



CORE | CREDIT | UNION

ANNUAL REPORT 2015

*Celebrating 50 years
serving the community*





NOTICE OF ANNUAL GENERAL MEETING

Dear Member,

Notice is hereby given that the 50th Annual General Meeting of Core Credit Union Ltd will take place in Dún Laoghaire Evangelical Church on Wednesday 16th December 2015 at 8pm. All members are requested to attend.

Address: Dún Laoghaire Evangelical, Lower Glenageary Road, Dún Laoghaire, Co Dublin. A96 F6T0

Parking: Parking is available on the grounds, as well as parking in surrounding roads

Dublin Bus: Both the 7 and the 45A have bus stops near the church

Refreshments: Refreshments will be served following the meeting

John Conaty
Secretary

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AUDITED FINANCIAL STATEMENTS

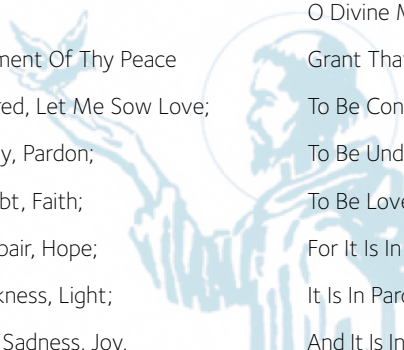
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CREDIT UNION INVOCATION

Lord	O Divine Master,
Make Me An Instrument Of Thy Peace	Grant That I May Not So Much Seek
Where There Is Hatred, Let Me Sow Love;	To Be Consoled As To Console;
Where There Is Injury, Pardon;	To Be Understood As To Understand;
Where There Is Doubt, Faith;	To Be Loved As To Love;
Where There Is Despair, Hope;	For It Is In Giving That We Receive,
Where There Is Darkness, Light;	It Is In Pardoning That We Are Pardoned,
And Where There Is Sadness, Joy.	And It Is In Dying That We Are Born To Eternal Life



CHRISTMAS OPENING HOURS

Monday 21st December:	Open as normal
Tuesday 22nd December:	Open as normal
Wednesday 23rd December:	All offices open
Thursday 24th December:	CLOSED
Monday 28th December:	CLOSED
Tuesday 29th December:	Open as normal
Wednesday 30th December:	Glasthule/Dun Laogharie Open
Thursday 31st December:	Open as normal
Friday 1st January 2016:	CLOSED
Saturday 2nd January:	Open as normal

Business as usual from Monday 4th January



MERRY CHRISTMAS

ORDER OF BUSINESS

- 1 Invocation and 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;
- 5 Chairmans Report;
- 6 Review of our Year
- 7 Report of the auditor;
- 8 Consideration of accounts;
- 9 Report of the Board Oversight Committee
- 10 Declaration of dividend and rebate of Interest
- 11 Report of Credit Committee;
- 12 Report of Credit Control Committee;
- 13 Report of Membership Committee;
- 14 Report of Insurance Officer;
- 15 Report of the Nomination Committee;
- 16 50th Anniversary presentation from Shankill/Ballybrack Local Members Forum
- 17 Appointment of tellers;
- 18 Election of Auditor;
- 19 Election to fill vacancy on the Board Oversight Committee;
- 20 Election to fill vacancies on the Board of Directors;
- 21 Motions and Rule Amendments
- 22 Attendees Cash Draw;
- 23 Announcement of election results;
- 24 Adjournment or close of meeting;

STANDING ORDERS

Reference: Recommendation 41 (b) of the Planning Committee;

1 VOTING.

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

2 - 3 ELECTION PROCEDURE

2 Elections to the board of directors, to the board oversight committee and the position of auditor shall be by majority vote and by secret ballot. Candidates for the position of directors and board oversight committee shall serve a three year term. The Auditor shall serve a one year term.

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

4 - 9 MOTIONS.

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

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

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

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

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

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

10 - 15 MISCELLANEOUS.

- 10 The chair of the board of directors shall be the chair of any general meeting, except where he/she is not available, in which case it shall be the vice-chair, except where he/she is not available, in which case the board shall decide amongst themselves who shall act as chair of any general meeting.
- 11 The chair may at his/her discretion, extend the privilege of the floor to any person who is not a member.
- 12 Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the chair.
- 13 The chair's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
- 14 No member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the board of directors.
- 15 Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.

16 SUSPENSION OF STANDING ORDERS.

Any one of these Orders or all of these Standing Orders may be suspended on a motion to this effect receiving a two-thirds majority of those present and entitled to vote.

17 ALTERATION OF STANDING ORDERS.

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

18 ADJOURNMENTS.

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

DIRECTORS, SUPERVISORS AND OTHER INFORMATION

Board of Directors

Chair: Jean O'Hara
Vice Chair: John T. Murphy
Secretary: John Conaty

Directors

Gerry Cahill
Arthur Duignan
Charles Keane
Aoibhinn O'Toole
Paul Roche
Martin Whelan

Board Oversight Committee

Graham Kavanagh
Neil Murray
Elizabeth Turner

Management Team

Michael Byrne (CEO)
Colette Reid (Operations)
Mark Ryan (Lending)
Clare McCann (Credit Control)

Auditors

Murnane & Associates
27 Longford Terrace
Monkstown
Co. Dublin

Solicitors

Maurice O' Callaghan
O'Callaghan Kelly Solicitors,
51 Mulgrave Street
Dun Laoghaire
Co Dublin

CHAIRS REPORT

The past year has been another busy one for our Credit Union. Board was just getting used to having four offices when we were asked to take Glashule-Dún Laoghaire Credit Union under our wing. Having examined all aspects of the proposal Board decided such an addition would benefit Members of both Core and Glashule/Dún Laoghaire Credit Unions. I will take this opportunity to remind you that we have money to lend!

The car draw commenced and the first two cars have been won by women. The draw for the third car will take place during the Annual General Meeting.

Fifty years of operations for Shankill, Ballybrack & District Credit Union will be celebrated in 2016. To mark this fantastic milestone the Local Area Forum has compiled a book of reminiscences. All contactable former Directors and Supervisors were invited to contribute. Board has decided that a subscription of €5.00 will be asked for the publication with all proceeds going to St. John of God, Dunmore House. The surviving founders will be presented with copies.

In the late 1960's a friend persuaded me to join Glashule-Dún Laoghaire Credit Union. At the time I was very sceptical about the whole thing of giving my hard earned few bob to a group of amateurs rather than to a bank. How times proved my worries to be very misplaced. The banks were the institutions which let the people of Ireland down whilst the great Credit Union Movement, with its volunteer ethos, protected the hard earned few bob of the people. During the period of our economic crash the Minister for Finance stated he would set aside €500 million to protect Credit Unions, this made great headlines, the fact that only €6 million was required has not been shouted from the rooftops by politicians or by the media. I might add that the cumulative 'few bob' has added up over the years and the Movement can proudly say that it now has combined savings of €12 billion The Lord alone knows how much has been borrowed by members since Ms. Nora Herlihy introduced the movement to Ireland. In our early years we attracted members who were not well off, some were indebted to money lenders and the Credit Union enabled all members to benefit from combined savings, thrift and borrowings at reasonable rates. In recent times people are joining because they no longer want to deal with banks where the personal touch is vanishing and all are directed to machines. In your Credit Union there is always someone to welcome you and assist you in any way they can, if you use one branch on a regular basis they will know you by name.

Jean O'Hara pictured with ILCU president Brian McCrory



When I moved to Ballybrack I was delighted to find there was a Credit Union in the area. As soon as I cleared my debts in Glashule/Dún Laoghaire I closed account number 548 and opened an account in Shankill/Ballybrack. Little did I think in those days that I would be honoured with the role of Chair and would be involved in the merger of four Credit Unions into what is now Core Credit Union Ltd. with five branches in which members can conduct transactions.

Central Bank Regulation continues to increase; it is my personal belief that the age profile of staff in that organisation prohibits them from understanding fully our volunteer ethos and thus our knowledge of the members and their financial needs. Regulation is not wrong, it is necessary; lack of regulation by the Central Bank has to be partly to blame for the recent economic crisis in Ireland.

Wishing you a happy, peaceful and healthy Christmas, my thanks to you for your continued confidence in The Board of Core Credit Union. Should any of you have the urge to volunteer please do contact a member of staff or a Director, we can use your skills.

Jean O'Hara
Chair

THE YEAR IN REVIEW

We are Core Credit Union



Having completed the mergers of three Credit Unions at the end of last year, the beginning of this financial year was extremely busy and intense for all. Merging the three IT Systems was particularly challenging, sincere thanks to our staff for making this possible and thank you to our members for your patience during this time.

From day 1 the benefits for members were seen with the roll out of a range of electronic services across all offices. Since October 2014 there has been an increase of 90% in electronic transactions. Whilst electronic transactions have increased, we're glad to report that the number of face to face transactions have remained the same. Credit Unions remain as important today as they did 50 years ago. With the recent announcement by Bank of Ireland that they will only do staff assisted transactions for cash withdrawals of more than €700 it's great that your Credit Union continues to provide the necessary face to face contact.



In July 2015 Glashule Dún Laoghaire Credit Union was transferred into Core Credit Union. This now gives members 5 offices to conduct their business. Approximately €12 million of assets were transferred as part of the transfer of engagement. Between the transfer date and the 30th September members undertook 1,535 transactions in other offices, which shows that members are now using all five offices.



Core Car Draw was launched in June and the winner of the first car was a long standing member of the Sallynoggin / Glenageary office. The second car was won by a member from the Dalkey office who was previously a member in Shankill. It's great to see the cars being won across different areas of our common bond and we will be giving away our third car at this year's AGM in addition to some cash prizes. We would like to thank all members who have signed up to the draw.



Social inclusion is one of the corner stones of the Credit Union movement and we are very proud to be sponsors of the Core Credit Union DLR Community 5k, one of the feature events of DLR's social inclusion week.



Summary: The results for the year are very positive. Having come through a great recession we are now in a very low interest rate environment which increases the challenge of generating a reasonable return from our investments. Despite this we have managed to maintain a strong return. Our loan book is growing, albeit at a slow rate and arrears are reducing. These are covered in more detail in the various committee reports. The surplus for the year is €1,137,643 compared to €1,003,353. The directors are proposing a Dividend of 0.5% and an Interest Rebate of 5%.

Finally we would like to thank the members for their continued support, the directors, board oversight committee and volunteers for all their voluntary work during the year and finally the staff for the dedication and commitment to provide members with first class service all of the time.

Mary Pert, being presented with her new car from Jean O'Hara, Chair of Core Credit Union



Cuala U14 team with their new Jerseys sponsored by Core



The Credit Union Coffee & Crepes van visited Dún Laoghaire in September

REPORT OF THE BOARD OVERSIGHT COMMITTEE

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

As required by the Act we held four meetings with the Board of Directors to assess their performance. We are satisfied that all duties and responsibilities were carried out in accordance with the Rules and Regulations as set down in the Act. We checked Policies and found them up to date as required. We attended all meetings held by the Board of Directors. We want to thank the Directors, Management and Staff for their co-operation and assistance throughout this year.

Under the Credit Union Act 1997(as amended) we are required to provide an annual Compliance Statement to our Members at the AGM each year. We are satisfied that the Board of Directors has complied with and operated in accordance with Part IV and Part IV(A) of the Act.

I would like to thank my colleagues Graham Kavanagh and Elizabeth Turner for their hard work during the year.

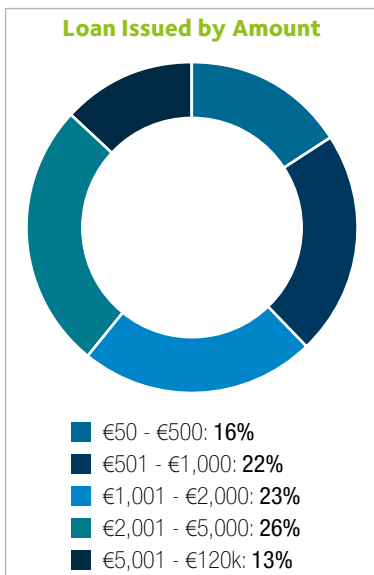


Neil Murray
Chairperson

REPORT OF THE CREDIT COMMITTEE

The primary function of the Credit Union is to provide credit at fair and reasonable rates to our communities. We encourage you to contact us if you require a loan for any reason whatsoever. Loans are assessed on your ability to repay and character with over 90% being approved by our professional and trained loans officers who are dedicated to provide an efficient service to all our members.

During the year 5,359 loans were issued totalling €15,834,158 for a wide range of purposes. Since 2008 there has been a significant reduction in demand for loans as a result of the recession and financial crisis. In the last 12 months we have seen a marked increase in the demand for larger loans as people now have the confidence to undertake significant home improvement projects or to replace their cars. We continue to fulfil our social purpose with 61% of all loans issued for amounts of €2,000 or less.



Description	30th September 2015	
	No	Amount
Home Improvements	1,704	6,106,800
Car Purchase	588	3,400,758
Holidays	939	1,732,100
Special Occasions	668	744,020
Bills	655	1,471,418
Education	224	622,609
Car Running Costs	406	547,960
Wedding	120	559,300
Small Business	23	112,788
Debt Consolidation	38	201,453
First Charge	6	334,952
Grand Total	5,371	15,834,158

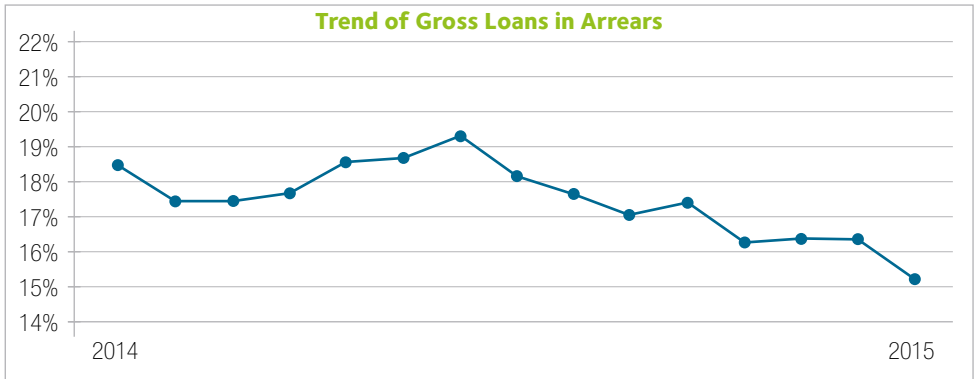
We would like to point out that members can apply for loans in the following ways:

- In any of our five offices
- By telephone
- By using the loan enquiry tool on www.corecu.ie
- By using the web application on the online members section of the website.

REPORT OF THE CREDIT CONTROL COMMITTEE

The Credit Control Committee functions include ensuring compliance with Credit Union Legislation, the Standard Rules of the Credit Union as well as the internal policies of the Credit Union.

One very important aspect of the Credit Control Committee's role is its responsibility to ensure that loans are repaid in accordance with the Credit Agreement. Over the past number of years this has proved to be particularly challenging as members experienced unprecedented financial difficulties with a reduction in disposable income. However we believe we are beginning to see an improvement in the general economy and this has been reflected in the improving arrears situation in the Credit Union. We hope that, as this years' budget changes are reflected in member's income, that the situation will improve.



As can be seen from the above chart arrears are reducing significantly with all but a few members making an effort to meet with their obligations.

We would appeal to anyone who is unable to meet their agreed loan repayments, or members who have not been in contact with us for a considerable amount of time to make contact with their local office immediately. We will then endeavor to make a more suitable arrangement for members who find themselves in financial difficulties.

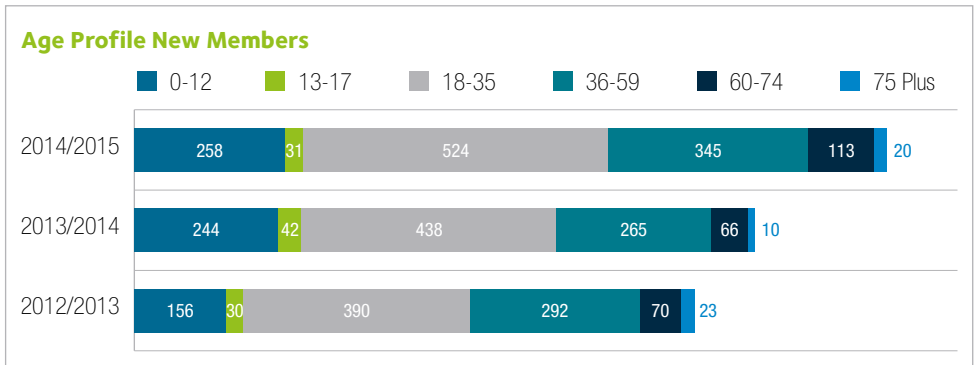
We feel it is important to emphasise that although a loan may be written off in the accounts, we continue to pursue the collection of this debt. If members ignore their obligations to engage with us, we will use all means available to us to recover these debts and therefore protect the savings of all members.

During the year we wrote off €430,547 of loans and recovered €128,107 of written off loans. In the coming year we will continue to prioritise the recovery of these debts.

REPORT OF THE MEMBERSHIP COMMITTEE

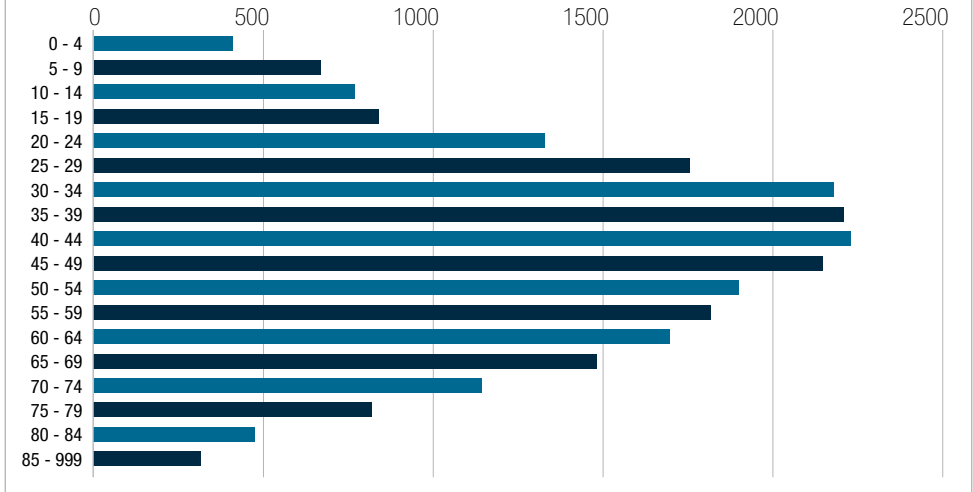
Total Active Accounts	30/09/2015	30/09/2014
Adult	22,410	16,867
Juvenile (Under 16s)	2,156	1,773
Groups	51	46
	<u>24,617</u>	<u>18,686</u>

2014/15 was another very strong year for membership growth. We would like to thank members for continuing to place their trust in their local Credit Union. The age profile of new members for the last 3 years demonstrates strong growth across all age groups but most specifically in the younger age groups. In total 1,291 new members joined Core Credit Union last year.



The age profile of our membership is shown in the chart overleaf and as can be seen we have a very wide spread of members across all age categories showing that the Credit Union continues to be as vibrant and relative to the current generations as it did to our past generations. To help us continue to reach as many people in our community we ask that you continue to ask your friends and family to join your Credit Union.

Membership Age Profile



M3 Update

We are delighted to announce that 3 more schools have joined the M3 Money Club. St Kevin's in Sallynoggin, St Columbanus in Loughlinstown and Dominican Convent in Dun Laoghaire have all introduced the savings club to their pupils which encourages children to develop a savings habit.

The M3 Money Club is available to all primary schools in the common bond, so if you would like to see your children's school join the scheme, please contact either the school or Core Credit Union.



Bereavement

Sadly we were notified of the deaths of 107 of our members during the year. We would like to express our sincere sympathy and condolences to the families of these members.

REPORT OF THE RISK, COMPLIANCE & AUDIT COMMITTEE

The Risk, Compliance and Audit Committee oversees the work of the Risk & Compliance Officer and Internal Auditor in managing the Credit Union's risk management, compliance and internal audit arrangements, thereby ensuring that the key risks are identified and managed and that the risk management framework and internal controls reflect the risk appetite which is adopted annually by the Board.

The specific responsibilities of the Risk & Compliance Committee are to maintain oversight of the following:

- Ensure that the Credit Union complies with laws, regulations and internal rules as well as accepted Credit Union practices, and monitor changes and potential changes to regulations affecting the Credit Union.
- Monitor the effectiveness of the risk and compliance processes in place in the Credit Union.
- Review the annual compliance plan and the compliance monitoring plan and monitor the progress made on tasks outlined in the compliance monitoring plan.
- Review and analyse the Credit Union's Risk Register.

INSURANCE REPORT

A key and important benefit for members is the Loan Protection and Life Savings insurance. The former provides repayment of the outstanding debt in the event of the death of the member and the latter pays a benefit relating to the value of the shares held at the date of the death. This cover is arranged with ECCU Assurance Company Limited, a subsidiary of the Irish League of Credit Unions.

Further, additional life cover is provided for members through the Death Benefit Insurance.

These covers are provided free of charge to you, our members, with the premiums payable to ECCU Assurance Company Limited included in the running costs of the Credit Union.

The table below shows the claims history processed last year:

	No.	30/09/2015 €
Claims Received		
Loan Protection Insurance	23	100,755.98
Life Savings Insurance	107	163,886.61
Death Benefit Insurance	79	172,250.00
Total Claims Received		436,892.59
Total Premiums Paid		475,004.00
Excess of premiums over claims		38,111.41

NOMINATION COMMITTEE REPORT / NOTICE OF ELECTIONS

Elections will be held to fill one vacancy on the Board Oversight Committee, three vacancies on the Board of Directors and the position of Auditor.

During the course of the year the Nominations Committee identified candidates to stand for the above positions and they have been assessed under the fitness & probity regime, as required by the Central Bank, with satisfactory results.

All members are entitled to put themselves forward for nomination to the Board/Board Oversight Committee for future years. Expressions of interest can be submitted in writing to 'The Nomination Committee, Core Credit Union, 33/33 Church Road, Ballybrack, Co Dublin. As Board positions are Controlled Functions under the Central Banks Fitness & Probity regulations the nomination committee must undertake due diligence on all applicants.

There is 1 candidate proposed by the board of directors standing for the vacancy of Auditor:

- Murnane & Associates, Chartered Accountants

Arthur Duignan
Nomination Committee

Charles Keaney
Nomination Committee

John T. Murphy
Nomination Committee

CORE CREDIT UNION LIMITED
AUDITED FINANCIAL STATEMENTS
for the year ended 30 September 2015



DIRECTORS' REPORT

The directors present their report and audited financial statements for the year ended 30 September 2015.

1. Principal Activity

The principal activities of the Credit Union involve the taking of members' shares/savings and lending on these funds to members in accordance with legislation and criteria determined by the Central Bank, the Irish League of Credit Unions and the Credit Union itself.

2. Statement of Directors' Responsibilities

The Credit Union Act, 1997 (as amended) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Credit Union and of the income and expenditure of the Credit Union for that period. In preparing those financial statements the directors are required to:

- 1 Select suitable accounting policies (as laid out on page 25 and 26) and apply them consistently;
- 2 Make judgements and estimates that are reasonable and prudent;
- 3 Prepare the financial statements on a going concern basis unless it is 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, 1997 (as amended).

They are also responsible for safeguarding the assets of the Credit Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Credit Union:

Neil Murray	Board Oversight Committee
Jean O'Hara	Board of Directors
Michael Byrne	CEO

INDEPENDENT AUDITORS' REPORT

To the members of Core Credit Union Limited

We have audited the financial statements of Core Credit Union Limited for the year ended 30 September 2015 which comprise the Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 25 and 26 and the accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

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 members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the credit union and the credit union's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described more fully in the Statement of Directors' Responsibilities on page 20 the Credit Union directors are responsible for the preparation of the financial statements giving a true and fair view and for ensuring that they comply with the Credit Union Act, 1997 (as amended).

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 directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information contained in the Annual Report to identify material inconsistencies with the audited financial statements. This other information comprises only the Chair's Report, Directors' Report, Credit Committee's Report, Membership Committee's Report, Compliance & Audit Committee's Report, Nomination Committee Report, Credit Control Committee Report, Insurance Report and Board Oversight Committee's Report. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. Our responsibilities do not extend to any other information.

OPINION

In our opinion the financial statements give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the credit union's affairs as at 30 September 2015 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the requirements of the Credit Union Act, 1997 (as amended).

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY THE CREDIT UNION ACT, 1997 (AS AMENDED)

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

In our opinion, the information given in the Directors' Report on page 20 is consistent with the financial statements.

MURNANE & ASSOCIATES

Chartered Accountants and Registered Auditors

27 Longford Terrace

Monkstown

Co. Dublin

INCOME AND EXPENDITURE ACCOUNT

	Schedules	year ended 30 September 2015 €	year ended 30 September 2014 €
Income			
Interest on members loans		2,271,023	2,138,887
Other interest receivable and similar income	1	1,108,463	1,094,126
		3,379,486	3,233,013
Other income	2	17,171	5,239
		3,396,657	3,238,252
Expenditure			
Wages and salaries		836,931	735,299
Other management expenses	3	1,664,114	1,435,561
Depreciation		166,076	153,260
Write-back of losses on investments		-	(7,724)
(Decrease) / Increase in bad debts provision		(280,000)	67,000
Bad debts recovered		(128,107)	(148,497)
		2,259,014	2,234,899
Surplus for the year		1,137,643	1,003,353
Appropriation of surplus			
Add:			
Undistributed surplus from prior year		3,018,666	2,583,233
Surplus for the year		1,137,643	1,003,353
Transfer from dividend reserve		521,028	-
Transfer from other reserves		115,355	-
Total		4,792,692	3,586,586
Less:			
Transfer to statutory reserve		(454,873)	(100,335)
Transfer to undistributable investment income reserve		(49,025)	-
Dividend paid		(579,785)	(424,468)
Loan interest rebate paid		-	(43,117)
Undistributed Surplus at 30 September		3,709,009	3,018,666

On behalf of the Credit Union:

Neil Murray Board Oversight Committee

Jean O'Hara Board of Directors

Michael Byrne CEO

BALANCE SHEET

	Notes	as at 30 September 2015 €	as at 30 September 2014 €
Assets			
Cash and bank balances		1,082,004	1,001,297
Deposits and investments	5	57,396,573	47,437,649
Central Bank minimum reserve fund		776,852	385,758
Loans to members	6	27,159,332	22,425,929
Less: Provision for bad and doubtful debts	7	(3,383,030)	(3,231,030)
Tangible fixed assets	8	4,069,874	2,699,704
Prepayments & accrued income		518,537	362,285
Total Assets		87,620,142	71,081,592
Liabilities			
Members' shares		73,121,980	58,480,326
Members' stamps		1,202,460	862,102
Members' budget accounts		4,188	(1,131)
Other liabilities, accruals and charges		195,291	354,300
		74,523,919	59,695,597
Net Assets		13,096,223	11,385,995
Represented by:			
<i>Regulatory Reserves</i>			
Statutory reserve	10	9,338,189	7,163,521
Additional regulatory reserve	10	-	567,425
Total regulatory reserves		9,338,189	7,730,946
Other Reserves			
Dividend reserve	10	-	521,028
Other reserves: realised	10	-	115,355
General reserve	10	3,709,009	3,018,666
Undistributable investment income reserve	10	49,025	-
Total other reserves		3,758,034	3,655,049
Total reserves		13,096,223	11,385,995

On behalf of the Credit Union:

Neil Murray Board Oversight Committee

Jean O'Hara Board of Directors

Michael Byrne CEO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30th September 2015

1. Accounting Policies

1.1. Accounting convention

The Audited Financial Statements are prepared in accordance with generally accepted accounting principles under the historical cost convention.

1.2. Income recognition

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

(a) Interest on members' loans

Interest on members' loans is recognised when payment is received as specified in Section 110[1][C][i] of the Credit Union Act, 1997 (as amended) (i.e. on a cash basis). Loans are carried at amortised cost using the effective interest method.

(b) Investment Income

Investment income is recognised when received or irrevocably receivable. Investments are recognised at cost less any permanent diminution in capital value but ignoring any increase in capital value or encashment value until realised in the form of cash or cash equivalents.

The specific investment products held by the Credit Union are accounted for as follows:

(i) Bank deposits, term deposits and fixed interest investment bonds

These are valued at the deposit amount plus any accrued interest and interest income is recognised in the income statement on an accruals (time) basis.

(ii) Investments with return of capital guarantee

Investments with return of capital guarantee are valued at the lower of cost or market value but not lower than the capital guaranteed amount and dividend or other income is recognised in the income statement when it is received or irrevocably receivable.

(iii) Bank Bonds and Government Bonds

These are valued at the lower of cost and market value at the balance sheet date. Investments which are capital guaranteed are valued at cost plus accrued income, with the exception of the following:

- Where the cost is greater than par, the excess over the par value is amortised over the life of the investment.
- Where the cost is less than par, the excess over cost is amortised over the life of the investment.

Interest income is recognised as accrued on bonds. Any bonus maturity interest is recognised over the life of the bond as the Board are satisfied that the Credit Union holds sufficient liquid reserves to ensure that these bonds will be held to maturity.

1.3. Tangible fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less residual value of each asset systematically over its expected useful life, as follows:

Commercial premises	-	2% straight line (0% on Residual Value)
Fixtures, fittings and equipment	-	20% straight line
Computer equipment	-	20%/33.3% straight line

1.4. Bad and doubtful debts

Bad debts written off and bad debts recovered are included in the Income and Expenditure Account. Provision for doubtful debts is made against current loan balances on the basis of Resolution 49 of the Irish League of Credit Unions together with an additional provision of €1,790,413 (2014 : €1,471,787) (as laid out in Note 7) considered prudent by the directors.

1.5. Pensions

The Credit Union operates a defined contribution pension scheme. The cost of the period were €19,482.

1.6. Transfer of Engagements

Transfer of Engagements are accounted for using the acquisition method of accounting. This involves recognising identifiable assets and liabilities of the acquired Credit Unions at fair value. In applying the acquisition method of accounting for these business combinations, the member interests transferred by Core Credit Union Limited represents the consideration transferred for the net assets acquired. This consideration has been estimated as equivalent to the acquisition date fair value of the member interests in the Transferor Credit Union (the fair value of the Transferor Credit Union) at the date of the transfer, and is reflected as an adjustment in "Statutory Reserve".

2. Transfer of Engagements

On 21st July 2015 Core Credit Union Limited (CCU) accepted the Transfer of Glashule-Dún Laoghaire District Credit Union Limited (GDLCU). The assets and liabilities of GDLCU at 21 July 2015 were incorporated into the Balance Sheet of CCU at that date.

CCU did not pay any consideration in respect of the of the Transfer of Engagement. On the date of transfer, the members of the transferor credit union became members of CCU, and thereby became entitled to member interest associated with such membership. In applying the acquisition method of accounting for this business combination, the members interests transferred by CCU represents the consideration transferred for the net assets acquired. This consideration has been estimated as equivalent to the acquisition-date fair value of the member interests in the transferor credit union (the fair value of the transferor credit union) at the date of transfer, and is reflected as an adjustment in "Statutory Reserve" in note 10a.

The book values and fair values of the net assets acquired are detailed in the table below:

Fair value of DGCU assets & liabilities acquired by CCU	€
Tangible fixed assets	1,468,034
Cash on hand and in bank	1,810,784
Deposits and investments	5,167,230
Loans to members	4,579,675
Provision for bad and doubtful debts	(432,000)
Debtors, prepayments and accrued income	18,938
Members shares	(11,266,308)
Other liabilities, creditors and accruals	(95,971)
	<u>1,250,382</u>

No fair value adjustments arose on transfer as these were processed in the standalone Credit Union prior to the date of transfer.

3. Cash Flow Statement

	year ended 30 September 2015	year ended 30 September 2014
	€	€
Opening cash and investments	48,824,704	46,403,014
Receipts		
Members' shares	27,261,224	21,268,336
Dun Laoghaire cash at merger date	6,978,014	-
Members' loans repaid	15,249,884	12,352,152
Members' stamps received	2,036,836	1,158,974
Members' budget account deposits	61,905	34,958
Members' loan interest received	2,271,023	2,138,887
Investment interest received	1,108,463	1,094,126
Other receipts	17,171	5,239
Bad debts recovered	128,107	148,497
Decrease / (increase) in prepayments and accrued income	(156,252)	118,190
	<u>54,956,375</u>	<u>38,319,359</u>
Disbursements		
Members' shares withdrawn	23,885,877	20,232,259
Members' loans granted	15,834,158	12,244,780
Members' stamps withdrawn	1,696,478	1,020,699
Members' budget account withdrawals	56,586	36,642
Operating expenses	2,245,545	1,920,055
Fixed assets purchased	68,212	160,235
Dividends paid	579,785	424,468
Loan interest rebate paid	-	43,117
Decrease / (Increase) in other liabilities and accruals	159,009	(184,586)
	<u>44,525,650</u>	<u>35,897,669</u>
Closing cash and investments	59,255,429	48,824,704

4. Proposed Dividends and Loan Interest Rebate

	year ended 30 September 2015	year ended 30 September 2014
	€	€
The Directors recommend the following distributions:		
Dividend on shares at 0.5% (2014: 1%)	352,675	579,785
Loan Interest rebate at 5% (2014: 0%)	133,593	-
	<u>486,268</u>	<u>579,785</u>

5. Deposits and Investments

	year ended 30 September 2015	year ended 30 September 2014
	€	€
Government bonds	1,877,289	1,208,211
Bank deposits	40,135,784	39,902,322
Bank bonds	15,383,500	3,378,511
Collective investment schemes	-	2,948,605
	<u>57,396,573</u>	<u>47,437,649</u>

Maturity Analysis of Investments

	€	€
On demand	4,388,317	8,418,980
1 - 7 days	652,860	810,790
7 - 31 days	2,046,942	6,412,531
1 - 3 months	9,364,522	2,848,444
3 - 12 months	6,198,215	14,069,092
12 - 60 months	25,895,548	13,811,812
Greater than 60 months	8,850,169	1,066,000
	<u>57,396,573</u>	<u>47,437,649</u>

Deposits and investments are stated in line with the accounting policies as set out in Note 1. Included in Prepayments and accrued income at 30 September 2015 is an amount of €499,479 (2014 : €339,584) relating to accrued income and guaranteed returns on the above deposits and investments.

6. Loans to members

	year ended 30 September 2015		year ended 30 September 2014	
	No.	€	No.	€
Less than 1 year	2,095	4,117,066	1,489	2,867,325
1 year to 5 years	3,640	21,626,825	3,215	18,841,442
5 years to 10 years	54	889,978	42	516,530
More than 10 years	9	525,463	5	200,632
	<u>5,798</u>	<u>27,159,332</u>	<u>4,751</u>	<u>22,425,929</u>

7. Provision for bad and doubtful debts

	€	€
Provision as per Resolution 49 requirements	1,592,617	1,759,243
Additional specific provision provided	300,911	348,641
Additional general provision	1,489,502	1,123,146
	<u>3,383,030</u>	<u>3,231,030</u>

Reconciliation of movement in provision

	€
Provision at 1 October 2014	3,231,030
Bad debt provision utilised during the year	(280,000)
Dun Laoghaire bad debt provision at merger date	432,000
Provision at 30 September 2015	<u>3,383,030</u>

8. Tangible Fixed assets

	Premises €	Fixtures, Fittings & Equipment €	Computer Equipment €	Total €
Cost				
At 1 October 2014	3,593,890	207,632	208,034	4,009,556
Additions	-	57,753	10,459	68,212
Merger additions	1,450,000	123,054	28,933	1,601,987
At 30 September 2015	5,043,890	388,439	247,426	5,679,755
Depreciation				
At 1 October 2014	1,151,770	126,849	31,233	1,309,852
Merger depreciation	-	119,518	14,435	133,953
Charge for the year	76,867	30,076	59,133	166,076
At 30 September 2015	1,228,637	276,443	104,801	1,609,881
Net book values				
At 30 September 2014	2,442,120	80,783	176,801	2,699,704
At 30 September 2015	3,815,253	111,996	142,625	4,069,874

The directors engaged Robert Downey estate agents to value both the Shankill and Ballybrack premises. The combined current market value at 17th October 2013 based upon this valuation is €1,720,000 which is in excess of the current Net Book Value.

The directors engaged Mason Owen & Lyons to value the Dalkey premises. The current market value at 9th December 2013 based upon this valuation is €425,000 which is in excess of the current Net Book Value.

The directors engaged Tom Higgins to value the Sallynoggin premises. The current market value at 17th October 2013 based upon this valuation is €380,000 which is in excess of the current Net Book Value.

The directors engaged Lisney Estate Agents to value the Dun Laoghaire premises. The current market value at 5th February 2015 based upon this valuation is €1,450,000 which equates to the value the premises recognised in the financial statements at the merger date.

The directors have agreed to leave the valuations at the current Net Book Value and not to recognise the revaluation gains.

9. Related Party Transactions

The following are the related party transactions with directors and officers, which require disclosure under Financial Reporting Standard No. 8:

	year ended 30 September 2015	year ended 30 September 2014
	€	€
Loan Balances	226,165	144,149
Share Balances	479,741	270,727
Stamp Balances	44,736	18,271

Loans of €70,730 (2014 : €105,609) were granted to directors and officers during the year.

10a. Reserves

	Statutory Reserve €	Additional Regulatory Reserve €	Dividend Reserve €	Retained Earnings €	Other Reserves €	Total Reserves €
At 1 October 2014	7,163,521	567,425	521,028	3,018,666	115,355	11,385,995
Surplus for the year	-	-	-	1,137,643	-	1,137,643
Acquisition of Glashule / Dun Laoghaire Credit Union Limited	1,152,370	-	-	-	-	1,152,370
Total reserves before transfers	8,315,891	567,425	521,028	4,156,309	115,355	13,676,008
Transfer of non distributable reserves from distributable reserves	-	-	-	(49,025)	49,025	-
Transfer to statutory reserve	454,873	-	-	(454,873)	-	-
Other transfers	567,425	(567,425)	(521,028)	636,383	(115,355)	-
Dividend paid	-	-	-	(579,785)	-	(579,785)
At 30 September 2015	9,338,189	-	-	3,709,009	49,025	13,096,223

10b. Statutory reserves

Under the provisions of the Credit Union Act, 1997 (as amended), at least 10% of each year's surplus must be transferred to the Statutory Reserve and under Statutory Instrument 344 of 2009 a Credit Union must maintain continually a minimum Regulatory Reserve Ratio of at least 10% (ten per cent) of Total Assets.

The total Regulatory Reserves held by this Credit Union are 10.66% (2014 : 10.88%).

11. Insurance Against Fraud

The Credit Union has Insurance against fraud in compliance with Section 47 of the Credit Union Act 1997 (as amended) in the amount of €2,600,000.

12. Rates of Interest Charged on Members Loans as at 30 September 2015

	Rate %	APR %
General loans	10.44	10.95
Loans within shares	6.5	6.71
Education loans	6.5	6.71
First charge loans	6.5	6.71

13. Approval of financial statements

The financial statements were approved by the directors on 3rd November 2015.

	year ended 30 September 2015	year ended 30 September 2014
	€	€
Schedule 1 -		
Other Interest Receivable and Similar Income		
Investment Income received	608,984	754,542
Investment Income receivable with 12 months	450,454	339,584
Other Investment Income	49,025	-
	<u>1,108,463</u>	<u>1,094,126</u>
Schedule 2 -		
Other Income		
Fees	753	607
Interest on budget accounts	781	371
Other income	1,654	1,600
Commission	4,851	1,542
Charges and fees recovered	307	1,119
Rental income	8,825	-
	<u>17,171</u>	<u>5,239</u>

	year ended 30 September 2015	year ended 30 September 2014
	€	€
Schedule 3 -		
Other Management Expenses		
LP/LS insurance	295,148	254,706
SPS contributions	55,308	36,307
Pension costs	19,482	44,546
Affiliation fees	14,671	20,926
Central Bank and other levies	57,860	57,310
Subscriptions	5,540	2,715
Bad debts written off	430,547	243,092
Audit & accountancy	23,062	32,206
Treasurers' honorarium	-	2,550
Light & heat	20,186	19,430
Rates	37,393	34,263
I.L.C.U. convention	2,650	5,027
Printing & stationery	39,582	34,426
Repairs and maintenance	14,854	24,596
Computer maintenance	126,316	140,677
Board Oversight Committee expenses	1,720	1,477
AGM expenses	14,495	25,888
Canteen & cleaning	16,099	14,570
Restructuring costs	24,808	47,643
Telephone & postage	24,686	31,218
General insurance	22,324	28,896
Entertainment	1,482	5,528
Legal and professional fees	98,459	49,694
Travel expenses	4,785	8,617
Panel costs	-	1,833
Promotion and advertising	63,220	46,515
Donations & sponsorship	22,092	11,853
DBI insurance	179,856	123,269
Bank charges	16,252	32,522
Education & publicity	12,600	13,798
Sepa charges	13,287	23,542
Sundry	5,350	15,921
	<u>1,664,114</u>	<u>1,435,561</u>

MOTIONS AND OTHER INFORMATION



MOTIONS FOR ANNUAL GENERAL MEETING

Motion 1.

That this Annual General Meeting amends Rule 64(2) to read as follows:

‘At the time of the adoption of these rules, the board of directors shall consist of eleven members, all of whom shall be members of the credit union’

Motion 2.

That this Annual General Meeting approves a charitable donation of €11,000 to the 11 local St. Vincent De Paul conferences, €1,000 to Protestant Aid, €1,000 to Carmona Services and €1,000 to SVP Carrickmines Tragedy

Motion 3.

That this Annual General Meeting approves the deduction of an affiliation fee of €1.48 per adult member.

Motion 4.

That this Annual General Meeting approves the provision of payment account services by the credit union to the members.

Motion 5.

That, as provided for by Section 44 of the Credit Union Act, 1997 (as amended) this Annual General Meeting approves the establishment of a special fund which shall be known as the Social Fund, whereby:

(a) Subject to satisfying the requirements of Section 44 of the Credit Union Act, 1997 (as amended) an amount of €50,000 per annum will be transferred to this fund from the annual surplus and

(b) The purpose of the fund shall be:

- To support the provision of community loans (A community loan means a loan to a community or voluntary organisation which is established for the express purpose of furthering the social, economic or environmental well-being of individuals within the common bond of the credit union)

Motion 6.

That this Annual General Meeting agrees to pay a dividend 0.5%

Motion 7.

That this Annual General Meeting agrees to pay an interest rebate of 5%

NOMINATING YOUR BENEFICIARY

On joining the Credit Union you are asked to nominate a beneficiary. Your nominee should be the person to whom, at the time of your death, you would like to transfer any property in the Credit Union whether in shares or otherwise. **There is a €23,000 limit on the amount your nominee can receive.** Any excess will be paid into your estate. Any Will or codicil to a Will cannot change your nomination.

Making sure your nomination is up to date couldn't be easier. Simply ask any member of staff to check who the nominee on the account is. If you would like to change the nomination then fill out a new form of nomination and leave the rest to us.

WHY BANK WHEN YOU CAN CREDIT UNION 24/7

Register online at www.corecu.ie to access your account 24/7. Download our smartphone app to access your credit union on the go.

Set up a Credit Union payment account and you can set up direct debits, bill pay for all your bills and credit transfers to transfer money anywhere in the EU area.



Use this handy QR Code to go directly to the download page for your Android or iPhone



CREDIT UNIONS INSURANCES

Life Savings Insurance

The amount of insurance benefit is in proportion to the amount of savings the member has and depends on the member's age at date of lodgment.

Subject to a maximum of €12,700, every €1 you save before age 55 provides €1 of insurance. Between the age of 55 and are under 70, the following table applies:

- €1 saved between age 55 – 59 provides €0.75 insurance
- €1 saved between age 60 – 64 provides €0.50 insurance
- €1 saved between age 65 – 70 provides €0.25 insurance

Once earned, you insurance remains in force as long as you leave your savings in the Credit Union. Life Savings Insurance can provide your nominee with a substantial addition to savings on your death. A member is eligible for Life Savings Insurance if they begin saving before age 70, are actively at work, or if not working, are in good health.

Loan Protection Insurance

Should an insured borrower die or become totally and permanently disabled for any occupation, the insurance cover provides that the loan is repaid in full. For eligible member, the age limit for loan insurance is the member's 85th birthday. The disability cover ceases on the eligible member's 60th birthday.

Death Benefit Insurance

Is a life assurance benefit designed to pay a fixed lump sum benefit when a Credit Union member dies in order to help the next of kin pay funeral expenses. DBI payable for each eligible member in Core Credit Union is €1,950.

DBI provides protection to your next of kin when they need it most and consequently is an excellent benefit.

Terms and Conditions apply to all the above.

OPENING HOURS



Ballybrack - 01 272 5603

Monday	10:00 – 12:30 & 14:00 – 16:30
Tuesday	10:00 – 12:30 & 14:00 – 16:30
Wednesday	Closed
Thursday	10:00 – 16:30
Friday	10:00 – 17:30
Saturday	09:45 – 12:30

Dalkey - 01 272 5605

Monday	09:15 – 12:30 & 14:00 – 16:30
Tuesday	09:15 – 12:30 & 14:00 – 16:30
Wednesday	Closed
Thursday	09:15 – 12:30 & 14:00 – 16:30
Friday	09:15 – 17:30
Saturday	09:15 – 12:30

Glasthule/Dún Laoghaire - 01 272 5606

Monday	09:45 – 17:00
Tuesday	09:45 – 17:00
Wednesday	09:45 – 17:00
Thursday	09:45 – 17:00
Friday	09:45 – 17:00
Saturday	09:45 – 12:30

Sallynoggin/Glenageary - 01 272 5604

Monday	09:15 – 12:30 & 14:00 – 16:30
Tuesday	09:15 – 12:30 & 14:00 – 16:30
Wednesday	Closed
Thursday	09:15 – 12:30 & 14:00 – 16:30
Friday	09:15 – 17:30
Saturday	09:15 – 12:30

Shankill - 01 272 5602

Monday	10:00 – 12:30 & 14:00 – 16:30
Tuesday	10:00 – 12:30 & 14:00 – 16:30
Wednesday	Closed
Thursday	10:00 – 16:30
Friday	10:00 – 17:30
Saturday	09:45 – 12:30



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