

# DUNDRUM CREDIT UNION ANNUAL REPORT 2010



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**Dundrum Credit Union – Tel: 299 0400**



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# DUNDRUM CREDIT UNION LIMITED

## **Credit Union Invocation**

Lord, make me an instrument of Thy peace  
Where there is hatred, let me sow love;  
Where there is injury, pardon;  
Where there is doubt, faith;  
Where there is despair, hope;  
Where there is darkness, light;  
And where there is sadness, joy;

O divine Master,  
grant that I might 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.

Thanks to the following teams for allowing us to use their photographs on our front cover:

Holy Cross National School Hurling & Football Teams; St Mary's Boys Football Club;  
Ballinteer Community School Soccer & Basketball Teams.

# DUNDRUM CREDIT UNION LIMITED



## **44th Annual General Meeting**

Tuesday 14th December 2010

IMI Centre  
Sandyford Road, Dublin 16

# DUNDRUM CREDIT UNION LIMITED

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# DUNDRUM CREDIT UNION LIMITED

## Board of Directors

President	Michele Brady
Vice President	Gretta Fletcher
Hon. Secretary	Sheila Lewis
Hon. Treasurer	Michael Murphy
Pat Banahan	Louise Church
Geraldine Doyle	Alan McDonnell
Jim Gillick	Jim Kelly
Dave Madden	Marie Melly
Brid Darcy	
Eoin O'Cleary (Retired November 2009)	
Finbar Murphy (Retired November 2009)	

## Supervisory Committee

Frank Nolan	Chairman
Liam Byrne	
Michelle Coleman	

## Staff

Gerard McConville	Manager
Edward Tobin (retired)	Finance Manager
Pauline Hayden	Finance & Compliance Officer
Pat Byrne	Operations Manager
Patricia O'Keeffe	Chief Loans Officer
Mary Callan	Credit Controller
Pauline Kent	Marketing Officer
Anne Bell	Maura Brophy (retired)
Maureen Byrne	Thirza Calleja
Caitriona Collins	Andrew Corcoran
Andrew Deegan	Geraldine Farrington
Joyce Flood	Daniel Kavanagh
Janice Kelly	Grainne McGuinness
Mary Moore	Jackie Molloy
Audrey Newman	Louise Norris
Marion O'Donoghue	Conor O'Keeffe
Joan O'Mahony	Rachel Quinlan
Suzanne Roche	Gemma Ryan (resigned)
Helen Ryan	Fiona Walsh

# DUNDRUM CREDIT UNION LIMITED

## **Annual General Meeting Agenda**

1. Credit Union Invocation
2. Acceptance of proxies (if any)
3. Ascertainment that a quorum is present
4. Adoption of Standing Orders
5. Minutes of AGM 2009
6. Report of the Board of Directors
7. Report of the Treasurer, consideration of accounts and approval of Treasurer's honorarium
8. Report of the Auditor
9. Appointment of Tellers
10. Election of Directors, Supervisory Committee and Auditor
11. Report of the Supervisory Committee
12. Report of the Credit Committee
13. Report of the Credit Control Committee
14. Report of the Marketing & Membership Committee
15. Report of the Education & Nominating Committee
16. Report of the Risk & Compliance Committee
17. Report of the Strategic Planning Committee
18. Announcement of election results
19. Any other business
20. Car Draw & Draw for Members in attendance
21. Close of meeting

# DUNDRUM CREDIT UNION LIMITED

## Standing Orders

### 1. VOTING.

Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with Standard Rule 140.

### 2 - 4 ELECTION PROCEDURE.

2. Nominations may be accepted from the floor in accordance with Standard Rule 139.
3. Elections to the Board of Directors, to the Supervisory Committee and the position of Auditor shall be by majority vote and by secret ballot.
4. A Ballot Paper for the election of the Board and Supervisory Committee, where applicable, will be distributed to each member at the AGM.

### 5 - 10 MOTIONS.

5. All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.
6. A proposer of a motion may speak for such period as shall be at the discretion of the Chairman of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.
7. In exercising his/her right of reply, a proposer may not introduce new material.
8. The seconder of a motion shall have such time as shall be allowed by the Chairman to second the motion.
9. Members are entitled to speak on any such motion and must do so through the Chair. All speakers to any motion shall have such time as shall be at the discretion of the Chairman.
10. The Chairman shall have the absolute right to decide at any time when a motion has been sufficiently discussed and may put the motion to the meeting giving the proposer the right of reply before doing so.

### 11 - 16 MISCELLANEOUS.

11. The Chairman of the Board of Directors shall be the Chairman of any general meeting, except where he/she is not available, in which case it shall be the Vice-Chairman, except where he/she is not available, in which case the Board shall decide amongst themselves who shall act as Chairman of any general meeting.
12. The Chairman may at his/her discretion, extend the privilege of the floor to any person who is not a member.
13. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the Chairman.
14. The Chairman's decision on any matter relating to these Standing Orders or interpretation of same shall be final.
15. In accordance with Standard Rule 133 (1) no member shall have more than one vote on each question at any general meeting of the credit union or any adjournment thereof irrespective of his/her shareholding or the number of accounts in his/her name in the credit union provided, however, that except in voting at elections, the presiding member shall have a second or casting vote in the event of equality of voting. Voting by proxy shall be allowed only when a member other than a natural person votes through a representative, who is a member of the group, duly authorised in writing for that purpose and accepted as such by the board of directors. Refer to Standard Rule 138 also re election procedure.
16. Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.

### 17. SUSPENSION OF STANDING ORDERS.

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

### 18. ALTERATION OF STANDING ORDERS.

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

### 19. ADJOURNMENTS.

Adjournments of the AGM shall take place only in accordance with Standard Rule 132.

# DUNDRUM CREDIT UNION LIMITED

## Report of the Board of Directors

On behalf of the Board of Directors, I would like to welcome members and guests to the 44th Annual General Meeting of Dundrum Credit Union and to present to you our Annual Report and Accounts for the year ended 30th September 2010.

This financial year has been both exciting and challenging for our members and the credit union, as we continue to battle through the current economic climate. We completed the Transfer of Engagements with Belfield Credit Union in February this year and are delighted to welcome their members to our credit union and hope they can utilise the additional services and benefits available to them.

On this occasion last November, the Board of Dundrum Credit Union predicted a year of rising bad debts and falling loan demand as the financial circumstances of our members changed. In addition, new regulatory provisions were imposed this year which have had significant impact on the level of our bad debt and doubtful debt provisions. The positive side of this is that in the longer term these provisions will strengthen the credit union as we strive to ensure that the provisions do not translate into future bad debts. Our Investment portfolio also reflects the need for caution and is now concentrated largely on short term deposits. As indicated last year we are also working towards achieving the new Regulatory Reserves Provision to 10% of our assets by 30th September 2013. As our provision currently rests at 9.1%, this requires Dundrum Credit Union to set aside an additional €1m based on our current total assets. The combination of these events made for a difficult trading year. Despite these challenges we are pleased to report a nominal surplus for the year of €15,663. However, it means that because of the prudence of the additional reserves we are not declaring a dividend this year.

During the year we had inspection visits from the Irish League of Credit Unions, the Data Protection Commissioner and from representatives of the Financial Regulator. The visits present an opportunity to focus on our ongoing continuous improvement approach to our policies and procedures. We are happy to report that we are complying with the recommendations arising from all visits.

At last year's AGM, we informed you that the Board of Directors had decided to discontinue Death Benefit Insurance and we undertook to introduce an alternative. We introduced the Family Life+ scheme in May and this is now available to members wishing to increase their life cover above the Life Savings Insurance limit.

Of course, Dundrum Credit Union will continue to provide the Life Savings Insurance at no extra cost to members.

A representation of the Members of our Board of Directors attended the Irish League of Credit Unions AGM and EGM this year. At a time of significant challenge and change for the credit union movement, we in Dundrum Credit Union continue to participate at local and national level as a progressive, forward thinking credit union.

The team involved in the Dundrum Credit Union is an exceptional one. I would like to sincerely thank them for their unwavering commitment and dedication – the Board of Directors, Supervisors and Volunteers who help on committees give unstintingly of their time and experience, without them the Credit Union would not be as strong as it is today. Just as importantly, the management and staff, are to be congratulated on their commitment. They bring professionalism and unflinching diligence to their work each day. Together the team will strive to continue to steer Dundrum Credit Union safely through the times ahead and support our members in their endeavours.

We look forward to a challenging but rewarding future for Dundrum Credit Union.



Michele Brady  
President of the Board of Directors  
Dundrum Credit Union

# DUNDRUM CREDIT UNION LIMITED

## Statement Of Directors' Responsibilities

The Credit Union Act, 1997 requires 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 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;
- 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 which enables them to ensure that the financial statements comply with the Credit Union Act, 1997. 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.

## Supervisory Committee's Responsibilities

The Credit Union Act, 1997 requires the appointment of a Supervisory Committee which will oversee directors in the performance of their functions, examine books and documents of the credit union and verify a sample of members balances.

*(Sections 59-62 of the Credit Union Act, 1997).*

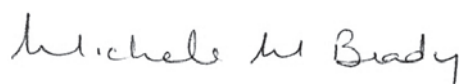
# DUNDRUM CREDIT UNION LIMITED

## INCOME AND EXPENDITURE ACCOUNT

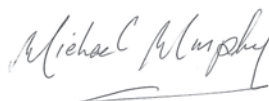
for the year ended 30th September 2010

	Schedule	2010 €	€	2009 €	€
<b>INCOME</b>					
Interest on members' loans		3,713,354		3,910,783	
Members' deposit and other interest		(62,259)		(80,868)	
Other interest receivable and similar income	1	1,291,923		1,921,558	
Losses/provision for diminution in value of investments		<u>(71,574)</u>		<u>(364,524)</u>	
Net interest income		4,871,444		5,386,949	
Other income	2	<u>65,542</u>		<u>39,216</u>	
Total income			4,936,986		5,426,165
<b>EXPENDITURE</b>					
Salaries		967,305		941,078	
Other management expenses	3	2,007,748		2,048,580	
Depreciation		198,072		192,433	
Provision for bad and doubtful debts		1,850,454		585,655	
Bad debts recovered		<u>(102,256)</u>		<u>(84,033)</u>	
Total expenditure			4,921,323		3,683,713
<b>EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR</b>			15,663		1,742,452
Add: Undistributed surplus 30th September 2009		473,769		1,264,787	
Transfer in from general reserve		<u>55,226</u>		<u>—</u>	
			528,995		1,264,787
Less: Transfer to statutory reserve		5,000		1,160,471	
Dividend paid		388,058		1,184,721	
Transfer to unrealised investment income reserve		170,232		188,278	
			563,290		2,533,470
<b>(DEFICIT) / UNDISTRIBUTED SURPLUS CARRIED FORWARD</b>			<u>(18,632)</u>		<u>473,769</u>

On behalf of the Credit Union



Michele Brady  
CHAIRPERSON



Michael Murphy  
TREASURER



Frank Nolan  
SUPERVISORY COMMITTEE

Date: 9th November 2010

# DUNDRUM CREDIT UNION LIMITED

## BALANCE SHEET

as at 30th September 2010

	2010		2009	
	€	€	€	€
<b>ASSETS</b>				
Cash and balances at bank	719,109		1,002,381	
Deposits and investments	46,167,173		39,341,699	
Loans to members	43,180,959		46,349,667	
Less: Provision for bad and doubtful debts	(3,843,097)		(1,964,152)	
Tangible fixed assets	4,764,601		4,869,271	
Prepayments and accrued income	80,866		88,750	
Total assets		<u>91,069,611</u>		<u>89,687,616</u>
<b>LIABILITIES</b>				
Members' term deposits	2,387,990		2,689,856	
Other liabilities, accruals and charges	622,589		545,732	
	<u>3,010,579</u>		<u>3,235,588</u>	
<b>MEMBERS RESOURCES</b>				
Members shares	79,419,096		77,718,107	
Other reserves - retained (deficit) / surplus	(18,645)		473,758	
Regulatory reserve	2,000		-	
Statutory reserve	8,298,071		8,071,885	
Unrealised investment income reserve	358,510		188,278	
	<u>88,059,032</u>		<u>86,452,028</u>	
<b>TOTAL LIABILITIES</b>		<u>91,069,611</u>		<u>89,687,616</u>

On behalf of the Credit Union

*Michele M Brady*

Michele Brady  
CHAIRPERSON

*Michael Murphy*

Michael Murphy  
TREASURER

*Frank Nolan*

Frank Nolan  
SUPERVISORY COMMITTEE

Date: 9th November 2010

# DUNDRUM CREDIT UNION LIMITED

## CASHFLOW STATEMENT

for the year ended 30th September 2010

	2010		2009	
	€	€	€	€
Opening cash and investments	40,344,080		36,709,264	
<b>Receipts</b>				
Cash / bank balances and equivalents transferred from Belfield Credit Union Limited	1,349,216		—	
Members' shares	31,687,560		36,491,652	
Members' deposits	491,519		225,500	
Members' loans repaid	22,401,912		24,339,891	
Members' loan interest received	3,713,354		3,910,783	
Investment interest	1,220,349		1,467,034	
Bad debts recovered	102,256		84,033	
Other receipts	65,541		39,213	
Decrease/(increase) in prepayments	7,884		(8,894)	
<b>Total</b>	<b>61,039,591</b>		<b>66,549,212</b>	
<b>Disbursements</b>				
Members' shares withdrawn	32,039,727		36,525,959	
Members' deposits withdrawn	793,385		191,519	
Members' loans granted	18,222,361		21,748,617	
Interest paid	62,259		80,868	
Dividends paid	388,058		1,184,721	
Operating expenses	2,975,053		2,989,658	
Fixed assets purchased	93,402		120,116	
(Increase)/decrease in other liabilities, accruals and charges	(76,856)		72,938	
<b>Total</b>	<b>54,497,389</b>		<b>62,914,396</b>	
Closing cash and investments	<u>46,886,282</u>		<u>40,344,080</u>	

# DUNDRUM CREDIT UNION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30th September 2010

### 1. Accounting Policies

#### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

Premises	- 2% per annum
Computers	- 25% per annum
Office equipment	- 20% per annum

#### 1.3. Pensions

Contributions to the Credit Union's pension scheme are charged to the income and expenditure account in the period to which they relate.

#### 1.4. Bad and doubtful debts

Bad debts written off are included in other management expenses. 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 the 2003 Resolution 49 of the Irish League of Credit Unions. An additional provision (in excess of Resolution 49) of €891,890 is considered prudent by the Board of Directors.

#### 1.5. Income recognition

Interest on members' loans is recognised when payment is received as specified in section 110(1)(c)(i) of the Credit Union Act, 1997, (i.e. on a cash basis). Investment income is recognised on an accruals basis.

#### 1.6. Deposit interest retention tax suffered

This amount represents D.I.R.T. deducted by financial institutions on behalf of the Revenue Commissioners, from interest earned on monies on deposit with these institutions for the year ended 30th September 2010.

#### 1.7. Investments

Investment income is recognised when received or irrevocably receivable. Investments held at the year end are stated at market value, cost or locked in value as appropriate.

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

##### Bank deposits

These are valued at the deposit amount plus any accrued interest. Interest income is recognised in the income and expenditure account on an accruals basis.

##### Perpetual bonds

The Credit Union sold all its perpetual bonds during year ended 30th September 2010. Interest income is recognised in the income and expenditure account on an accruals basis. Decreases in the capital value of the bonds are included in the income and expenditure account in the losses/provision for diminution in value of investments figure. Increases which reverse a previous decrease in the value of the bonds are included in the income and expenditure account in the investment income figure.

##### Other bank bonds

Senior bank bonds are stated at nominal value plus any accrued interest.

Sub-ordinated bank bonds are stated at the lower of nominal or market value.

Interest income is recognised in the income and expenditure account on an accrual basis. Decreases in the capital value of the bonds are included in the income and expenditure account in the losses/provision for diminution in value of investments figure. Increases which reverse a previous decrease in the value of the bonds are included in the income and expenditure account in the investment income figure. All other increases in excess of the cost of the bond are ignored until the bond is sold.

##### Investments with return of capital guarantee and minimum investment returns

Investments with return of capital guarantee at maturity are valued at the capital guaranteed amount plus accrued income. The minimum guaranteed investment income is recognised in the income and expenditure account on an accruals basis over the life of the investment. Investment income in excess of the minimum guaranteed amount is ignored until the investment is sold or the income is received.

##### Other investments

Other investments are stated at capital guaranteed amount plus any irrevocable income. Income is recognised in the income and expenditure account once it is 'locked in' and irrevocably receivable. Where income is not 'locked in' or irrevocably receivable it is not recognised in the income and expenditure account until it is received or the investment is sold.

##### Unrealised investment income reserve

In accordance with Financial Regulator guidance (April 2009) investment income and gains recognised in the year in the income and expenditure account in the current year (year ended 30th September 2010) but which the credit union will not receive until after

# DUNDRUM CREDIT UNION LIMITED

12 months from 30th September 2010 is transferred to an unrealised investment income reserve. Amounts included in the unrealised investment income reserve are not available for distribution in the year ended 30th September 2010. Transfers to the unrealised investment income reserve in prior years are released from the reserve when the investment income will be received by the Credit Union within 12 months of the year end.

## 2. Transfer of Engagements from Belfield Credit Union Limited to Dundrum Credit Union Limited

Dundrum Credit Union Limited and Belfield Credit Union Limited held discussions during 2009 with a view to a Transfer of Engagements from Belfield Credit Union Limited to Dundrum Credit Union Limited. On 1st September 2009, the Board of Directors of both credit unions held separate meetings at which it was agreed to formally write to the Financial Regulator seeking permission to progress the transfer by Board Resolution under Section 129 and 130 of the Credit Union Act 1997 (as amended).

Following guidance from the Financial Regulator and the Irish League of Credit Unions, both Boards of Directors met on the 26th January 2010 and resolved to undertake the Transfer of Engagements from Belfield Credit Union Limited to Dundrum Credit Union Limited and the Instrument of Transfer was signed by the Directors of Belfield Credit Union Limited and Dundrum Credit Union Limited at that meeting. A Transfer of Engagements Booklet was sent to the members of Dundrum Credit Union Limited and Belfield Credit Union Limited. An Application for Confirmation by the Registrar of Credit Unions of a Transfer of Engagements was also sent on behalf of both credit unions on the 26th January 2010. A notice of the proposed Transfer of Engagements was placed in two national newspapers on 30th January 2010, giving notice that representations could be made within 21 days to the Registrar of Credit Unions.

The Certificate of Confirmation of Transfer of Engagements, Registration of Instrument of Transfer and the Instrument of Transfer were signed by the acting Registrar of Credit Unions on the 31st March 2010. On the 25th June 2010, the Registrar of Credit Unions cancelled the Registration of Belfield Credit Union Limited and a notice to this effect was published in Iris Oifigiúil on the 29th June 2010.

The Transfer of Engagements has been accounted for as an acquisition in the books of Dundrum Credit Union Limited and the following Belfield Credit Union Limited assets and liabilities were subsumed into the assets and liabilities of Dundrum Credit Union Limited.

	<b>Book value of Belfield Credit Union Limited assets and liabilities prior to Transfer of Engagements</b>	<b>Fair value adjustments on transfer</b>	<b>Fair value of assets and liabilities acquired by Dundrum Credit Union Limited</b>
	€	€	€
Computer net book value	2,414	(2,414)	-
AIB current account	190,615	-	190,615
AIB ordinary deposit account	136,744	-	136,744
AIB term deposit account	513,043	-	513,043
Anglo term deposit account	408,707	-	408,707
Davy's investment	100,000	-	100,000
Accrued income	1,703	-	1,703
Loans to members	982,352	-	982,352
Prepayments	2,071	-	2,071
Accruals	(3,667)	-	(3,667)
Members shares	(2,053,156)	-	(2,053,156)
Statutory reserve	(221,186)	-	(221,186)
General reserves	(57,640)	2,414	(55,226)
Regulatory reserve	(2,000)	-	(2,000)
	<u>-</u>	<u>-</u>	<u>-</u>

Belfield Credit Union Limited's liabilities on Transfer of Engagements did not include any provisions for reorganisation and restructuring costs. Dundrum Credit Union Limited's liabilities at year ended 30th September 2010 do not include any provisions or accruals relating to the Transfer of Engagements of Belfield Credit Union Limited.

Dundrum Credit Union Limited incurred one-off costs associated with the Transfer of Engagements. Total costs in the year ended 30th September 2010 amounted to €37,630. Of this amount €15,130 has been expensed to the income and expenditure account in the year and €22,500 has been capitalised.

Dundrum Credit Union Limited did not pay any consideration to Belfield Credit Union Limited or its members in respect of the Transfer of Engagements.

The Board of Directors have determined that it is not practical to determine the post-transfer results of Belfield Credit Union Limited. The Board of Directors have estimated that since the Transfer of Engagements Belfield Credit Union Limited contributed approximately €65,500 to Dundrum Credit Union Limited's income and approximately €65,000 to the surplus for the year.

# DUNDRUM CREDIT UNION LIMITED

## 3. Tangible assets

	Land and buildings freehold	Computers	Office equipment	Total
	€	€	€	€
<b>Cost</b>				
At 1 October 2009	5,190,810	369,814	370,308	5,930,932
Additions	–	93,402	–	93,402
At 30 September 2010	5,190,810	463,216	370,308	6,024,334
<b>Depreciation</b>				
At 1 October 2009	582,204	249,392	230,065	1,061,661
Charge for the year	103,816	43,720	50,536	198,072
At 30 September 2010	686,020	293,112	280,601	1,259,733
<b>Net book values</b>				
At 30 September 2010	4,504,790	170,104	89,707	4,764,601
At 30 September 2009	4,608,606	120,422	140,243	4,869,271

## 4. Reserves (excluding statutory reserve and additional regulatory reserve)

	Balance at 1st October 2009	Transfer from Belfield Credit Union Limited	Other movement	Balance at 30th September 2010
	€	€	€	€
<b>Realised</b>				
Undistributed surplus	473,758	–	(492,403)	(18,645)
<b>Other reserves:</b>				
<b>Realised</b>				
General reserve	–	55,226	(55,226)	–
<b>Unrealised</b>				
Unrealised investment income	188,278	–	170,232	358,510
Total other reserves	662,036	55,226	(377,397)	339,865

Amounts included in the unrealised investment income reserve at 30th September 2010 are not available for distribution at 30th September 2010

## 5. Deposits and investments

	2010	2009
	€	€
First Active	–	3,222,370
Bank of Ireland	500,000	302,218
Northern Rock	5,512,418	4,145,682
Anglo Irish Bank	6,820,294	5,411,151
Davy's managed investments	10,693,740	11,970,148
AIBIM	1,500,000	1,505,507
EBS	4,576,256	2,663,714
ICS	4,254,197	4,140,754
Ulster Bank	4,375,307	1,012,542
Irish Life	5,613,116	3,474,067
BNP Paribas	250,681	250,983
Central Bank MRR	1,295,744	1,242,563
Allied Irish Banks	775,420	–
	46,167,173	39,341,699
<b>Investment maturity analysis</b>	<b>2010</b>	<b>2009</b>
	€	€
Falling due within 1 year	34,634,500	27,692,070
Falling due between 2 to 5 years	10,986,086	8,372,666
Falling due after 5 years	546,587	3,276,963
	46,167,173	39,341,699

# DUNDRUM CREDIT UNION LIMITED

## 6. Investment income

Investment income and gains included in income and expenditure account year ended 30th September 2010 amount to €1,291,923 (30th September 2009: €1,921,558). This is made up of the following:

	2010 €	2009 €
Investment income and gains received in the year	818,044	1,350,294
Investment income and gains receivable within 12 months	294,674	292,986
Investment income and gains receivable after 12 months	179,205	188,278
Investment income released from general reserve	–	90,000
	<u>1,291,923</u>	<u>1,921,558</u>

## 7. Other allocations

There were no other allocations.

## 8. Dividends, loan interest rebate and other returns to members

The Board of Directors recommend the following distributions be paid to members:

	Rate %	Recommended re 2010 €	Rate %	Paid re 2009 €
Dividend on shares	0%	–	0.5%	385,528

During the year ended 30 September 2010 a gross dividend of €2,530 was paid on closed accounts.

## 9. Honorarium to treasurer

The directors recommend that the treasurer be paid an honorarium of €8,000 for the year ended 30th September 2010. (30th September 2009 €8,000)

## 10. Insurance against fraud

The Credit Union has insurance against fraud in the amount of €5,200,000 in compliance with Section 47 of the Credit Union Act, 1997.

## 11. Related party transactions

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

	2010 €	2009 €
Loans	264,702	327,635
Deposits	137,000	187,000
Savings	230,654	229,640
CU cash	6,472	13,451
Current	1,040	1,080

Included in the following expenditure categories are amounts paid to the board of directors during the year ended 30th September 2010:

Entertainment costs	1,318
Directors costs	4,197
Retired directors honorarium	4,000

## 12. Pension scheme

The Credit Union participates in the Irish League of Credit Unions (ILCU) Republic of Ireland Pension Scheme and in a New Ireland pension scheme.

### ILCU Pension Scheme

Dundrum Credit Union Limited participates in the Irish League of Credit Unions Republic of Ireland Pension Scheme. The pension fund is a multi-employer defined benefit plan where costs are calculated on a scheme wide basis and it is therefore not possible to identify each employers share of the assets and liabilities of the plan. Any surplus or deficit disclosed in the actuarial valuation is spread across all employers participating in the plan. Upon adoption of Financial Reporting Standard 17 'Retirement Benefits', pension costs have been accounted for on a defined contribution basis. The most recent actuarial valuation of the scheme was carried out as at 1 March 2008 and indicated that the actuarial value of the scheme's liabilities exceeded the value of the scheme's assets at that date. A funding proposal was agreed by the Principal Employer and the Trustees and with effect from 1 March 2009, total pension contributions (excluding the cost of risk benefits) were increased to 27.5% of pensionable salary.

The pension charge represents contributions payable by the Dundrum Credit Union Limited to the fund and amounted to €47,134. (2009: €55,776). Contributions totalling €29,715 (2009: €37,091) were prepaid at the year end and are included in prepayments and €1,128 was accrued at the year end and is included in accruals.

# DUNDRUM CREDIT UNION LIMITED

## New Ireland pension scheme

This is a defined contribution pension scheme. The assets of the scheme are held separately from those of the Credit Union in an independently administered fund. Contributions are charged to the income and expenditure account in the year in which they fall due.

The following amounts have been charged to the income and expenditure account in respect of pension costs:

	2010	2009
	€	€
ILCU pension scheme	47,134	55,776
New Ireland	21,251	23,258
Pension	<u>68,385</u>	<u>79,034</u>

## 13. Members' shares and savings

	2010
	€
Regular share accounts	50,585,518
Special share accounts	28,833,578
Term deposit accounts	2,387,990
CU cash	417,174
	<u>82,224,260</u>

## 14. Capital commitments

There are no capital commitments at 30th September 2010.

## 15. Rates of interest charged on members' loans

	Per month	
Normal loans (on loan issued until 31 January 2010)	0.74583%	9.33% APR
Normal loans (on loan issued from 1 February 2010)	0.8292%	10.42% APR
Secured savings loans (on loan issued until 31 December 2009)	0.4125%	5.06% APR
Secured savings loans (on loan issued from 1 January 2010)	0.4958%	6.11% APR

## 16. Rates of interest paid on members' deposits

0.20833% Per month, 2.5% Per Annum Special Term Deposit Account for the period of October 2009 to September 2010.

## 17. Post balance sheet events

There are no material adjusting post balance sheet events.

## 18. Bank and other loans

The Credit Union did not have any bank loans during the year ended 30th September 2010.

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

	2010	2009
	€	€
Accruals	88,328	138,769
PAYE/PRSI	29,622	21,056
Paypoint	2,230	2,523
Car draw	76,135	73,450
CUcash	417,174	305,347
Other creditors	9,099	4,587
	<u>622,588</u>	<u>545,732</u>

## 20. APB Ethical Standards — Provisions available to small entities

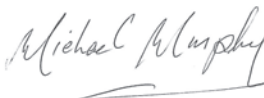
In common with many other entities of our size and nature, from time to time, our auditors provide us with advisory and consulting services.

## 21. Approval of financial statements

The financial statements were approved by the Board on 9th November 2010 and signed on its behalf by



Michele Brady  
President



Michael Murphy  
Treasurer

# DUNDRUM CREDIT UNION LIMITED

YEAR ENDED 30TH SEPTEMBER 2010

## SCHEDULE 1 – OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	<b>2010</b>	<b>2009</b>
	€	€
Investment income	1,291,923	1,921,558
Provision for diminution in value of investments	(71,574)	(364,524)
Total per income and expenditure account	<u>1,220,349</u>	<u>1,557,034</u>

## SCHEDULE 2 – OTHER INCOME

	<b>2010</b>	<b>2009</b>
	€	€
ECCU claims experience refund	40,412	12,278
Commission	25,130	26,938
Total per income and expenditure account	<u>65,542</u>	<u>39,216</u>

## SCHEDULE 3 – OTHER MANAGEMENT EXPENSES

	<b>2010</b>	<b>2009</b>
	€	€
Treasurers honorarium	8,000	8,000
Retired directors honorarium	4,000	–
Rent and rates	85,060	83,033
Lighting, heating, and cleaning	46,266	57,264
Repairs and renewals	1,399	4,445
Equipment maintenance	31,706	49,435
Security	69,982	73,160
Printing and stationery	35,837	26,115
Postage and telephone	47,394	45,318
Donations and sponsorship	20,595	32,124
Foreign aid	3,000	3,000
Debt collection	19,770	22,266
Promotion and advertising	29,762	81,335
Training costs	603	11,135
Convention expenses	2,558	2,824
AGM expenses	16,568	18,897
Affiliation fees	39,318	39,001
Savings protection scheme	51,699	48,252
Travel and subsistence	6,524	4,067
Entertainment costs	2,587	2,809
Bank charges	32,609	32,842
Audit fee	27,110	26,000
Supervisory committee expenses	3,850	4,614
General insurance	26,981	29,510
Share and loan insurance	270,751	291,544
Death benefit insurance	56,201	83,473
Pension	68,385	79,034
Legal and professional fees	27,529	46,937
Computer maintenance	57,270	54,689
Bad debts written off	910,545	780,144
Miscellaneous expenses	3,889	7,313
Total per income and expenditure account	<u>2,007,748</u>	<u>2,048,580</u>

# DUNDRUM CREDIT UNION LIMITED

## Independent Auditors' Report to the Members of Dundrum Credit Union Limited

Year Ended 30th September 2010

We have audited the financial statements of Dundrum Credit Union Limited for the year ended 30th September 2010 which comprise the income and expenditure account, balance sheet, cash flow statement and related notes. These financial statements have been prepared under the accounting policies set out in the statement of accounting policies.

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. Our audit work has been undertaken so that we might state to the credit union's members those matters that 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 in the Statement of Directors' Responsibilities the credit union directors are responsible for the preparation of the financial statements in accordance with applicable law and generally accepted accounting practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with generally accepted accounting practice in Ireland and the Credit Union Act, 1997. We also report to you whether in our opinion, proper accounting records have been kept by the credit union. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the credit union's financial statements are in agreement with the accounting records.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the directors' report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the credit union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of the APB Ethical Standards including APB Ethical Standard - Provisions Available to Small Entities, in the circumstances set out in note 20 to the financial statements.

### Opinion

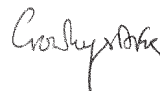
In our opinion the financial statements give a true and fair view of the state of the credit union's affairs as at the 30th September 2010 and of its income and expenditure for the year then ended and have been properly prepared in accordance with generally accepted accounting practice in Ireland and in accordance with the requirements of the Credit Union Act 1997.

We have obtained all the information and explanations we consider 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.

In our opinion the information given in the directors' report is consistent with the financial statements.

**Crowleys DFK**  
16/17 College Green  
Dublin 2

10th November 2010



**Chartered Accountants and  
Registered Auditors**

# DUNDRUM CREDIT UNION LIMITED

## Report of the Supervisory Committee

1. The Supervisory Committee are pleased to submit its annual report to you, the members of Dundrum Credit Union. As you are aware, the supervisory committee are mandated to oversee, on your behalf, the performance of the Board of Directors in carrying out their functions.
2. In the past year we examined and appraised a range of documentation, systems and practices within the Credit Union and some of these are as follows,
  - a) Verification of sample loans
  - b) Verification of pass books/members accounts
  - c) Membership Records
  - d) Bank Reconciliation and Trial Balances
  - e) All Officer and Staff Loans
3. A supervisor was in attendance at all Board meetings.  
We also attended at various committee meetings throughout the year, including Credit Control and Credit Committee.
4. In addition we held reviews with the board and a range of important business issues were looked at. These meetings were well attended and constructive information stemmed from them which proved in our view very beneficial.
5. The Supervisory Committee made the following recommendations to the Board of Directors during the course of the year.
  - a) Training is important
  - b) Keep policies updated (not all done yet but progressing)
  - c) The Nominations Committee should meet during the year and not just prior to AGM with a view to sourcing new and suitable volunteers for Board and Supervisors.
6. In accordance with the Act we are obliged to verify at least 10% of our members and this was done, but the response this year was only 47%, down 14% on last year. We cannot stress enough the importance of this exercise and would encourage all members to comply.
7. We are pleased to report to you that the Board are compliant in their legal and regulatory requirements.
8. We had two meetings with our external auditors Crowley's DFK at which all aspects of the Credit Union were discussed.
9. Members of the Supervisory Committee have attended training courses throughout the year and also the National Supervisors Forum.

# DUNDRUM CREDIT UNION LIMITED

10. As always, we are determined to ensure that the highest principles of governance, transparency and accountability are adhered to
11. Dundrum Credit Union remains a strong and secure financial institution with robust internal policies, particularly in the areas of lending, credit control and investment and we remain committed to ensuring the continued strength and growth of our credit union through prudent provisioning and the building of strong reserves
12. It is with much regret that Michelle Coleman is unable to continue to work on the committee and has informed us of her resignation, we wish her good luck and thank her for the time she has given to the Credit Union.
13. We would finally state that we received full cooperation and assistance from the Staff and Board in carrying out our checks

Frank Nolan Chairman.  
Liam Byrne Secretary  
Michelle Coleman

# DUNDRUM CREDIT UNION LIMITED

## Report of the Credit Committee

The Credit Committee met on 51 occasions this year and we received a total of 6251 loan applications. This number is less than last year's figure of 6272 and is an indication of the difficult times we continue to live in.

Although times are tough, Dundrum Credit Union has remained open for lending business and has continued to serve our members to the best of our abilities.

The money we issue in loans comes from our members' savings in the credit union. The Credit Committee has a duty to ensure the money is used for productive and provident purposes and that the member is able to repay the loan according to the schedule agreed.

This is especially important in these times of economic difficulty. For this reason, we may ask difficult questions, require proof of earnings, copies of bank statements etc. before we can approve a loan application, but will always take your circumstances into account.

Dundrum Credit Union is a member of the Irish Credit Bureau, which allows us to carry out credit enquiries on loan applications as necessary and allows us to register loans with the Bureau.

Our Personal Budget Planners, which are available in all our offices and online, have proved very popular with our members. We advise all members to make use of the Budget Planners as they are very useful in helping members to manage their finances. We also now have a Budgeting Officer should any member require any assistance in completing their Planner.

This year, we continued a Loan Within Shares offer for members who would prefer to keep their savings intact and who need access to money. At only 5.95%, this loan is the best value personal loan on the market and has been very popular with members. The loan balance can be cleared at any time from shares, if the member wants to repay the loan early.

We highly recommend this option to members, as you will continue to benefit from the Life Savings and Loan Protection Insurance, as well as keeping your savings intact.

### Summary of Loans Issued by Amount

Amount	Number	% of Total No.	Value	% of Value
0 – 1000	2412	40.2	€1,476,664	8.1
1001 – 5000	2684	44.8	€7,178,288	39.4
5001 – 10000	596	9.9	€4,619,402	25.4
10001 – 25000	284	4.7	€4,348,208	23.9
25001 – 50000	18	0.3	€544,999	3.0
50001 – 100000	1	0.0	€54,800	0.3
	5995	100	€18,222,361	100

# DUNDRUM CREDIT UNION LIMITED

## Summary of Loans Issued by Type

Loan Type	Number	% of Total No.	Value	% of total Value
Home Improvements	940	16	€4,175,373	23
Transport	978	16	€4,037,407	22
Loan Within Shares	1405	23	€3,436,007	19
Loan Consolidation	215	4	€1,333,072	7
Holidays	640	11	€1,034,431	6
Personal	567	9	€952,960	5
Special Occasions	194	3	€815,355	5
Educational	268	4	€762,003	4
Medical	156	3	€433,380	2
Christmas	340	6	€404,925	2
Housing	61	1	€344,280	2
Commercial	38	1	€289,900	2
Other	193	3	€203,268	1
Total	5995	100	€18,222,361	100

The Credit Committee would like to express our appreciation to the Chief Loans Officer, Loan Officers, management and staff for their help and support during the year.

**Committee Members:** Michele Brady, Brian Canning, Jim Gillick, Marie Melly, Dave Madden

## Report of the Credit Control Committee

The aim of Dundrum Credit Union is to ensure that all loans are repaid according to the Credit Agreement. The Credit Control Committee and Credit Controllers work closely to achieve this aim.

This has been another difficult year for many of our members. The rise in unemployment, cuts in working hours, wage cuts and increased taxes and income levies have resulted in many long standing and loyal members facing financial problems. We would encourage any members whose situation has changed to come in and talk to us. It is easier to deal with financial changes before loan repayments are missed. The credit union staff are experienced, confidential, helpful and sympathetic in assisting you to address any problems that may have arisen. We also work in partnership with MABS (the Money Advice and Budgeting Service) to assist members in getting out of serious debt problems.

During the year, we met 13 times and we revised our Credit Control policy in the light of current economic circumstances. As part of our regular monthly report to the Board, we are charging off loans in arrears on a monthly basis. We have again increased resources in the Credit Control area by employing an Loan Recovery Officer and appointing a Budgeting Officer. We co-operated closely with the Credit Committee to ensure that we continue to give out good loans.

This year we recovered €102,256 from accounts which had been charged off previously.

We would like to thank all our members who have always met their repayments.

**Committee Members:** Jim Kelly, Gretta Fletcher, Pat Banahan

# DUNDRUM CREDIT UNION LIMITED

## Report of the Marketing and Membership Committee

### Marketing Plan

The Dundrum Credit Union Marketing Plan which was implemented in 2009 and which proved a success was continually improved upon and carried into 2010. Dundrum Credit Union is committed to the improvement of the economic and social wellbeing of our community and even in these difficult times we endeavored to continue our sponsorship and support of individuals, groups and community initiatives during 2010.

### Employer Incentive

The Dundrum Credit Union Employer Account is a special package that offers both employers and their employee's incentives to join the Credit Union. We have implemented a very focused plan this year aimed at meeting employers in the area and encouraging them to join up to this incentive. We now have several companies on board. Our plan is to grow this number further in 2011.

### Car Finance

Dundrum Credit Union approached car dealers in the area during 2010 to encourage them to include Dundrum Credit Union as a finance option for car buyers. To date we have 8 car dealers on board.

### Credit Substitution

We continue to offer a very attractive alternative loan facility to that offered by the Money Lenders. Now more than ever we would encourage our community to investigate what Dundrum Credit Union offer. We have supplied St. Vincent de Paul and MABS with our Credit Substitution leaflets for distribution.

### Website

The Dundrum Credit Union website continues to be upgraded and enhanced. It is a wonderful source of information, news and your centre for online banking. Over 2,700 people have registered for a PIN number. We would encourage you to use the website, not only for your financial requirements but also to keep up to date with our member services and what's happening in our community. Online features and benefits include:

- Check account balances and transactions
- Full Online Statements
- Apply for Loans Online
- Check loan approvals
- Pay Bills and Transfer money to and from external bank accounts
- Transfer money between your Credit Union balances
- Calculate loan repayments
- Secure messaging to the Credit Union

# DUNDRUM CREDIT UNION LIMITED

## **Car Draw**

Our Monthly Car Draw continues to grow and we now have over 3800 members in the draw each month. The winner can opt for a cash prize instead of the car. We also have cash prizes every month and due to a surplus in the fund we had a double car draw in July and for all the members in the car draw we are also having a double car draw on the evening of the AGM.

## **New Members**

We welcomed a total of 1,127 new members in 2010. We developed a new look 'New Members Pack' which is now available in the offices.

## **Credit Union Schools Quiz**

The 2010 school quiz took place on Saturday 30th January in Taney Parish Hall. A total of 27 teams (108 children) entered the quiz. The winning teams were: Divine Word, St. Attracta's and Holy Cross. Thanks to our quizmaster, Brid Darcy.

## **Scholarship Draw**

We had a total of 48 applications for the scholarship draw. This is a wonderful opportunity for 3 of our members to have the chance of winning a once off €2,000 sum towards their further education studies. The draw took place in the Dundrum office on October 18th 2010. Thanks to our guest speaker Professor Padraig Dunne from U.C.D. We would encourage all our eligible members to avail of this opportunity next year. Full details are on the Dundrum Credit Union website.

## **School Saving Scheme**

The School Saving Scheme is a major success and we now have 10 schools participating in the School Saving Scheme. The school saving scheme monthly raffle has proved to be a great success. It has encouraged the children to save on a regular basis and for those who are not members to join. The monthly raffle prize is for any child who has saved any time during that month and the prize is a family cinema pass to Movies @ Dundrum. This year we have extended the school saving scheme to Secondary Schools and we hope to have our first school on board early next year.

## **Sponsorship**

During 2010, Dundrum Credit Union was delighted to support our community. See below for a full list of the beneficiaries:

115th Ballinteer Venture Group  
Balally Parish Hospitality Group  
Ballinteer Male Voice Choir  
Broadford Rovers  
Cells Group  
Crumlin Hospital  
Dublin South FM  
Dundrum Athletic/Football Club  
Guide Dogs for the Blind  
Hillview Resource Centre  
Holy Trinity National School  
Irish Heart Foundation  
Jesus & Mary, Our Lady's Grove

# DUNDRUM CREDIT UNION LIMITED

Kilcross Residence Association  
Marie Keating Foundation  
Moreen & Blackthorn Network  
Motor Neurone Disease  
Niall Melon Building Blitz  
Niamh Elliott Fundraiser  
Notre Dame – Children Helping Children  
Our Lady's Boys & Girls School Ballinteer  
Panorama  
Quarry Youth Club - Ballinteer  
St. Attracta's Junior School – Arts Awareness Programme  
St. Attracta's Senior School  
St. Benildus College  
St. Johns GAA  
St. Marys National School Sports Day  
Stackstown Golf Tournament  
UCD Belfield Staff Golf Society

In conclusion the committee would like to thank the management and staff for their co-operation and support this year. We are very fortunate to have Ms. Pauline Kent as Marketing Officer. Her hard work, professionalism, innovative nature and endless enthusiasm are crucial to the success of the Marketing and Membership committee.

**Committee:** Louise Church, Brid Darcy, Pauline Kent, Jim Gillick & Pat Byrne

# DUNDRUM CREDIT UNION LIMITED

## Report of the Education & Nominations Committee

Dundrum Credit Union is committed to the on-going education of its members, staff and volunteers and to the community in our common bond area.

New training and development programmes are being continually developed for all our staff in order to provide our members with the excellent service they have grown to expect from their Credit Union.

Board members are continually upgrading their education in respect of matters pertaining to the on-going growth and development of Dundrum Credit Union by attending training programmes, seminars, etc.

We realise the future health of the Credit Union movement depends on the youth of the country and to this end Dundrum Credit Union proactively engages with schools and sporting clubs in the common bond area.

Dundrum Credit Union has successfully run an initial induction programme for members who wish to volunteer their services to the Credit Union. We now wish to run a second induction programme and to this end we would appeal to any member who is interested in becoming a committee member and perhaps progressing on to Board membership to contact the Education & Nominations Committee.

**Committee:** Geraldine Doyle, Jim Kelly, Sheila Lewis.

# DUNDRUM CREDIT UNION LIMITED

## The Inaugural Report of the Risk and Compliance Committee

The board decided to establish a dedicated Risk and Compliance Committee to ensure that Dundrum Credit Union has developed an effective policy and implemented a recognised standard for risk identification and management that will enhance the credit union's ability to achieve its strategic objectives and comply with its statutory and regulatory obligations; and to ensure that the disclosure regarding risk and compliance is comprehensive, timely and relevant.

### Committee Terms of Reference

The Committee will perform all the functions as is necessary to fulfil its role as stated and including the following:

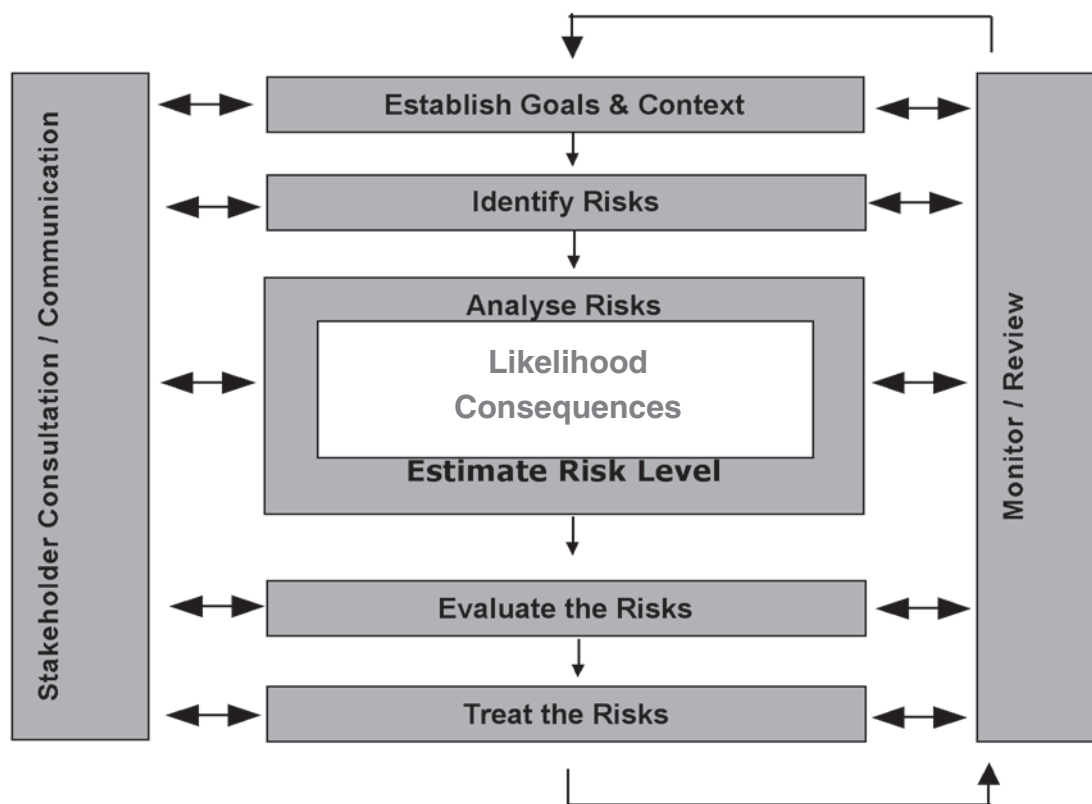
- i. Identify and, subject to board approval, implement a recognised risk management standard that will enable the board conduct effective monitoring of management's risk identification, assessment, mitigation and reporting.
- ii. Oversee the development and annual review of a policy and plan for risk identification and management to submit for board approval.
- iii. Monitor implementation of the policy and plan by means of risk management systems and processes.
- iv. Make recommendations to the board concerning the levels of risk appetite and tolerance and monitor that risks are managed within the levels as approved by the board.
- v. Oversee that the risk management plan is widely disseminated throughout the Credit Union and integrated into its day-to-day activities.
- vi. Endeavour to establish a Risk Management and Compliance function to monitor the effectiveness of the plan which will report directly to the Committee.
- vii. Ensure that risk identification and assessment is performed on a continuous basis by management.
- viii. Ensure that frameworks and methodologies are implemented to increase the possibility of anticipating unpredictable risks.
- ix. Ensure that management considers and implements appropriate risk mitigations/treatments and exercises continuous monitoring.
- x. Liaise closely with the Supervisory Committee to exchange information relevant to risk and compliance.
- xi. Express the Committee's formal opinion to the board on the effectiveness of DCU's overall risk management framework on an annual basis.

### Risk

The Committee has developed a Risk Management Framework which was approved by the board in September and is currently being implemented. The key aspects of the framework are:

- DCU has adopted the internationally recognised ISO 31000 Risk Management Standard as the methodology and process by which it will analyse, treat and report risk.

# DUNDRUM CREDIT UNION LIMITED



- Using this standard, the Committee has recommended defined DCU's risk appetite and tolerance which will be used to assess all risks to which the credit union is exposed.
- The board has approved these definitions as the basis board oversight of risk that exceeds DCU's risk appetite threshold.
- The Committee has identified a software tool designed around ISO 31000 which it will be testing into 2011 before making recommendations to the board.
- Using this tool the Committee is starting the process of identifying and assessing the more significant risks and allocating operational responsibilities for monitoring them.
- On completion of a successful system testing, the Committee will be recommending its implementation across the credit union to the board.

## Compliance

When the risk management framework is being implemented, the Committee will then focus its attention on establishing a DCU Compliance Framework that will ensure the board meets its statutory and regulatory obligations. This work will be greatly assisted by the appointment of our Finance & Compliance Officer who will be taking on operational responsibility for the Framework. This work is also timely as we are anticipating an acceleration in regulatory requirements during next year and beyond.

**Committee:** Michele Brady, Pat Banahan, Marie Melly, Gerry McConville, Alan McDonnell

# DUNDRUM CREDIT UNION LIMITED

## Report of the Strategic Planning and Taskforce Committee

In the current financial climate the Strategic Planning and Taskforce Committee has concentrated on core business of the Credit Union and reviewing core business area for improvements or additional resource requirements. During the year the following were the key targets for this committee's focus:

- Allocation of resources within the Credit Union.
- New Budget Officer appointed.
- More staff trained in Credit Control.
- Job rotation has continued and is a core element of the plan with a view to improving the skill set of the staff.
- Rotation on a number of committees to ensure that directors have an equal opportunity to serve members continues.
- Review of loan rates.
- Review of costs including sub-offices.
- Review the impact of the new regulatory requirements and how best to implement them.
- Review of reports from Irish League of Credit Unions, Data Protection Commissioner, Financial Regulator and ensuring that we are meeting their recommendations or putting the structure in place to do so.
- Dundrum Credit Union continues its commitment to co-operation with our neighbouring credit unions and we are involved with SWECU, a south and west Dublin credit union marketing group.
- We are exploring opportunities for Transfer of Engagements.
- Ensured the smooth continuity of business through upgrading of our technology.

**Committee:** Gretta Fletcher, Michele Brady, Sheila Lewis, David Madden, Gerard McConville, Michael Murphy, Edward Tobin, Pat Byrne

# DUNDRUM CREDIT UNION LIMITED



*Members of the Board of Directors and Supervisory Committee 2010.*

## **Notes**

# DUNDRUM CREDIT UNION LIMITED



## Dundrum Credit Union

Phone 299 0400

Fax 296 0535

Email: [info@dundrumcu.ie](mailto:info@dundrumcu.ie)

Website: [www.dundrumcu.ie](http://www.dundrumcu.ie)

## OPENING HOURS

### Dundrum Office

Monday	9.30am – 4.30pm
Tuesday	9.30am – 4.30pm
Wednesday	9.30am – 4.30pm
Thursday	9.30am – 5.30pm
Friday	9.30am – 7.00pm
Saturday	9.30am – 12.30pm

### Ballinteer Office

Monday	Closed
Tuesday	9.30am – 4.30pm
Wednesday	9.30am – 4.30pm
Thursday	9.30am – 5.30pm
Friday	9.30am – 7.00pm
Saturday	9.30am – 12.30pm

### Sandyford Office

Monday	Closed
Tuesday	9.30am – 4.30pm
Wednesday	9.30am – 4.30pm
Thursday	9.30am – 5.30pm
Friday	9.30am – 7.00pm
Saturday	9.30am – 12.30pm