



Stay Strong & **GROW**

with Sarsfield Credit Union

ACCOUNTS & NOTICE OF 56TH AGM, 2018

Notice is hereby given that the Annual General Meeting of Sarsfield Credit Union Ltd. will be held in The South Court Hotel, Limerick on the 14th January 2019 at 7pm

www.sarsfieldcu.ie

Loans | Savings | Insurance | Personal Service

Credit Union Prayer

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.

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AGM Agenda

- 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 Consideration of accounts and related matters.
- 7 Report of the Auditor.
- 8 Report of Board Oversight Committee.
- 9 Declaration of dividend and rebate of interest.
- 11 Report of Credit Control Committee.
- 10 Report of Credit Committee.
- 12 Report of the Membership & Marketing Committee.
- 13 Report of the Nominating Committee.
- 14 Appointment of Tellers.
- 15 Election of Auditor.
- 16 Election to fill vacancies on the Board Oversight Committee.
- 17 Election to fill vacancies on the Board of Directors.
- 18 Announcement of election results.
- 19 Any other appropriate business.
- 20 Adjournment or close of meeting.



Deceased Members Mass

Wednesday 16 January 2019

Redemptorist Church 7.15pm



Sarsfield
Credit Union Ltd.



MOTOR
LOAN
7.5%*

NEED AN UPGRADE?

or want to clear your PCP finance?

€10,000 Car Loan

For Only **€46.12** Weekly
Over 5 Years

- Own Your Car
- No Hidden Fees
- No Early Repayment Penalties
- No Balloon Repayments

Come and talk to us
in Glentworth Street *or* call 061 317 910

www.sarsfieldcu.ie



A typical €10,000 five year car loan will have weekly repayments of €46.12 interest rate of 7.5% (7.8% APR).

Fixed cost of interest €1,991.80 - Total amount repayable €11,991.80.

Loans are subject to approval, terms and conditions apply. Sarsfield Credit Union is regulated by the Central Bank of Ireland.



Chairman's Report

For the Financial Year Ended 30 September 2018

It is my pleasure to welcome you all to our 56th Annual General Meeting and to present this year's Chairman's Report to you.

It's been a very positive year and I am very pleased to report that lending demand in the year under review was strong with total loans increasing from €9.18m at 1st Oct 2017 to €11.4m at the 30th Sept 2018 thus increasing the surplus for the year from €185,534 in 2017 to €261,490 in 2018.

Our loan book income represents 53% of total income versus 47% last year. The increase in Loan Interest Income from €621,184 in 2017 to €765,384 in 2018 reflects the increased demand from members.

Our credit control performance remains the best in our peer group of credit unions with our Pearls A1 ratio (loans greater than 10 weeks in arrears) at 0.65%, compared to the national average of 4.93%.

The Credit Union movement is encountering a much greater level of regulation and oversight and whilst your Board supports these measures (to provide long term protection to the sector) such oversight brings additional cost and we will continue to monitor these closely.

Electronic transactions continued to increase by over 70% in the past 12 months.

Your Board is proposing a Dividend of 0.10% at a cost of €39,530 and a Loan Interest Rebate of 5% at a cost of €38,043. The overall cost of these proposals is €77,573. The Dividend Rate is above on demand deposit rates currently available on the market. The Loan Interest Rebate outlines your Board's determination to reward Members who borrow from us.

Last year you supported the Board's position to meet and discuss with other Credit Unions on possible mergers. We have been in talks with some Credit Unions to date with no positive outcome. As per our Strategic Plan we will continue on this path.

We are always seeking help from volunteers with the requisite skills and should you feel that you can afford to give a few hours a month to your Credit Union I would strongly encourage you to do so.

I wish to thank my fellow Directors and Board Oversight Committee for their voluntary commitment to your Credit Union. Thanks also to all our dedicated management team and professional staff for their excellent work and service to our members during 2018.

Last but not least my thanks go to our members for their continuing support over the years and we look forward to enjoying that support in the future.

I believe that you can look forward to 2019 with the confidence that the funds you have entrusted in Sarsfield Credit Union is safe and secure and that your Credit Union will "Stay Strong and Grow".

Pat Woods

Chairman

Sarsfield Credit Union Ltd.

Report of the CEO

For the Financial Year Ended 30 September 2018

I am happy to present the CEO report for our Financial Year Ended the 30th Sept 2018. It has been a strong year for our Credit Union with many positives that demonstrate the progress we have made during 2018 delivering a surplus for the financial year of €261,490 versus €185,534 in 2017.

Loan growth

We issued new loans totalling €7.137m to members during the year (versus €5.884m in 2017). Our loan book at the 30th Sept 2018 stood at €11.4m versus €9.18m in 2017 equating to growth in our loan book of 24.18% which is ahead of the average loan growth across the credit union sector. This is a strong performance and suggests economic confidence is returning amongst our members and in the local economy. Positively most of the loans advanced to members was spent locally on car purchases, home improvements, weddings, education, business expansion etc. and such spending promotes increased employment in our local economy. As Members, you can see that our loan rates are very competitive and transparent with no hidden fees. We have enhanced our Loan Underwriting, Due Diligence and Decision Making processes over the last 12 months to ensure timely loan decisions for members. I am confident that this level of growth can be repeated in 2019 with the support of you the Members. A strong performing loan book means a strong future for our Credit Union. I would encourage all members to consider "YOUR" Credit Union first when looking for a loan and to recommend new members to Sarsfield Credit Union. To reward members for taking loans from our Credit Union we are recommending a Loan Interest Rebate of 5% on member loans at the 30th Sept 2018 for approval.

Credit Control

Our Loan Book is in good shape with low levels of arrears reflecting the quality of our Loan Underwriting, Due Diligence and Approval process. Loan Underwriting and Credit Control are key functions of our business model, particularly as we endeavor to grow our loan book from an historically low base. Actual Loan arrears as a percentage of our loan book at the 30th Sept 2018 were 0.65% compared to the credit union sector average level of arrears of 4.93%. This is a testament to the quality and integrity of the members of Sarsfield Credit Union. Our Credit Control Function is also focused on recovering any loan bad debts that have been written off over the years and procedures have been stepped up in 2018 to facilitate the recovery of these bad debts. Members in difficulty with loan repayments continue to respond well and engage with our Credit Control staff. I would encourage any member experiencing cashflow difficulties, either temporary or of a longer term nature, which could result in loan repayment difficulties to contact the Credit Union as soon as possible to discuss their circumstances.

Investment Returns: The low interest rate policy being pursued by the European Central Bank continues to impact on our investment income as it does all Credit Unions. In 2018 our investments returned an average yield of 1.9% which outperformed the average return for the credit union sector of 1.1%. 62% of our investment book is invested greater than 12 months which provides a strong hedge against further falls in rates until 2020. Approximately 74% of our total assets are investments, future reductions in investment income places more pressure on our loan book to grow in order to provide the income necessary to pay a dividend, loan interest rebates, cover costs and maintain reserves.



Strategic Plan: In October, the Board and Management Team met to review the performance of our Strategic Plan for the period to 2020 that will guide our development over the coming years. The plan will see managed growth, focused marketing of the Credit Union, investment in services for our members such as an online loan application process and developments in technology to attract younger members.

Membership: Membership is open to all who reside or work within our community or common bond. We urge all members to promote and recommend membership of our Credit Union to family and friends.

Nomination: Our nomination service is unique to credit unions. An eligible member may nominate a person or persons to receive up to €23,000 of their property in the Credit Union at the time of his or her death. Terms and conditions apply. No charge is levied for this very valuable service. We would encourage all members to ensure they have an up to date nomination of their accounts in the event of their demise.

Online Banking: We introduced Online Banking to members in 2017 and up take from members has been steady. I would encourage all members to sign up and register for this service, it's a simple straight forward process and staff are happy to help with any questions members may have. The service allows members to access their accounts 24/7, electronically transfer funds between their bank and Credit Union, view their accounts, print statements and certificates of interest, pay bills etc. We can also now send loan advances directly to your bank account avoiding the need to have to lodge a loan cheque in your bank and having to queue to make this lodgement.

Regulation & Compliance: The range of legislative and statutory instruments to be complied with is significant and onerous. We strive to ensure compliance with all of these requirements, while continuing to deliver a quality service at the same time.

Finally, I would like to thank the Board of Directors, Board Oversight Committee, my Management Team and Staff for their commitment and hard work during the year and to you our Members for your continued support and co-operation and ask that you promote YOUR credit union whenever you can and to keep it in mind for all your loan requirements.

David Costelloe

CEO

Sarsfield Credit Union Ltd.

Directors' Report

The directors present their report and the financial statements for the financial year ended 30 September 2018.

Results for the year and business review

The surplus for the year amounted to €261,490 (2017 : €185,534).

Members' shares increased from €40,079,491 (at 30 September 2017) to €40,344,492 (at 30 September 2018).

Members' loans increased from €9,181,115 (at 30 September 2017) to €11,404,157 (at 30 September 2018).

The Registrar of Credit Unions requires that all credit unions maintain a regulatory reserve of not less than 10% of total assets on an ongoing basis. The Directors approved a transfer of €Nil (30 September 2017 : €Nil) to the regulatory reserve as this reserve currently stands at 10.65% of total assets and exceeds the percentage requirement at year end. The operational risk reserve amounts to 0.40% of total assets (2017: 0.44%).

The Directors propose the payment of a final dividend of 0.10% amounting to €39,530 in respect of the year ended 30 September 2018. In addition to this, the Directors propose an interest rebate of 5% subject to agreement by the membership at the AGM. The Board of Directors continues to adopt a policy of setting aside the amount of the proposed dividend and interest rebate in a special reserve as a movement in reserves. This will not affect the undistributed surplus. The amounts have been transferred to the special reserve at year end. The Directors have not decided to transfer an amount to the dividend reserve in the current year (30 September 2017 : €Nil) as they believe that adequate reserves exist therein for future requirements.

The surplus for the year and the appropriation thereof are set out in the income and expenditure account and statement of changes in reserves.

Principal risks and uncertainties

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

Credit risk

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

Lack of loan demand

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

Market risk

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

Liquidity risk

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

Operational risk

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

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

Credit risk

In order to manage this risk, the board of directors regularly reviews and approves the credit union's lending policy.

All loan applications are assessed with reference to the lending policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

Lack of Loan Demand

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

Market Risk

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

Liquidity Risk

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

Operational Risk

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

Accounting Records

The Directors believe that they comply with the requirements of Section 108 of the Credit Union Act 1997 (as amended) with regard to accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records are maintained at the Credit Union's premises at Glentworth Street, Limerick.

Auditors

BDO were appointed as auditors to the Credit Union at the 2017 AGM. BDO, have expressed their willingness to be reappointed in accordance with Section 115 of the Credit Union Act 1997 (as amended).

On behalf of the board:



Chairperson of the Board of Directors

Date: 12/11/2018



Member of the Board of Directors

Date: 12/11/2018

Loan Applications

For a fast approval of your loan please provide:

- **Proof of Income** - (3 most recent payslips or social welfare receipts).
- **3 Months Bank Statements**
- **3 Months Credit Card Statements**
- **Proof of PPSN**

For first time loans we require:

- **Proof of Income** - (3 most recent payslips or social welfare receipts).
- **6 Months Bank Statements**
- **6 Months Credit Card Statements**
- **Proof of PPSN**

Membership Applications

To open an account, please bring with you the following to the Credit Union office:

- **Photographic ID:** a current driving licence or passport.
- **Proof of Address:** dated within the last 6 months - a utility bill, government letter or bank statement.
- **Proof of PPSN:** a P60/P45, Medical /Drug Payments Scheme Card/ Payslip or correspondence from the tax office.
- **If not living in the area,** proof of working in the area.



Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and published by the Institute of Chartered Accountants in Ireland.

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

- select suitable accounting policies and 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 the reasons 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and to enable 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 Board

Date: **12/11/2018**



Chairperson of the Board of Directors

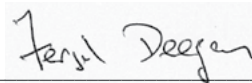
Statement of Board Oversight Committee Responsibilities

The Credit Union Act 1997 (as amended) requires the appointment of a Board Oversight Committee. The Board Oversight Committee of a credit union shall assess whether the board of directors has operated in accordance with-

- Part VI of the Credit Union Act 1997 (as amended) and any regulations made for the purposes of Part VI and
- Any other matter prescribed by the Bank in respect of which they are to have regard to in relation to the board of directors.

On behalf of the Board Oversight Committee

Date: **12/11/2018**



Chairperson of the Board Oversight Committee



Independent Auditors' Report

to the members of Sarsfield Credit Union Limited

Opinion

We have audited the financial statements of Sarsfield Credit Union Limited for the year ended 30 September 2018 on pages 12 to 27 which comprise of the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows and the related notes, 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 including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" of the state of the Credit Union's affairs as at 30 September 2018 and of its income and expenditure and cash flows for the year then ended; 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) (ISA's (Ireland)) and applicable law. We are independent of the Credit Union in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the

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

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- in our opinion proper accounting records have been kept by the Credit Union;
- the financial statements are in agreement with the accounting records of the Credit Union;
- the financial statements contain all primary statements, notes and significant accounting policies required to be included in accordance with Section 111(1)(c) of the Act.

Respective responsibilities of directors and auditors

As explained in the statement of directors' responsibilities, the Credit Union's directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and for such internal control as they determine necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the credit union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the credit union or to cease operations, or has no realistic alternative to do so.

or error, and to issue an auditors' 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. A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at:

http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

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

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

BDO
Four Michael Street
Limerick
Registered Auditors (AI No: 223876)

Date: **12/11/2018**

Responsibilities of auditor for the audit of the financial statements

Our objectives, as auditors, is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud

Income & Expenditure Account

FOR THE YEAR ENDED
30 SEPTEMBER 2018

INCOME	SCHEDULE	2018 €	2017 €
Interest on loans	4	765,384	621,184
Other interest receivable	5	669,611	669,031
Net interest income		1,434,995	1,290,215
Other income		11,423	17,591
Total income		1,446,418	1,307,806
Expenditure			
Employment costs	6	(486,467)	(451,276)
Other management expenses (see schedule 1)		(599,365)	(555,121)
Depreciation	9	(75,858)	(73,630)
DGS contributory fund charge		(42,149)	(44,202)
Net recoveries or losses on loans to members	10 d	18,911	1,957
Total expenditure		(1,184,928)	(1,122,272)
Surplus for the year		261,490	185,534
Other comprehensive income		-	-
Total comprehensive income for the year		261,490	185,534

On behalf of Sarsfield Credit Union Limited

Member of the Board of Directors:



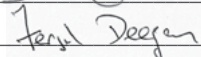
Date: 12/11/18

CEO:



Date: 12/11/18

Member of the Board Oversight Committee:



Date: 12/11/18

Balance Sheet

AS AT
30 SEPTEMBER 2018

ASSETS	NOTES	2018 €	2017 €
Cash and cash equivalents	7	7,070,114	9,230,620
Deposits and investments	8	28,786,404	28,268,339
Tangible fixed assets	9	1,258,904	1,318,342
Loans	10	11,404,157	9,181,115
Less provision for bad debts	10c	(606,372)	(616,349)
Debtors and prepayments	11	504,920	468,262
Total assets		48,418,127	47,850,329
Liabilities			
Members' shares	13	40,344,492	40,079,491
Other liabilities, creditors, accruals & charges	14	345,917	234,838
Total liabilities		40,690,409	40,314,329
Net assets		7,727,718	7,536,000
Reserves			
Regulatory reserve		5,159,429	5,159,429
Realised reserves		2,339,748	2,131,204
Unrealised reserves		35,119	33,677
Operational risk reserve		193,422	211,690
Total reserves		7,727,718	7,536,000

On behalf of Sarsfield Credit Union Limited

Member of the Board of Directors:



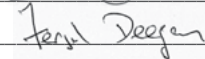
Date: 12/11/18

CEO:



Date: 12/11/18

Member of the Board Oversight Committee:



Date: 12/11/18

Statement of Movement in Reserves

FOR THE YEAR ENDED
30 SEPTEMBER 2017

	REGULATORY RESERVE	OPERATIONAL RISK RESERVE	UNREALISED RESERVE	REALISED RESERVE	TOTAL RESERVES
	€	€	€	€	€
Balance at 1 October 2016	5,159,429	235,379	23,302	1,983,552	7,401,662
Surplus for the year	-	-	26,990	158,544	185,534
Dividend and loan interest rebate paid	-	-	-	(51,196)	(51,196)
Transfer to operational risk reserve	-	(23,689)	-	23,689	-
Transfers between reserves	-	-	(16,615)	16,615	-
Closing balance at 30 September 2017	5,159,429	211,690	33,677	2,131,204	7,536,000

Statement of Movement in Reserves

FOR THE YEAR ENDED
30 SEPTEMBER 2018

	REGULATORY RESERVE	OPERATIONAL RISK RESERVE	UNREALISED RESERVES	REALISED RESERVES	TOTAL
	€	€	€	€	€
Balance at 1 October 2017	5,159,429	211,690	33,677	2,131,204	7,536,000
Surplus for the year	-	-	12,715	248,775	261,490
Dividends and interest rebate paid	-	-	-	(69,772)	(69,772)
Transfer to operational risk reserve	-	-	-	-	-
Transfers between reserves	-	(18,268)	(11,273)	29,541	-
Closing balance at 30 September 2018	5,159,429	193,422	35,119	2,339,748	7,727,718

Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED
30 SEPTEMBER 2018

ASSETS	NOTES	2018 €	2017 €
Cash flows from operating activities			
Loans repaid by members	10	4,906,480	4,299,453
Loans advanced to members	10	(7,137,585)	(5,884,677)
Loan Interest received	4	762,608	621,184
Investment interest received		629,377	669,031
Other income received		11,423	17,591
Bad debts recovered	10d	16,997	15,389
Dividends and loan interest rebate paid	12	(69,772)	(51,196)
(Increase)/decrease in debtors	11	(36,658)	40,355
Increase in creditors	14	111,059	65,575
Operating expenses		(1,127,981)	(1,050,599)
Net cash (outflow) from operating activities		(1,934,052)	(1,257,894)
Cash flows from investing activities			
Fixed asset purchases	9	(16,420)	(18,511)
Net cash flow from managing investments		(475,035)	(453,616)
Net cash inflow from investing activities		(491,455)	(472,127)
Cash flows from financing activities			
Members' shares received	13	12,682,867	13,075,335
Members' shares withdrawn	13	(12,417,866)	(12,527,351)
Net cash inflow from financing activities		265,001	547,984
Net increase/(decrease) in cash & cash equivalents		(2,160,506)	(1,182,037)
Cash & cash equivalents at the beginning of the year		9,230,620	10,412,657
Cash and cash equivalents at the end of the year		7,070,114	9,230,620
Cash and cash equivalents at the end of the year comprise:			
Cash and cash equivalents		7,070,114	9,230,620

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED
30 SEPTEMBER 2018

1. LEGAL AND REGULATORY FRAMEWORK

Sarsfield Credit Union is registered under the Credit Union Act 1997 (as amended). The Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at Glentworth Street, Limerick.

2. ACCOUNTING POLICIES

2.1. BASIS OF PREPARATION

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

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

Statement of compliance

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

Going concern

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

2.2. INCOME

Interest on members' loans

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

Investment income

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

Other income

Other income is recognised on an accruals basis.

2.3. INVESTMENTS

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

Investments held at amortised cost

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

Central Bank Deposits

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

Investments held at fair value

Investments held for trading and investment in stock market shares (i.e. non-convertible preference shares and non-puttable ordinary shares or preference shares) are included in this category.

Financial assets at fair value are classified as held for trading if they are acquired for sale in the short term. They are valued at fair value (market value) at the year-end date and all gains and losses are taken to the income and expenditure account. The fair value of quoted investments is determined by reference to bid prices at the close of business on the balance sheet date. Where there is no active market these assets will be carried at cost less impairment.

2.4. TANGIBLE FIXED ASSETS AND DEPRECIATION

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

The credit union adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the credit union.

The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the income and expenditure account during the period in which they are incurred.

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

Depreciation is provided on the following basis:

Premises - 2% Straight line

Computer equipment - 20% Straight line

Office equipment - 10% Straight line

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

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

losses' in the income and expenditure account.

2.5. IMPAIRMENT OF TANGIBLE FIXED ASSETS

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

2.6. TAXATION

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

2.7. CASH AND CASH EQUIVALENTS

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

2.8. FINANCIAL ASSETS - LOANS TO MEMBERS

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

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

2.9. BAD DEBT PROVISION

The credit union assesses if there is objective evidence that any of its loans are impaired with due consideration of environmental factors.

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

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

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

2.10. OTHER RECEIVABLES

Other receivables such as prepayments are initially measured at transaction price including transaction costs and are subsequently measured at amortised cost using the effective interest method.

2.11. FINANCIAL LIABILITIES - MEMBERS SHARES

Members' shares in Sarsfield Credit Union Limited are redeemable and therefore are classified as financial liabilities. They are recognised at the amount of cash deposited.

2.12. HOLIDAY PAY

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.13. PENSION COSTS

The credit union operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the credit union pays fixed contributions into a separate entity. Once the contributions have been paid the credit union has no further payments obligations. The contributions are recognised as an expense in the income and expenditure account when they fall due. Amounts not paid are shown in accruals as a liability on the balance sheet. The assets of the plan are held separately from the credit union in independently administered funds.

2.14. OTHER PAYABLES

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

2.15. DERECOGNITION OF FINANCIAL LIABILITIES

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

2.16. DISTRIBUTION POLICY

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

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

- the risk profile of the credit union, particularly in its loan and investments portfolios;
- the board's desire to maintain a stable rather than a volatile rate of dividend each year; and
- members' legitimate dividend expectations; all dominated by prudence and the need to sustain the long-term welfare of the credit union.

For this reason the board will seek to build up its reserves to absorb unexpected shocks and still remain above minimum regulatory requirements. The credit union accounts for dividends and loan interest rebate when members ratify such payments at the Annual General Meeting.

2.17. REGULATORY RESERVE

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

2.18. OPERATIONAL RISK RESERVE

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

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

For any year in which there was a deficit, this will be excluded from the calculation.

2.19. OTHER RESERVES

Other reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members. The other reserves are subdivided into realised and unrealised. In accordance with the Central Bank guidance note for credit unions on matters relating to accounting for investments and distribution policy, investment income that has been recognised but will not be received within 12

months of the balance sheet date is classified as "unrealised" and is not distributable. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date. The directors have deemed it appropriate that interest on loans receivable at the balance sheet date is also classified as "unrealised" and is not distributable. All other income is classified as "realised".

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the financial year end was €1,258,904 (2017: €1,318,342).

Bad debt provision

Sarsfield Credit Union Limited's accounting policy for impairment of loans is set out in the accounting policy in note 2.9. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and, other

external factors such as legal and regulatory requirements. The provision for bad debts in the financial statements was €606,372 (2017: €616,349) representing 5.31% (2016: 6.71%) of the total gross loan book.

Operational risk reserve

The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have developed an approach to the calculation of the operational risk reserve. Sarsfield Credit Union Limited uses the basic indicator approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the minimum operational risk reserve. The operational risk reserve of the credit union at 30 September 2018 was €193,422 (2017: €211,690).

Adoption of going concern basis for financial statements preparation

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

4. INTEREST ON MEMBERS' LOANS

The interest on members loans recognised for the year is analysed as follows:

	2018 €	2017 €
Closing accrued loan interest receivable	22,404	19,628
Loan interest received in year	762,608	618,171
Opening accrued loan interest receivable	(19,628)	(16,615)
Total interest on members' loans	765,384	621,184
Interest on performing loans	761,102	618,434
Interest on non-performing loans	4,282	2,750
Total interest on members' loans	765,384	621,184

5. INVESTMENT INCOME

The investment income recognised for the year is analysed as follows:

	2018 €	2017 €
Received during the year	210,479	242,771
Receivable in less than 1 year	446,417	418,898
Receivable greater than 1 year	12,715	7,362
Total investment income	669,611	669,031

6. EMPLOYEES

The average monthly numbers of employees during the year were:

NUMBER OF EMPLOYEES	2018 No.	2017 No.
Management	3	3
Staff	7	6
	10	9

EMPLOYMENT COSTS	2018 €	2017 €
Wages and salaries	486,467	451,276

KEY MANAGEMENT PERSONNEL	2018 €	2017 €
The directors of Sarsfield Credit Union are all unpaid volunteers. The key management personnel compensation is as follows:		
Short term employee benefits paid to key management	224,620	220,393
Payment to pension schemes	20,215	15,750
Total key management personnel compensation	244,835	236,143

7. CASH AND CASH EQUIVALENTS

	2018 €	2017 €
Cash at bank and in hand	349,344	355,989
Short term deposits with banking institutions	6,720,770	8,874,631
	7,070,114	9,230,620

Short term deposits with banks are deposited with original maturity of less than or equal to three months. All other deposits with banks are included under investments in the balance sheet and disclosed in Note 8.

8. INVESTMENTS

Investments at the year ended 30 September 2018 consists of deposits with and funds managed by the following institutions:

	2018 €	2017 €
Accounts in authorised credit institutions (Irish and non-Irish based)	16,805,785	15,288,466
Irish and EEA state securities	8,969,895	9,446,931
Bank bonds	2,744,000	3,244,000
Central Bank deposits	266,724	288,942
	28,786,404	28,268,339

The category of counterparties (including cash equivalents excluding Central Bank deposits) with whom investments were held was as follows:

A1	7,349,321	3,799,787
A2	4,985,000	-
A3	2,000,000	6,985,000
Ba2	4,092,234	-
Ba3	-	9,158,485
Baa1	14,069,895	9,446,931
Baa2	-	4,719,044
Baa3	2,744,000	2,744,781
	35,240,450	36,854,028

9. TANGIBLE FIXED ASSETS

	PREMISES	OFFICE EQUIPMENT	COMPUTER EQUIPMENT	TOTAL
	€	€	€	€
COST				
1 October 2017	2,468,233	235,091	325,305	3,028,629
Additions	9,142	1,429	5,849	16,420
At 30 September 2018	2,477,375	236,520	331,154	3,045,049
DEPRECIATION				
1 October 2017	1,216,328	219,132	274,827	1,710,287
Charge for year	49,470	7,708	18,680	75,858
	1,265,798	226,840	293,507	1,786,145
NET BOOK VALUES				
30 September 2018	1,211,577	9,680	37,647	1,258,904
30 September 2017	1,251,905	15,959	50,478	1,318,342

10. LOANS TO MEMBERS

	2018 €	2017 €
As at 1 October	9,181,115	7,609,323
Advanced during the year	7,137,585	5,884,677
Repaid during the year	(4,906,480)	(4,299,453)
Loans written off in the year	(8,063)	(13,432)
As at 30 September	11,404,157	9,181,115

10 b. CREDIT RISK DISCLOSURES

	2018		2017	
	AMOUNT	PROPORTION	AMOUNT	PROPORTION
	€	€	€	€
Loans not impaired				
Total loans not impaired	7,806,828	68.46%	6,012,913	65.49%
Impaired loans				
Not past due	2,700,541	23.68%	2,573,168	28.04%
Up to 9 weeks past due	822,968	7.21%	526,519	5.73%
Between 10 and 18 weeks past due	23,896	0.21%	17,672	0.19%
Between 19 and 26 weeks past due	20,495	0.18%	6,261	0.07%
Between 27 and 39 weeks past due	15,527	0.14%	3,207	0.03%
Between 40 and 52 weeks past due	4,794	0.04%	3,916	0.04%
53 weeks or more past due	9,108	0.08%	37,459	0.41%
Total impaired loans	3,597,329	31.54%	3,168,202	34.51%
Total Loans	11,404,157	100%	9,181,115	100%

10 c. LOAN ARREARS AND DOUBTFUL DEBTS

	2018 €	2017 €
Opening provision for bad debts	616,349	616,349
Decrease in bad debt provision	(9,977)	-
Closing provision for bad debts	606,372	616,349

The current provision in the financial statements is €606,372 (2017: €616,349) representing 5.31% (2017: 6.87%) of the total loan book. The provision included above represents provisions allocated to individual loan balances at year end. The provision for bad debts is analysed as follows:

	2018 €	2017 €
Individually significant loans	289,010	238,556
Grouped assessed loans	317,362	377,793
	606,372	616,349

10 d. NET RECOVERIES OR LOSSES ON LOANS TO MEMBERS

	2018 €	2017 €
Bad debts recovered	(16,997)	(10,291)
Impairment of loan interest reclassified as bad debt recoveries	-	(5,098)
Movement in loan provision for the year	(9,977)	-
Loans written off in the year	8,063	13,432
Net recoveries or losses on loans to members	(18,911)	(1,957)

11. DEBTORS

	2018 €	2017 €
Accrued loan interest	22,404	19,628
Accrued investment income	459,132	426,260
Prepayments	23,384	22,374
	504,920	468,262

12. DIVIDENDS AND LOAN INTEREST REBATES

	Rate	2018 €	Rate	2017 €
Dividends on shares paid	0.10%	39,436	0.10%	37,725
Loan interest rebate paid	5%	30,336	2.5%	13,471

The directors are proposing a dividend in respect of the year ended 30 September 2018 of €39,530 (0.10%) and a loan interest rebate of €38,043 (5%) subject to agreement by the membership at the AGM.

13. ANALYSIS OF MEMBER SHARES

	2018 €	2017 €
As at 1 October	40,079,491	39,531,507
Accrued investment income	12,682,867	13,075,335
Prepayments	(12,417,866)	(12,527,351)
	40,344,492	40,079,491

Members shares are repayable on demand except for shares attached to loans.

The breakdown of the shares between attached and unattached is as follows:

	2018 €	2017 €
Unattached shares	35,012,559	35,382,703
Attached shares	5,331,933	4,696,788
Total member shares	40,344,492	40,079,491

14. ANALYSIS OF OTHER LIABILITIES, CREDITORS, ACCRUALS AND CHARGES

	2018 €	2017 €
Accruals	169,381	122,869
Trade creditors	13,751	12,989
Dormant member funds	151,692	96,000
Other creditors	11,093	3,000
	345,917	234,858

15. RELATED PARTY TRANSACTIONS

	No. of loans	2018 €	No. of loans	2017 €
Loans advanced to related parties during the year	4	8,700	7	75,876
Total loans outstanding to related parties at the year end	7	44,358	12	118,723

The related party loans stated above comprise of 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 Sarsfield Credit Union Limited.

Total loans outstanding to related parties represents 0.38% of the total loans outstanding at 30 September 2018 (2017: 1.29 %).

16. INSURANCE AGAINST FRAUD

The credit union has insurance against fraud in the amount of €5,200,000 (2017: €2,600,000) in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

17. CAPITAL COMMITMENTS

There were no capital commitments at 30 September 2018 (30 September 2017 : €Nil).

18. POST BALANCE SHEET EVENTS

On 17 September 2018 the Central Bank of Ireland informed all credit unions in the Republic of Ireland that it had become aware of a potential issue that may affect certain credit unions in relation to accrued interest outstanding on loans in circumstances where additional credit is extended to a member by way of top-up loan. Sarsfield Credit Union is currently investigating this issue to determine the potential impact, if any, on the credit union. There have been no other significant events affecting Sarsfield Credit Union Limited since year end.

19. CONTINGENT LIABILITIES

There were no contingent liabilities at 30 September 2018.

20. COMPARATIVE AMOUNTS

Comparative amounts have been regrouped/restated, where necessary, on the same basis as those for the current year.

21. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

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

Credit risk

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

Liquidity risk

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

Market risk

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

Interest rate risk

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

21 b. INTEREST RATE RISK DISCLOSURES

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

	2018 €	Average Interest rate	2017 €	Average Interest rate
Financial assets				
Gross loans to members	11,404,157	7.78%	9,181,115	7.76%
Financial liabilities				
Members shares	40,344,492	0.10%	40,079,491	0.10%

21 c. LIQUIDITY RISK DISCLOSURES

All of Sarsfield Credit Union Limited's financial liabilities are repayable on demand with the exception of pledged shares. The credit union retains, at all times, liquid assets amounting to a minimum of 20% of unattached savings.

22. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved, and authorised for issue, by the Board on **12/11/2018**



SCHEDULES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2018

SCHEDULE 1 - OTHER MANAGEMENT EXPENSES	2018 €	2017 €
Staff costs, training and recruitment	18,168	10,254
Pension	40,948	40,019
Security	9,216	8,836
Rates	8,857	7,874
Light and heat	26,390	25,136
Repairs, maintenance and cleaning	897	553
Printing and stationery	7,537	10,849
Postage and telephone	9,925	8,200
Donations and sponsorship	2,950	2,850
Promotion and advertising	37,579	28,006
Chapter expenses	1,005	1,074
A.G.M. expenses	10,842	10,324
Travel and subsistence	1,344	2,757
Bank charges	11,152	17,637
Audit fee	15,368	11,993
General insurance	17,993	17,666
Share/Loan insurance	142,736	142,155
Death benefit insurance	47,380	51,342
Legal and professional	40,299	33,414
Debt collection	16,542	7,116
Computer maintenance	53,408	43,454
Miscellaneous expenses	2,430	2,533
Affiliation fees & SPS contribution	11,482	22,098
GDPR costs	18,858	-
Regulatory levies and charges	49,705	48,981
Profit on disposal of investment	(3,646)	-
Total per income and expenditure account	599,365	555,121

Standing Orders

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.
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 chairman'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).

Notice of Elections

Elections will be held to fill 3 vacancies on the Board of Directors, 3 vacancies on the Board Oversight Committee and the position of Auditor. Notice of the above vacancies were advertised within the credit union office and on our website

www.sarsfieldcu.ie. If you are interested in becoming a volunteer within Sarsfield Credit Union please inform us of same in writing no later than 4th January 2019.



Insurance

unique to Credit Unions designed to give you peace of mind.

Loan Protection Insurance

Sarsfield CU takes out cover on the lives of eligible members who have loans with us. This means that should a member with an outstanding loan die, the balance is repaid in full. (terms & conditions apply)

Life Savings Insurance

Sarsfield CU pays out an additional amount in the event of a member's death.

The amount paid out to an eligible member is in direct proportion to the savings and the age of a member. Subject to the maximum benefit of €5,000, every euro you save before the age of 55 provides €1 euro of insurance. (terms & conditions apply)

Death Benefit Insurance

Your savings attract €1,000 towards funeral expenses in the event of your death. The benefit is payable to the deceased members family. (terms and conditions apply)

You are eligible for Death Benefit Insurance cover of €1,000 provided you:

- Joined Sarsfield Credit Union before the age of 70
- Remain a member of the Credit Union
- Maintain a minimum share balance of €200 in your account

Requirement for Proof of Identity

Sarsfield Credit Union Ltd., in common with all other financial institutions, is required to establish Proof of Identity and Proof of Residential Address for all members in accordance with Anti Money Laundering provisions contained in the Criminal Justice (Money Laundering and

Terrorist Financing) Act 2010 as amended. To help us meet our obligations we may from time to time ask you to provide updated documents and we thank you in advance for your co-operation and understanding.

CRS Notice



Sarsfield Credit Union Ltd., in common with other financial institutions is required to verify your tax residency for the purposes of the Common Reporting Standard (CRS). The CRS is provided for by Section 891F of the Taxes

Consolidation Act 1997 and was established to enable an automatic exchange of financial account information between countries. Since January 1st 2017 new Members of the Credit Union have been required to self-certify their country of tax residence and we are now requesting existing Members who are no longer resident in Ireland to notify us.

Amendments

to standard rules arising from league AGM 2018

That this Annual General Meeting amends the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of Rule 109(8) (see below). Rule 109(8) Subject to the Act and any regulations made thereunder, the forms used by the credit union shall contain as a minimum the information as set out in the forms contained in the Appendices to these rules which forms may be amended from time to time by the Irish League of Credit Unions.

Important Notice - DIRT

From 1st January 2014, Deposit Interest Retention Tax (DIRT) must be deducted from all dividend or interest paid to credit union members. This brings credit unions into line with other financial institutions.

Members who can be exempt from DIRT are those who:

- Are aged over 65 (or whose spouse or civil partner is aged over 65), And
- Whose total income is below the relevant

limit (currently €18,000 for a single person or €36,000 for a married couple or a couple in a civil partnership)

In certain circumstances, members who are permanently incapacitated may also be entitled to an exemption from DIRT.

To avail of this exemption, you must complete a self-declaration form. Please contact a member of staff for more information.

MEMBER NOTICE

CENTRAL CREDIT REGISTER

The Central Credit Register is a national database that will, on request, provide:

- a borrower with an individual credit report detailing their credit agreements;
- a lender with comprehensive information to help with credit assessments; and
- the Central Bank with better insights into national trends in the provision of credit.

The Credit Reporting Act 2013 requires us to process your personal and credit information for the Central Credit Register. From 30 June 2018, we will submit personal information to the Central Credit Register that we may already have about you, like: your name, address, date of birth & your PPSN

The Central Credit Register needs this information to make sure it accurately matches your loans, including loans that you may have with other lenders. Producing a full and accurate credit

report is one of the main aims of the Central Credit Register. We will also submit credit information each month about your loans, if the loan is for €500 or more.

LENDERS MAY ONLY ACCESS YOUR CREDIT REPORT: when considering an application for a new loan, If you ask to change the terms of a loan or if they are reviewing a loan in arrears.

We invite you to read the Central Credit Register factsheet at:

If you have any other question about any of your loans with us, you can contact us at (061) 317910

<https://www.centralcreditregister.ie/media/1083/a-consumer-guide-to-the-central-credit-register.pdf>





Sarsfield
Credit Union Ltd.

Online Banking

with Sarsfield Credit Union

- Transfer money between your accounts
- Move money to other bank accounts
- Check your balances
- Check your statement
- Pay a bill
- Apply for a loan

Register Online
for your PIN today

3 Easy Steps

How to
Register for
Your PIN

1. Click Register at top of Home Page
2. Complete all details in the form
3. Click the "Submit Form" button

Once submitted, Sarsfield Credit Union will contact you to confirm your details and soon after you will receive a PIN in the post.



Convenience Anytime for **YOU**

Come and talk to us in Glentworth Street or Call 061 317 910

E: happytohelp@sarsfieldcu.ie

www.sarsfieldcu.ie

