & CONDITIONS APPLY.

**WARNING:** IF YOU DO NOT MEET THE REPAYMENTS ON YOUR LOAN, YOUR ACCOUNT WILL GO INTO ARREARS. THIS MAY AFFECT YOUR CREDIT RATING WHICH MAY LIMIT YOUR ABILITY TO ACCESS CREDIT IN THE FUTURE.

**WARNING:** THE COST OF YOUR MONTHLY REPAYMENTS MAY INCREASE.

BLANCHARDSTOWN & DISTRICT CREDIT UNION LIMITED IS REGULATED BY THE CENTRAL BANK OF IRELAND.



# WE'RE GOING GREEN, ARE YOU?

Many of our members prefer to communicate through email and transact online, to reduce the amount of paper and their carbon footprint. Our "We're going GREEN" campaign is asking you to update your preferences and switch to receiving certain communications via email or access to banking services online. By signing up to electronic notifications, you can help us save the thousands of euros that printing and posting these booklets cost each year. Plus, you'll be doing your bit for our environment. Switching is quick and costs nothing!

## Save Money & Save on Waste

It's your Credit Union! Help us to save money and to save on waste by going paperless for our **Annual General Meeting (AGM)** Notification and Report. Opt-in below to receive your AGM documents electronically via email.

☐

Electronic AGM Notice & Annual Report



## Like to stay in the know?

We want to keep in touch! From time to time we would like to inform you of goods, services, competitions and/or promotional offers available from us. Opt-in for Marketing Communications (as many as you like):


☐

Email

☐

Text

☐

Post

☐

Phone call



## Online Banking and E-Statements – Just a tick Away!

Make life easier! Register for Online Banking Access to your accounts with E-Statements available on demand. You could be online today! You can then download and start using our Mobile App too.

☐

Online Banking Access PIN with E-Statements



Member No:

Full name:

Email address:

Mobile No:

Date:

Signature:

You may withdraw your consent at any time by contacting the Credit Union at (01) 820 3495 or [info@blanchardstowncu.ie](mailto:info@blanchardstowncu.ie)  
Blanchardstown & District Credit Union is regulated by the Central Bank of Ireland.





**Blanchardstown  
& District**  
Credit Union

**WE WILL MAKE  
YOUR DREAMS  
HAPPEN**

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Unit 9/10 Blanchardstown Business Centre  
Clonsilla Road,  
Blanchardstown, Dublin 15  
D15 FP92, Ireland

01 820 3495  
[info@blanchardstowncu.ie](mailto:info@blanchardstowncu.ie)  
[loans@blanchardstowncu.ie](mailto:loans@blanchardstowncu.ie)

**WWW.BLANCHARDSTOWNCU.IE**

Blanchardstown and District Credit Union Limited is regulated by  
the Central Bank of Ireland. Reg. No.:291CU