



ROSCREA CREDIT UNION ANNUAL GENERAL MEETING

20TH/DECEMBER/2008

AGENDA

- (a) The Acceptance By The Board Of Directors Of The Authorised Representative Of Members That Are Not Natural Persons**
- (b) Ascertainment That A Quorum Is Present**
- (c) Adoption Of Standing Orders**
- (d) Reading And Approval (Or Correction) Of The Minutes Of The Last Annual General Meeting; And Any Intervening Special General Meeting**
- (e) Report Of The Board Of Directors**
- (f) Report Of The Treasurer, Consideration Of Accounts And Approval Of Treasurer's Honorarium**
- (g) Report Of The Auditor**
- (h) Report Of The Supervisory Committee**
- (i) Declaration Of Dividend**
- (j) Report Of The Credit Committee**
- (k) Report Of Credit Control Committee**
- (l) Report Of Membership Committee**
- (m) Report Of Planning And Development Committee**
- (n) Report Of Social And Education Committee**
- (o) Report Of Any Sub-Committee**
- (p) Report Of Nominating Committee**
- (q) Appointment Of Tellers**
- (r) Election Of Auditor**
- (s) Election To Fill vacancies On The Supervisory Committee**
- (t) Election To Fill Vacancies On The Board Of Directors**
- (u) Any Other Business**
- (v) Announcement Of Election Results**
- (w) Adjournment Or Close Of Meeting**

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The 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



CHAIRMANS ADDRESS

Good evening,

It is with great pleasure that I report on behalf of the Board of Directors that 2008 was another successful year for Roscrea Credit Union Ltd.

Unfortunately, 2008 brought a number of crises in the financial markets – which led to a substantial drop in share prices. As you may be aware, the government introduced a deposit guarantee for credits union to the value of €100,000 per member. This, coupled with our existing Savings Protection Scheme, puts the credit union movement in good shape. A number of credit unions ran into difficulties with their investments – I can confirm that Roscrea Credit Union had no issues in this regard.

You will hear from our treasurer that we have had to decrease our dividend this year to 1%. This follows a Board decision to increase our bad debt provisions, in light of the continuing downturn in the economy. Bearing in mind that all our savings are “demand deposit” products, this rate is more competitive than any of the other financial institutions. We still have our Growth Account, which has paid a rate of 2.75% in the past year. However, moving forward, the Board will need to review this rate on a monthly basis, as the present rate is unsustainable.

Credit Control continues to be an issue, particularly with the current “credit squeeze”. While we are sympathetic to individual circumstances, we have an obligation to all shareholders’ and this is an area we will be concentrating on in the year ahead.

I am delighted to see the Dunnes stores development in the town, the near-completion of the swimming pool and the prospect of Tesco relocating to a new store in the near future. Coupled with the motorway progressing well - completion expected in late 2010, Roscrea should be well set up when the current recession ends. The Credit Union will continue to play its part in the development of the town and would encourage others to help make Roscrea an attractive town for inward investment. While it could be said that Roscrea missed the Celtic Tiger the town could be less affected than other towns in these recessionary times. With a strong community spirit, and huge improvements in sports/leisure facilities, the future could auger well for Roscrea.

I would like to thank my fellow Directors, Supervisors, Ray McCarthy, CEO and the hard-working staff for all their support in the past year and wish them and you all a Happy Christmas and a prosperous New Year.

Seamus Mullaney.
Chairman.



Declaration & Adoption of Dividend Treasurer's Report

Highlights

Income:

- Interest Income Is Up By €328k.
- Other Income Is down By €18k, due to decrease in investments.
- Total Income Is Up €310k - 7% increase on last year.

Expenditure:

- Salaries Up €45K - 7% Increase – similar to previous years.
- Other Management Expenses Up €110K, due mainly to increased insurance costs of €45k, increased sponsorships of €55k.
- Bad Debt Write-Off up €106K.
- Bad Debts recovered - €33k. Down €23k on last year.
- Bad Debt Provision €1.4m - a prudent measure with the economic downturn. Now at 7.7% Of Total Loans.
- Debt Collection Costs up €55k, due to once-off costs associated with amalgamation of all files to one solicitor.

Surplus:

Overall Surplus is €633k. This significant decrease is attributable to movement in bad debts provision.

Other Comments:

- €25 Million in loans approved this year – a decrease of €1.4 million on last year.
- €21 Million in loans repaid this year.
- The Death Benefit Insurance premium of c.€170k pa continues to be borne by the credit union.
- Statutory Reserve now stands at €4.1 million – 10.2% of total savings.
- Total assets now €5 Million - a solid year's performance in difficult conditions.



Declaration & Adoption of Dividend

The Board Of Directors recommends the capitalisation of €425,901 by way of a 1% Dividend on member shares.

A deduction of €2.50 per adult member towards the ILCU affiliation fee – same as last year – is also recommended.

Reporting of Dividend & Interest Payments to Revenue

- Reporting of interest payments on Growth accounts that have earned in excess of €635 in interest this year, will be reported under new obligations in March 2009.
- Dividend or interest payments for all new accounts opened this year will also have to be reported in March 2009.

Reporting of Dividends on Shares

In respect of dividends on Credit Union shares, the regulations take effect in respect of the year ended 30th September 2009. This applies to dividends earned in excess of €635 only.

Members aged 65 and over

- If you are single and aged over 65 and your total sole income is less than €19,000 or married and your total joint income is less than €38,000, you can complete Revenue Form DE1 (available at Credit Union office) and be eligible to receive your interest without deduction of DIRT.



Supervisory Committee Report

The Supervisory Committee met with the Board during the year to review their performances and we attended all the board meetings. We are pleased to confirm that all the books and records are well maintained and are satisfied that the annual accounts have been independently audited and certified by Price Waterhouse Coopers.

Due to the continued expansion and growth of our Credit Union, we have employed independent external auditors – Liam McGrath & Co., to undertake some of the Supervisory Duties. This external auditor reports directly back to Supervisory Committee.

The following checks were carried out by the Supervisory Committee and the independent external auditors during the year.

- (1) We held four meetings with the board of Directors as required by the 1997 Credit Union Act, section 59-1-B.
- (2) A random check of Loan Applications and Share Withdrawals was carried out
- (3) All officer and staff loans were checked and granted in accordance with Rule 45, sub section 3 & 4.
- (4) A random check of member's passbooks was carried out. (1200 letters were sent out)
- (5) The membership register was checked
- (6) The treasurer's monthly financial accounts were checked
- (7) Arrears and delinquency reports were monitored.
- (8) All investments were checked and confirmed. (We would like to congratulate the Finance Committee on some very good investments in light of the current economic climate).

We would like to thank the CEO Ray McCarthy and his staff and our Board of Directors for their help and assistance during the year. Finally, we would like to take this opportunity to wish all our members a Happy Christmas and Prosperous New Year.

Committee

Matt Talbot, Maura Coughlan & Tony Mason.



Credit Committee Report

The past year has seen much turmoil in the banking world. This has resulted in grave difficulties for many and will make the availability of credit much less accessible in the coming year. **It has also given us some benefits with the government's guarantee of savings up to €100k.**

In the past year, the Credit Committee has met 51 times – once every week – to review members' loan applications. There was a quorum present at each meeting. Members attendances were as follows Jim Bolger 50; Dick Conroy 42 and Matt Harte 29 – Matt only joined the committee after January 2008 board meeting. There was a total of **5,515** loans approved (more than 100 a week) during the year to the value of **€25.5m** and **449** loans were rejected valued at **€2.1m**.

The main causes of a loan being rejected have largely remained unchanged since the credit union was founded and are as follows:

- 1. Arrears on the current loan.*
- 2. Inability to repay the amount in the specified time.*
- 3. Very frequent applications for loans – it is expected, that barring an emergency, more than half a loan amount is repaid before consideration of a further loan can be made.*

All applications are subject to a number of conditions for consideration.

- 1. The application must be properly completed. Blank areas in the application regarding employment, pay and other relevant matters will at the very least delay consideration and may result in rejection.*
- 2. Proof of employment, salary etc., by the production of a current pay slip is also required.*
- 3. All loans in excess of €10k are subject to an ICB check.*
- 4. Business loans also require that a current set of audited accounts be submitted with the application.*
- 5. Bridging loans also require that a copy of the offer of mortgage accompany the application.*



Loans Consideration:

1. *Loan Officer*
2. *Manager*
3. *Credit Committee*
4. *Board*

Loans are considered in the order listed above. Appeals on rejected loans follow the same pattern. We would like to point out that there is **no** appeal to a loan rejected by the **Board of Directors**.

I would like to thank the board for its support during the year. Also the diligent work of both Ray McCarthy and his staff, which makes our job much easier.

Credit Committee:

Jim Bolger, Dick Conroy, Paul Ryan, Matt Harte & Hugh Keane.



Credit Control Committee Report

With a downturn in the economy, Credit Control is proving to be a very important area of Credit Union operations.

Our write-off figure this year is up from €419k last year to €524k this year. While bad debt recoveries are down from €106k to €83k, the recovery figure is in line with our budgeted figure.

Our debt collection costs have increased, due to our decision to centralise all of our files with a local solicitor, which will prove highly beneficial in the short term. This is a “once-off” cost which will allow our Credit Control function in a more efficient manner.

Our Bad Debt Provisions now stand at 7.7% of our loan book, which is considered prudent and puts us in a solid position moving forward. While this has had a negative impact on our accounts this year, this is a “reserve” that will remain in place until required. This is a reflection of the difficult lending environment all financial institutions are in at present. With rising unemployment and the uncertain economic climate at present, it is our belief that this is the correct decision at this time.

As a credit union, we have an obligation to our shareholders to ensure that every effort is made to recover all loans. We have, this month, installed an integrated collections software package, which will track credit control in a more efficient manner. This, coupled with our use of the Irish Credit Bureau, should help improve our Credit Control operations.

We are grateful to the vast majority of our members who have diligently repaid their loans, sometimes in difficult circumstances, who have made Roscrea Credit Union the success it has been for over 40 years.

We urge any member who is having financial difficulties to contact Sarah Beasley – our Credit Controller, who is always at hand for help and advice.

***Credit Control Committee:
Tom McCarthy, Liam Phelan, Seamus Mullaney.***



Membership Committee Report

The membership of Roscrea Credit Union has increased by 486 new members in the past year. Considering the fact that the membership has almost reached saturation point this is a very healthy position and shows that people are continuing to turn to the Credit Union in order to avail of our growing range of services.

We encourage all members of Roscrea Credit Union to introduce new members. We would also appreciate if you would inform any potential new members that under legislation all new members are now requested to produce Full ID and proof of address before they can be accepted as members of Roscrea Credit Union. This is no different to any other financial institution in the country.

The Membership Committee are always interested in new marketing and promotional ideas. We are also very interested in general comments and suggestions you may have that could help enhance our Credit Union. Feel free to contact any of the Membership Committee or log on to our revamped website www.roscreacu.ie which is equipped with a facility to allow members give comments and suggestions.

We would like to thank the staff of the Credit Union for their support during the past year and look forward to another busy year ahead which will involve members from the “Membership Committee” playing a role in the new “Marketing And Promotions Committee”. This new Committee will be used to promote the credit union on a greater scale than ever before while at the same time encouraging new members to join the credit union and existing members to use their credit union on a more frequent basis.

We would like to take this opportunity to advise members and potential members that with effect from January 1st new members will be requested to submit their PPSN Number when requesting membership of the Credit Union. ***Please note the PPSN number is not a requirement for existing members.***

Finally I would like to express my thanks to my fellow committee members as well as the members of the “Social And Educational Committee” who we worked closely with over the year. It goes without saying that our strength is in our numbers. One of the most tangible contributions that any of you here tonight at this AGM or indeed any member in general, can make to their Credit Union, is to recommend a friend or colleague to join us. Roscrea Credit Union is “The Powerhouse For Community Development” and with your help, long may this continue.

Membership Committee:

Patsy Treacy, Brian King, Matha Hogan & Denis Shanahan



Planning and Development Committee Report

As advised to our AGM last year, we upgraded our computer system software in November last year, which has introduced greater controls and has reduced our pre-printed stationery requirements. Indeed, we can now photograph members, which attaches to their membership application. Marketing of new services and products will be far simpler with the upgrade.

Two staff members are also currently undertaking the Qualified Financial Adviser course, with a further staff member undertaking the new Advanced Certificate in Credit Union Practice, through the University of Ulster.

During the year, we linked up with Le Cheile Insurances, to be able to offer our members access to a brokerage service for all types of insurance, at very competitive prices. Simply ring 0818467777 to get a quote for Motor, Travel or Home insurance.

To help promote our services, we also introduced a very successful text messaging service. It is important that you provide your mobile number, to avail of any promotions we are running.

www.roscreaonline.ie is as popular as ever with c.10,000 visitors per month. This is an excellent means of promoting our town and a great way of keeping people in touch with home. There are now over 100 businesses registered with roscreaonline. During the year, we upgraded the credit union website – www.roscreacu.ie which is now a very professional website promoting our credit union, allowing members to apply for loans from the comfort of their own homes. Our credit union has signed up to the “Home Computer Initiative” recently launched, which will help promote computer usage. Brochures are available in our office.

In September, at the “National Quality and Excellence Awards”, Roscrea Credit Union finished second in the “Financial and Insurance Services” sector, which was a tremendous achievement in a national competition. The overall winner was Hibernian Direct Insurance, a subsidiary of Hibernia General Insurance – the world’s sixth largest insurance group. For Roscrea Credit Union to be even in a position to compete against an organisation of this magnitude, let alone finish in second place, must be very comforting for members.

We now own our own sort code, which will give us access to the clearing system and hope, through BNP Paribas, to be able to fully utilise this code in the New Year.

We invite any constructive suggestions for improvements/new services – these can be relayed to Brian King, Business Development Officer or Ray McCarthy, CEO.

Planning & Development Committee:

John Gunnell, Brendan Wright, Liam Phelan, Noel Ryan, Ray McCarthy.



Social & Educational Committee Report

The main objective of the Social and Educational Committee is to develop and encourage more people to use their Credit Union through facilitating sponsorships, promotions and the organisation of Credit Union led activities.

Youth:

The Roscrea Credit Union schools quiz was once again a great success. We would like to thank all the students that participated in the quiz and a big thank you to all the teachers and parents for their co-operation. Last year all primary schools in our common bond entered the quiz. Congratulations to winners of the A& B category namely Coolderry and Borris- In - Ossory National Schools.

The poster competition was also a great success with a record number of entries. The prize giving ceremony was once again a great occasion, made all the more special by a visit from a surprise guest, renowned magician “The Great Padini”. Last December the Credit Union continued it’s great tradition of driving Santa Claus around to local schools. For most schools the Credit Union Santa Claus visit is now a main highlight on their social calendar and once again we would like to express our gratitude to Santa and all concerned.

Cash Draw:

The Credit Union quarterly cash draw continues to go from strength to strength. The draw which takes place every three months, costs only €10.00, and all members over 18 are eligible and encouraged to join. Each draw has a top prize of €17,500. Congratulations to our 2008 winners, William Keeshan, Pdraig Hannon and Edel Flynn. Our final draw for this year will take place at tonight’s AGM. Best wishes to all those involved.

Advertising And Promotions:

Roscrea Credit Union was delighted to be part of the Credit Union National Advertising Campaign. The theme for the radio and television adverts was “My Place” and early indications are that the campaign was a great success. Roscrea Credit Union also participates in the “Tipperary Credit Unions Marketing Alliance” which allows Credit Unions in Tipperary advertise collectively in newspapers and on local radio as well as engage in other promotional activities such as the Tipperary Credit Unions Calendar which is extremely popular with our members each year.





Sponsorships:

Despite the economic turbulence of recent months, which will continue for some time, Roscrea Credit Union was at the forefront throughout the year in it's support of local events and organisations.

Last spring the Credit Union presented the Roscrea Swimming Pool Company with a cheque for €700,000.00. The Credit Union look forward to the opening of this much needed amenity in 2009. €5000.00 was presented to "Youthreach" in Roscrea to help purchase equipment for their new facility on the Dublin Road and €25,000.00 was donated to Colaiste Phobal towards the cost of the school's new hurling wall which will be used by the students as well as hurling clubs from the local area. Our best wishes to the local "Red Cross" who were able to purchase a much needed new ambulance during the year thanks to the generosity and support of Roscrea Credit Union.

Throughout the year the Credit Union provided plenty of support to many other clubs, charities and organisations which are far too numerous to mention. However we do reserve a special word of congratulations for Roscrea Lions Club and their "Who Wants To Be A Thosandaire" event and for Ciara Minogue and Pauline Maloney who helped organise "Roscrea's Got Talent". Roscrea Credit Union was the main sponsors of both events. We also continued our sponsorship of the "Roscrea People Of The Year Awards", which honours local people for their contribution to our community

Roscrea Credit Union Youth Group

The Roscrea Credit Union Youth Group continues to do great work in the local community. Amongst the highlights this year was "The Battle Of The Bands Part II", a cancer awareness week and fundraising event which raised over €1000.00 for the Marie Keating Foundation. A "Climb A Mountain Fundraiser" was also organised for the "Children Of Chernobyl" and this raised €800.00, which was greatly appreciated by the local Chernobyl support group.

Going Forward:

In 2009 the Social And Education Committee will rebrand itself as the "Marketing And Promotions Committee". This new committee has operated on a trial basis for the past few months and hope to introduce a number of initiatives in 2009 aimed at encouraging members to use their Credit Union on a more frequent basis.

The Credit Union has also introduced a Sponsorship/Donation application form. From now on any group/individual, organisation etc requesting sponsorship/donation will be requested to submit this form which is available to download at www.roscreacu.ie. Already a number of Credit Unions in the region have adopted this Roscrea Credit Union initiative which is a must when once considers the volume of requests for support that the Credit Union receives on a monthly basis.

Social & Educational Committee:

Noel Ryan, Brendan Wright, Dymphna Breen, Tracy Hynes, Miriam Phelan, A L Mitchell, Mai Phelan and the generous support of the membership committee.



Insurance Committee Report

Life savings/Loan Protection (LP/LS)

Eligible members of Roscrea Credit Union have life insurance cover on both their savings and loans. This is provided at no extra cost to the member as premiums are paid by the credit union.

The premiums paid in respect of LP/LS in the past year amounted to €252k.

During the year, claims on behalf of 33 deceased members were settled and paid as follows:

| | |
|---------------------------|-------------|
| 29 Life Savings claims | €49,956.70 |
| 13 Loan Protection claims | €129,958.79 |
| TOTAL | €179,915.49 |

Death Benefit Insurance

As you may be aware, our credit union insures all members who joined the credit union before 70 years of age for Death Benefit Insurance cover of €3,250.00, which has proven to be of enormous benefit to the families of deceased members. In the past year, 39 claims were paid totalling €126,750.00.

Home Union Insurance

While we continue to offer Home Union Insurance through Allianz, we would encourage members to avail of access to a brokerage service through Le Cheile Insurance, by ringing 0818 46 77 77, where you can be assured of the best quotations in the marketplace, whether it's car insurance, house insurance or travel insurance. If you receive your renewal, it would do no harm to make a call – you could make significant savings.

Payment Protection Insurance

Payment protection insurance was introduced during the year, replacing Repayment Protection Insurance. PPI is a competitive product, which protects the member against Accident, Sickness and Unemployment, and is a cheaper product than RPI.

Insurance Committee.

