



SERVING OUR

COMMUNITY



WHILE EMBRACING THE FUTURE

Monday December 12th at 7.30pm



McDermott Street, Gorey, Co. Wexford.
Ferrybank, Arklow, Co. Wicklow.
Main St. Carnew, Co. Wicklow.
Market Place, Rathdrum, Co. Wicklow.
Ashtown, Roundwood, Co Wicklow.
Telephone: 053 / 94 88700
Web: www.alturacu.ie / E-mail: info@alturacu.ie
DIRECT LOAN LINE 0818 345 925

JOIN US

Members that would like to join us at the e-AGM need to register to attend by 4pm on Thursday 8th of December - email agm@alturacu.ie with your name & member number.



MEMBER'S CAR DRAW

*it could
be you in*

2023



For just €5 per month
We could **CU** driving away in a Brand New Motor
Ask at Counter for details
or visit our website at:

www.alturacu.ie

Can you afford not to be a member ?
(terms & conditions apply)



Virtual Annual General Meeting 2022- Monday 12th December 2022 at 7.30pm.

Register online at alturacu.ie or e-mail agm@alturacu.ie with your name & member number by 4pm Thursday 08th December 2022.

ORDER OF BUSINESS

PAGE No.

1. Acceptance of Proxies (if any) by the Board of Directors	.
2. Ascertainment of Quorum (10% or 30 voting members)	.
3. Adoption of Standing Orders	.
4. Minutes of last AGM	.
5. Presidents' Address	4-5
6. Report of Directors	9
7. Financial Report including Auditors Report & consideration of accounts	11-32
8. Declaration of Dividend and Interest Rebate	.
9. Motion/Rule Changes	33
10. Report of the Head of Business Development & Marketing	34
11. Report of the Credit Committee	36
12. Report of the Risk & Audit Committee	37
13. Report of the Credit Control Committee	38
14. Report of the Membership Committee	39
15. Report of the Board Oversight Committee	40
16. Report of the Nominations Committee	.
17. Appointment of Tellers	.
18. Election of Auditor	.
19. Election to fill the vacancies on the Board Oversight Committee	.
20. Election to fill the vacancies on the Board of Directors	.
21. Other Reports – Head of ICT/ Chief Executive Officer- Credit Union Update	44-45
22. Announcement of Election Results	.
23. Any Other Business	.
24. Close/Adjournment of Meeting	.

Imelda Purcell
Honorary Secretary

STANDING ORDERS

All motions from the floor 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.

- (1) 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
- (2) In exercising his/her right of reply, a proposer may not introduce any new material.
- (3) The Secunder of a motion shall have such time as shall be allowed by the chair to second the motion.
- (4) 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.
- (5) 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.

NOMINATIONS

The Directors wish to draw attention to the following:

- There is 1 vacancy for Auditor
- There are three vacancies on the Board Oversight Committee
- There are five vacancies on the Board of Directors.

Nomination Packs are available on an ongoing basis at the Credit Union counter, with expressions of interest also available to be made online via our website.

Due to legislative changes, nominations cannot be accepted from the floor/those in attendance at the AGM.

Each member holding one fully paid-up share and aged 16 years shall have one vote.



EXECUTIVE DIRECTORS:	President: Vice President: Secretary: Asst. Secretary:	Thomas Finn Joseph Kinsella Imelda Purcell Mary Hearne
DIRECTORS	Enda O'Connor Andrew Cullen Thomas Fitzpatrick	Jim Kavanagh Philip Cullen
OVERSIGHT COMMITTEE:	Chairperson: Joe Dixon (co-opted) Lorraine Walsh (resigned)	Mary Quinn Michael Kelly (co-opted) Padraig O'Brien (resigned)

STAFF During 2021/2022

CHIEF EXECUTIVE OFFICER:	Barry Monaghan
HEAD OF FINANCE:	Anne Roche
HEAD OF OPERATIONS:	Fionnuala Doyle
HEAD OF CREDIT:	Rebecca Donnelly
HEAD OF CREDIT CONTROL:	Roisin Monaghan
HEAD OF ICT:	Pat Kavanagh
HEAD OF BUSINESS DEVELOPMENT:	Tom Brennan
HEAD OF RISK & COMPLIANCE:	Mandy Cousins
IN HOUSE LEGAL/ DPO:	Donal O'Connor
FACILITIES MANAGER:	Tom Fortune
COMPLIANCE OFFICER:	Geraldine Sheehan

STAFF:

During year 2021/22:	Dina Allegrini	Emma Gibney	Anita Louth	Lisa O'Connor
	Susan Baldwin	Breda Goland	Jennifer McAuley	Vivienne O'Leary
	Edel Bethel	Zoe Hand Breen	Aidan Mackey	Roseanna O'Sullivan
	Margaret Brennan	Catherine Hatton	Mary Mackey	Siobhan O'Toole
	Mary Butler	Linda Hempenstall	Bernadette McCarthy	Gemma Purdy
	Edel Byrne	Joan Hughes	Tina McClure	Michelle Roche
	Noeleen Cullen	Caroline Kavanagh	Emma McLoughlin	Lisa Ryan
	Nicola Clune	Geraldine Kelly	Sandra Moules	Anne Sheridan
	Valentina Farris	Maria Kelly	Denise Murray	Elizabeth Sheridan
	Nicola Finn	Lisa Kennedy	Elizabeth Murphy	Jenny Swords
	Ann Fitzgerald	Kerrie Kenny	Anne Marie Nolan	Marguerite Townsend
	Dara Ford	Jenny Kerwin	Aisling O'Brien	Fiona Vickers
	Carla Gaule	Lina Lankutiene	Edel O'Brien	

Registered Office and Business Address McDermott Street
Gorey
Co. Wexford

Auditors Sheil Kinnear Limited
Chartered Accountants & Statutory Auditors
Sinnottstown Business Park
Drinagh
Wexford

Bankers

Ulster Bank 103 Main Street Gorey Co. Wexford	Bank of Ireland Main Street Gorey Co. Wexford
Allied Irish Bank Main Street Gorey Co. Wexford	Intesa Sanpaulo S.P.A. Via Langhirano 1 - Pal.a 43125 Parma (PR) Italy



On behalf of the Board of Directors, I would like to welcome you, the members, to the 56th AGM of Altura Credit Union Ltd, being held 'virtually' again, following the success of last year's meeting, giving all members of our expanded common bond area the opportunity to attend.

2022 has proven to be another challenging year for the Credit Union movement, not particularly based on the more traditional reasoning of business model transformation, but more so on issues that couldn't really have been predicted this time twelve months ago.

At last year's AGM, we were delighted to be able to bring you the news that Altura Credit Union had been successful in its application to Central Bank to bring longer term lending products to the table for its membership and that has and continues to transpire.

Having negotiated the choppy waters of Brexit and the Pandemic, most ILCU affiliated credit unions were shocked when, in January 2022, the latter announced the cessation to accrual of their defined benefit pension scheme, leaving a large liability to member credit unions that had to be accounted for (and subsequently paid) in the current financial year. While the scheme is now closed, this payment subsequently safeguards staff pensions up to and as at 31st March 2022, the culmination of which has left leaving Altura CU with a net liability of €1,707,964 in this year's financial accounts.

A further statement relating from our CEO, based on ILCU correspondence, is included on page 6 for your information.

To compound matters further, the subsequent downturn in the macro- economic environment, leading to inflation hikes, with the likes of fuel costs spiralling, has caused a rapid change in the perception of how interest rates are set to increase in order to bring inflation under control.

We are moving very quickly from a prolonged period of ultra-low/negative interest rates to a position where an ECB deposit rate of 3% plus is within sight.

To mitigate against negative interest rates being charged on our bank accounts, Altura Credit Union invested in the Amundi Corporate Bond Fund through Goodbody, a new type of product available under legislation to us, which guaranteed a rate of return, but has a mark to market stipulation built in, meaning that the market value of our investment in the fund has to be reflected in our accounts, on a month-by-month basis. The most important aspect of this fund is that all the bonds purchased are of good quality and are capital guaranteed upon maturity.

However, this type of fund suffers when interest rates rise and that has been the case at our financial year end, meaning that we have to reflect a deficit of €1,404,240 in this year's accounts.

However, the latter is a book figure only and as the fund recovers- and it will- then so will our accounts going forward look even better, having taken the hit this financial year.

In his update later, the CEO will further address this matter.

Between both unexpected events, it means we were a net €3,112,204 in deficit before we looked at our operational performance in 2021/2022

To say that we have managed to reduce this deficit down to €1,169,248 in our Income & Expenditure account has been an excellent operational performance this year and great credit is due to the Board of Directors for taking the necessary actions and to the Management team & staff for their implementation of the decisions taken.

The Board are totally mindful of their fiduciary duties and the Directors of this credit union effectively leverages the support functions provided by the Head of Risk & Compliance and the Internal Auditor, to assist in discharging our oversight roles in this regard.

We continue to invest in both our Organisational Structure and our Information & Communications Technology, mindful of our unique selling point- our esteemed customer service and the need to ensure we give you the opportunity to conduct your business in the manner of your choice.

Reserves management is also currently a key factor, further compounded by our net year end result, hence the need for us currently keep our savings cap - as you can appreciate, not a decision taken lightly, but one that is currently necessary to once again improve our Regulatory Reserve ratio. It is a situation we will continue to monitor and positively revisit once in a position to do so.



Our Membership as of 30/09/22 stands at 36,998 Members' savings total €142,386,744 while total Loans outstanding from members amounts to €66,483,727. The operational performance of Altura Credit Union is most satisfactory, particularly given the current economic climate, with a Loans to Assets ratio of over 40% - a very healthy percentage when compared to the national average. This is something we are proud of and work tirelessly to improve, thereby safeguarding the future of Altura Credit Union Limited.

Our operational surplus (including exceptional gains as detailed in our financials), leaving aside the unprecedented once off pension liability and the performance of the ICAV, which will improve over time, stands at €1,942,956

Our Loan Book grew significantly in 2021/2022 by €4,027,415 and our loans arrears are continually falling percentage wise and the level of provisioning relating is prudently monitored on an ongoing basis.

With regard to lending in particular, our In-House motto is 'the answer is YES until we have to say NO'.

While referencing our total savings, Altura Credit Union Ltd is a member of the Deposit Guarantee Scheme, details of which you will find at the bottom of page 40 in your booklet.

Your Credit Union is safe and secure, operationally going from strength to strength and a viable solution and alternative for all your financial needs.

We continue to confirm our commitment to our communities within the bond area by looking at what we can do for our membership, in particular at every location of our offices, notwithstanding the continual automation taking place that allows you easy access to your Credit Union wherever you are.

The Board of Directors ensure utmost prudence in running the Credit Union on your behalf, whilst ensuring compliance with ever changing regulation and legislation with increased focus on strategic planning, compliance and risk mitigation.

The full Financial Report will be presented later tonight, but as President, I am pleased to announce that our Board of Directors have fulfilled our duty to keep regulatory reserves at the required levels in very trying circumstances. The general effect on the macro environment, compounded by the two issues already outlined, aligned with the advice of Central Bank means that the Board are not recommending a dividend or loan interest rebate this financial year. Instead, we are further securing the viability & sustainability of the Credit Union by continuing to build its reserves.

By taking this sensible decision, it enables us to adequately meet all our regulatory requirements. It also enables us to invest in the development and delivery of existing and additional services. The Board of Directors are committed to maintaining this proactive approach.

In addition to this, our Loan Protection and Life Savings (LP&LS) & Death Benefit Insurance (D.B.I.) of €1,300 are paid as a net operational expense of €477,578 & €218,162 respectively- almost €700,000 this year alone so there is no cost to our members. In addition, since January 2019, an option exists for you to increase your DBI cover by an extra €2000, by member pay.

CEO, Barry Monaghan, will, later in his update report, refer to other initiatives that the Board of Directors have carefully considered and feel are in the best interests of this Credit Union and its' membership and will go a long way to giving you a major alternative to the main stream financial institutions for the products, services and communication channels that people require in this day and age, all the while maintaining our ethos and the face to face interaction that we consider so important.

I would therefore like to acknowledge and thank both the Management Team & Staff for all their hard work, commitment and dedication during the year.

I would also like to place on record my appreciation to our Auditors Sheil Kinnear.

I would also like to thank my fellow Directors & Board Oversight Committee members for their support and assistance and we look forward to the newly elected Board at this evening's AGM continuing in similar vein in 2023.

While not the financial performance we expected, impacted by the issues previously detailed, our excellent operational performance confirms we will quickly reverse this year's position in the years ahead. It reiterates the need to have adequate reserves as a buffer to mitigate against such unprecedented events.

In conclusion, I would like to extend my condolences to the families of members who have passed away this year and to various members of our Board, Staff & Board Oversight Committee who themselves have suffered from such losses yet continue to work for the overall good of Altura Credit Union.

Please remember that this is your credit union, so use it. By supporting your Credit Union, you will in turn help your Credit Union support you.

Thank You.
Thomas Finn, Chairperson.



Dear Member,

As you may be aware, the funding position of the Irish League of Credit Unions (ILCU) Republic of Ireland Pension Scheme ("the DB Scheme"), of which Altura Credit Union Limited is a member, received a level of media attention during the early part of this year. The DB Scheme is the pension arrangement through which many credit union employees are provided with pension benefits for their retirement.

The purpose of this communication is to set out the background to the DB Scheme, the resolution that was achieved and what this means for credit unions who participate in the DB Scheme.

Background

The DB Scheme has existed since 1972 and has been subject to independent oversight through all of that period. There are now almost €400 million of assets and liabilities in the DB Scheme, representing the pension benefits of credit union employees.

Changes have been made to the DB Scheme in the past. In 2006, pension benefits were lowered for new entrants, in 2009 the level of employee contributions were increased, and further reductions in benefits were made in 2010.

Notwithstanding, in 2021, in the context of the challenging economic environment, the Board of the ILCU identified that a more fundamental review of the DB Scheme was required. This review ultimately led to the decision that all pension benefits for service by credit union employees after 31 March 2022 will need to be provided by a defined contribution (DC) pension scheme.

Current Position

All credit union employees are aware of the change, and we have engaged with our own employees here in Altura Credit Union Limited. Funding arrangements are being put in place and the change that has been implemented is expected to have drawn a line under the funding and deficit issues that the DB Scheme faced, now and into the future.

It is helpful to expand on these points.

For employees, a change to pension arrangements was imposed at short notice, and the negative impact of this is fully acknowledged. The issues involved were complex. The patience and understanding of employees throughout the process is appreciated and the funding now in place for DB Scheme benefits in relation to service up to 31 March 2022, provides security for employees and clarity for credit unions. This pension scheme has now ceased to accrual.

For credit unions, the risk associated with operating a defined benefit pension scheme has been significantly addressed. In taking these steps, credit unions are also reflecting a move across the wider Irish landscape towards the provision of pension benefits through a defined contribution pension scheme.

What this means

Today, as a result of a combination of actions - the impact of the pension changes implemented in March 2022, the funding arrangements put in place supported by credit unions, and the rising interest rate environment more recently - the DB Scheme is in a strong funding position, and as noted these actions are expected to have drawn a line under the funding issues that the DB Scheme faced, now and into the future.

There is a funding impact for Altura Credit Union Limited, which you will see set out in our financial statements, and you can be assured that this is a matter that the Board has devoted significant time and attention to. In addition, the ILCU Stabilisation Protection Scheme has committed to provide funding amounting just over a quarter of the outstanding liability determined for this Credit Union.

We recognise that our employees received a pension commitment that it is appropriate to deliver on while also ensuring we protect our member funds.

We further recognise that we are managing member funds, and therefore, it is of the utmost importance that the focus of those managing the DB Scheme is on ensuring that the line drawn under the funding issues remains firmly in place. We are assured that this is the case.

Beyond the headlines of early 2022, there was a very significant amount of work, analysis and activity to seek to address the emerging pension situation. We believe that this has been achieved, and the value of having certainty around the solution arrived at provides clarity for Altura Credit Union Limited and the wider credit union movement.

Kind regards,

Barry Monaghan

Chief Executive Officer.

Frequently asked questions

- What is a Defined Benefit pension scheme? A Defined Benefit pension scheme is one that provides a set level of pension at retirement, the amount of which normally depends on service and your earnings at retirement or in the years immediately preceding retirement.
- What is a Defined Contribution pension scheme? Defined contribution (DC) schemes are pension schemes where an individual's own contributions and their employer's contributions are both invested and the proceeds used to buy a pension and/or other benefits at retirement. The value of the ultimate benefits payable from the DC scheme depends on the amount of contributions paid, the investment return achieved less any fees and charges, and the cost of buying the benefits.
- How is the DB Scheme scheme managed? The DB Scheme is set up under trust, with trustees appointed. The trustees are Irish Pensions Trust Limited (a professional independent trustee) and 3 individual trustees, who are representatives of the League and of members. The trustees have appointed a Scheme Actuary (Lane Clarke Peacock Ireland) and an administrator (APT Workplace Pensions) and receive legal advice from A&L Goodbody.
- What legal obligation do credit unions have to continue to fund scheme deficits? Credit unions are participating employers under the DB Scheme trust deed, and the contributions arising are determined in accordance with that trust deed, which provides that the trustees determine the contributions payable by credit unions, having consulted with the DB Scheme actuary and the League.
- If there is a surplus of assets in the DB Scheme in the future, could these be repaid to credit unions? Where there are surpluses arising, the Trustees, with the benefit of expert independent advice, will decide how these will be used, having regard to the best interests of the DB Scheme's members. It is likely that, where appropriate, the Trustees would use surplus assets to de-risk the DB Scheme as a matter of priority. It is not expected that any surplus assets will be paid to individual credit unions, other than if the Scheme was to wind-up in the future with a very significant surplus.
- What is the role of the Pensions Authority in these matters? The Pensions Authority (formerly known as the Pensions Board) is the regulatory body for Occupational Pension Schemes such as the ILCU DB Scheme. The Pensions Authority provides information and guidance to help those involved in managing pensions such as trustees, administrators, employers and advisors understand their obligations under the Pensions Act 1990, as amended, and how to meet them. As part of this role, the Pensions Authority monitors the financial strength of funded defined benefit pension schemes through the operation of the funding standard requirements under the Pensions Act, 1990, as amended.
- The funding standard is a set of regulations that require funded defined benefit pension schemes to build up and maintain enough funds to pay members their pension entitlements calculated on an actuarial basis prescribed for the purposes of the Pensions Act assuming the fund is wound up. At least every three years the actuary must prepare an actuarial funding certificate (AFC) and submit this to the Pensions Authority.
- The DB Scheme is currently solvent under the funding standard assessment. It is important to note that funding standard assessment is the minimum statutory level of funding that the DB Scheme is required to hold. The cost to the DB Scheme of fully providing member benefits in the event of an actual (rather than assumed) wind-up would be significantly more than the amount required to ensure that the DB Scheme is solvent under the funding standard.
- Why has this option been implemented if the Scheme was solvent? While the DB Scheme was solvent based on the funding standard assessment, as outlined above, it had a significant deficit on the actuarial basis that the DB Scheme is funded on. The DB Scheme funding basis is a more relevant and realistic measure of the DB Scheme's liabilities and the steps taken were designed to address the DB Scheme's solvency position on the DB Scheme funding basis and make the DB Scheme sustainable into the future.



INSURANCES

(terms & conditions apply)

As well as access to cost effective products and services, as a member of this Credit Union you can also avail from some FREE INSURANCE, as detailed below:

There is a **Death Benefit Insurance (DBI)** of €1,300 for members who hold a balance of at least €250 at the time of their death, and have joined before age 71. This cover is of great comfort at a difficult time. The €1,300 is paid directly to the funeral director, or to the person who pays the funeral bill. All you have to do is join before age 71 and maintain a balance of €250 in your **share** account.

Loan Protection Insurance is provided to clear loans in the event of a member's death. This reduces the financial burden on those left behind as the loan can be cleared by the insurance on the loan. The cover on this depends on a members age, health and amount borrowed. Our loan officers will be happy to discuss this with you at loan application stage.

Life Savings Insurance provides extra benefit to those left behind after a member passes away. The insurance benefit payable after a member's death is linked to the amount of savings that a member has made during the term of membership. The benefit is also dependent on the member's age at the date lodgements are made to the account. Amounts saved after the 70th birthday are not insured and any withdrawal of savings after age 55 can permanently reduce the overall cover (see explanatory table below).

Cover is up to a maximum of €5,000.00.

Age	Cover
Up to Age 55	100%
Age 55 - 59	75%
Age 60 – 64	50%
Age 65 – 70	25%
Age 70+	No Further Cover

Optional Additional Cover

Member-Pay Death Benefit Insurance (MDBI)

Members can opt to add an additional Member-Pay Death Benefit Insurance (*MDBI) as a member pay add on. There is an annual fee for this, currently €45. Members aged under 71 can opt in for this cover. The benefit of MDBI is an additional €2,000. More information at www.alturacu.ie or in any of our branches.

The main logo for Altura Credit Union Ltd. consists of the stylized human figure icon from the previous block, followed by the word 'Altura' in a large, blue, serif font. Below 'Altura' is the text 'Credit Union Ltd.' in a smaller, blue, sans-serif font.

Altura

Credit Union Ltd.

“To build life long relationships, One member at a time”

Contents	Page
Directors and Other Information	3
Directors' Report	9
Statement of Directors' and Board Oversight Committee's Responsibilities	10
Independent Auditor's Report	11 -12
Income & Expenditure Account	13
Balance Sheet	14
Statement of Changes in Reserves	15
Cash Flow Statement	16
Notes to the Financial Statements	17 - 31
Schedule to the Income & Expenditure Account	32



The directors present their report and the audited financial statements for the year ended 30th September 2022.

Results, Dividend and Appropriation of Surplus

The income and expenditure account as set out on page 13 shows a deficit for the year of €1,169,248 compared with a surplus in the previous year of €930,283. The current year surplus included a reversal of an impairment of €346,705 (2021: €147,068) on the Credit Union's premises at McDermott Street, Gorey, Co. Wexford.

The directors are not recommending a dividend or a rebate on interest paid on members' loans.

The directors have not made a transfer to the Regulatory Reserve in the current year (2021: €250,000) as set out in the Statement of Changes in Reserves on page 15 of the accounts.

Principal Risks and Uncertainties

The principal risks & uncertainties arising from Altura Credit Union's activities are set out in note 23 of the attached accounts.

Statement of Directors' and Board Oversight Committee's Responsibilities

The statement of directors' responsibilities and board oversight committee's responsibilities is set out on page 10 of the financial statements.

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 books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the Credit Union are maintained at the Credit Union's premises at McDermott Street, Gorey, Co. Wexford.

Health & Safety

The wellbeing of the Credit Union's staff is safeguarded through adherence to health and safety standards and we are satisfied that these have been improved and continued to operate satisfactorily during the year.

In accordance with the Safety, Health & Welfare at Work Act, the Credit Union's policy and procedures have been reviewed and a comprehensive safety statement has been prepared.

Post Balance Sheet Events

The board took the decision to sell the old Gorey premises during FY22 with the completion of the new building in Gorey and in September 2022 a deal was negotiated to sell the property for €498,789 net. However, this sale was not completed until early November 2022.

Auditors

The auditors, Sheil Kinnear Limited, have indicated their willingness to continue in office in accordance with Section 115 of the Credit Union Act 1997, as amended.

Signed on behalf of the Board of Directors by:

President

Thomas Finn

Secretary

Imelda Purcell

Date:

08th November 2022



STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 are prepared in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland, including the standards issued by the Financial Reporting Council, and in particular FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". They are 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.

Approved by the Board of Directors and signed on its behalf by:

Member of the Board of Directors

Thomas Finn

Member of the Board of Directors

Imelda Purcell

Date:

08th November 2022

Statement of Board Oversight Committee's Responsibilities

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

On behalf of the Board Oversight Committee:

Chairperson of the Board Oversight Committee: Mary Quinn

Date:

08th November 2022



Report on the audit of the financial statements

Opinion

We have audited the financial statements of Altura Credit Union Limited for the year ended 30th September 2022, which comprise the Income and Expenditure Account, Balance Sheet, Statement of Changes in Reserves and Cash flow Statement and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and 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 of the state of the Credit Union's affairs as at 30th September 2022 and of its income and expenditure and cash flows for the year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Credit Union Act 1997, as amended.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Credit Union in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Credit Union Acts 1997, as amended

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper accounting records have been kept by the Credit Union.
- The financial statements are in agreement with the accounting records.
- The financial statements contain all primary statements, notes and significant accounting policies required to be included in accordance with section 111(1)(c) of the Act.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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

Auditor's responsibilities for the audit of the financial statements

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

Further details relating to our work as auditor is set out in the Scope of Responsibilities Statement contained in the appendix of this report, which is to be read as an integral part of our report.

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

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

David O'Connor
for and on behalf of
SHEIL KINNEAR LIMITED
CHARTERED ACCOUNTANTS & STATUTORY AUDITORS
Sinnottstown Business Park
Drinagh
Wexford
Co. Wexford

Date: 08th November 2022

Appendix to the Independent Auditor's Report

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



	Notes	2022 €	2021 €
Income			
Interest on members' loans	4	4,815,487	4,771,772
Other interest income and similar income payable on members' deposits	5 6	(876,438) -	560,069 -
Net interest income		3,939,049	5,331,841
Other income	7	297,142	417,339
Exceptional gains	8	1,125,961	-
Employment costs	9	(2,336,362)	(2,448,248)
Exceptional cost	11	(2,379,980)	-
Other management expenses (Schedule 1)		(2,491,023)	(2,425,360)
Depreciation and Amortisation		(332,641)	(363,798)
Reversal of fixed assets impairment	15	346,705	147,068
Net recoveries/(losses) on lending to members	16.3	661,901	271,441
(Deficit)/Surplus of income over expenditure		(1,169,248)	930,283
Other comprehensive income		-	-
Total comprehensive income		(1,169,248)	930,283

The financial statements were approved and authorised for issue by the Board of Directors on 08th November 2022 and signed on its behalf by;

CEO

Barry Monaghan

Member of the Board of Directors:

Thomas Finn

Member of the Board Oversight Committee:

Mary Quinn

NOTICE TO MEMBERS

Keeping your details up to date

For the Credit Union to remain compliant under the Criminal Justice Act 2010, Section 33 and Sectorial Guidelines 2013, we would like members to note that if you have not already done so, you must provide proof of your Identity i.e. Passport or Driving Licence and recent proof of address i.e. Utility Bill.

You are also expected to update the Credit Union with your TIN (Tax Identification Number) if your tax residency changes.

Please also note that if your PPSN is not already on file, you will be requested to provide it as part of a loan application.



		2022	2021
	Notes	€	€
Assets			
Cash and cash equivalents	12	8,047,436	10,911,409
Intangible assets	13	121,318	138,233
Investment in associate	14	265,000	265,000
Tangible fixed assets	15	7,450,650	6,233,549
Loans to members	16	62,652,189	58,229,166
Members' current accounts	17	6,667	4,022
Stock of consumables		21,956	15,848
Prepayments and other debtors	18	304,587	408,166
Deposits and investments – cash equivalents	19	22,439,721	20,809,672
Deposits and investments – other	19	61,365,398	62,818,709
Total Assets		162,674,922	159,833,774
Liabilities			
Members' shares	20	138,414,236	135,888,527
Members' deposits	21	666,067	736,629
Members' current accounts	17	3,306,441	1,786,946
Accruals and other payables	22	663,345	627,591
Total Liabilities		143,050,089	139,039,693
ASSETS LESS LIABILITIES		19,624,833	20,794,081
Reserves			
Regulatory reserve		18,000,000	18,000,000
Operational risk reserve		600,000	600,000
Other unrealised income reserve		521,146	-
Non-distributable investment income reserve		13,741	36,000
Distribution reserve		489,946	2,158,081
Total Reserves		19,624,833	20,794,081

Approved by the Board of Directors and signed on its behalf by:

CEO Barry Monaghan

Member of the Board of Directors: Thomas Finn

Member of the Board Oversight Committee: Mary Quinn

Date: 08th November 2022

STATEMENT OF CHANGES IN RESERVES for the year ended 30th September 2022



	Regulatory reserve €	Operational Risk reserve €	Other unrealised income reserve €	Non Distributable investment income reserve €	Distribution reserve €	Total reserves €
At 1st October 2020	17,750,000	600,000	-	-	1,513,798	19,863,798
Dividends paid during the year	-	-	-	-	-	-
Loan interest rebate paid during the year	-	-	-	-	-	-
Transfer between reserves	250,000	-	-	-	(250,000)	-
Unrealised reserves	-	-	-	36,000	(36,000)	-
Total comprehensive income for the year	-	-	-	-	930,283	930,283
At 30th September 2021	<u>18,000,000</u>	<u>600,000</u>	<u>-</u>	<u>36,000</u>	<u>2,158,081</u>	<u>20,794,081</u>
At 1st October 2021	18,000,000	600,000	-	36,000	2,158,081	20,794,081
Dividends paid during the year	-	-	-	-	-	-
Loan interest rebate paid during the year	-	-	-	-	-	-
Transfer between reserves	-	-	-	-	-	-
Unrealised reserves	-	-	521,146	(22,259)	(498,887)	-
Total comprehensive income for the year	-	-	-	-	(1,169,248)	(1,169,248)
At 30th September 2022	<u>18,000,000</u>	<u>600,000</u>	<u>521,146</u>	<u>13,741</u>	<u>489,946</u>	<u>19,624,833</u>

The Regulatory reserve of the Credit Union as % of total assets as at 30th September 2022 was 11.07% (2021: 11.26%).

Following commencement of S13 of the 2012 Act, the requirement for Credit Unions to transfer 10% of their annual surplus to their statutory reserve (now known as the Regulatory reserve) each year has been removed. Notwithstanding this while the Board of Altura Credit Union Limited has not made a transfer in the current year (2021: €250,000) to its Regulatory reserve, the reserve stands at 11.07% at current year end (2021: 11.26%), in excess of the required limit of 10%.

In accordance with S45 of the Credit Union Act 1997, as amended Altura Credit Union Limited have put in place an Operational Risk reserve. The Board approved a transfer of €Nil (2021: €Nil) from the Distribution reserve to the Operational Risk reserve. The Operational Risk reserve as a % of the total assets as at 30th September 2022 was 0.37% (2021: 0.38%).



CASH FLOW STATEMENT for the year ended 30th September 2022

	Note	2022 €	2021 €
Opening cash and cash equivalents		31,721,081	36,183,742
Cash flows from operating activities			
Loans repaid by members		26,978,128	27,881,589
Loans granted to members		(31,093,950)	(28,173,093)
Loan interest income received		4,823,793	4,776,086
Interest paid on members' deposits		-	(6,154)
Investment (losses) / income		(876,438)	560,069
Other income received		897,957	399,477
Bad debts recovered		356,270	424,269
Dividends paid		-	-
Loan interest rebate paid		-	-
Operating expenses		(7,207,365)	(4,873,608)
Net Member current accounts lodgements / (withdrawals)		1,515,280	831,015
Movement in other assets		156,366	(46,896)
Movement in other liabilities		35,754	(14,835)
Net cash from operating activities		<u>(4,414,205)</u>	<u>1,757,919</u>
Cash flows from investing activities			
Development expenditure		-	(10,164)
Sale of tangible fixed assets		4,000	116,708
Purchase of tangible fixed assets		(732,177)	(214,208)
Net cash flow from other investing activities		1,453,311	(1,043,305)
Net cash from investing activities		<u>725,134</u>	<u>(1,150,969)</u>
Cash flows from financing activities			
Members' shares received		93,884,558	92,846,457
Members' deposits received		52,830	97,838
Members' shares withdrawn		(91,358,849)	(97,181,517)
Members' deposits withdrawn		(123,392)	(832,389)
Net cash generated from financing activities		<u>2,455,147</u>	<u>(5,069,611)</u>
Net (decrease)/increase in cash and cash equivalents		<u>(1,233,924)</u>	<u>(4,462,661)</u>
Cash and cash equivalents at end of financial year	12	<u><u>30,487,157</u></u>	<u><u>31,721,081</u></u>



1. LEGAL AND REGULATORY FRAMEWORK

Altura Credit Union Limited is established under the Credit Union Act 1997, as amended. Altura Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office and principal place of business of the Credit Union is McDermott Street, Gorey, Co. Wexford.

2. ACCOUNTING POLICIES

Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). The financial statements have been prepared on the historical cost basis as modified by the recognition of certain non-financial assets measured at fair value.

Currency

The financial statements are prepared in Euro (€), which is the functional currency of the Credit Union. Monetary amounts in these financial statements are rounded to the nearest Euro.

Going concern

The financial statements are prepared on the going concern basis. The Directors of Altura Credit Union Limited believe this is appropriate as the Credit Union:

- Is generating annual operational surpluses;
- Maintains an appropriate level of liquidity; and
- Has reserves that are currently above the minimum requirements of the Central Bank.

Income

(i) Interest on members' loans

Interest on loans to members is recognised using the effective interest method, and is calculated and accrued on a daily basis.

(ii) Investment income

The Credit Union primarily has investments that are valued at amortised cost, and uses the effective interest method to recognise investment income. Investment income from bank term deposits is recognised when received or receivable.

The Credit Union has an investment in a Collective Investment Scheme which is initially measured at cost and is subsequently measured at market value. Net gains and losses, including any interest or dividend income and expense and foreign exchange gains and losses, are recognised in the Income and Expenditure account in 'other investment income and gains / losses' under 'other interest income and similar income'.

(iii) Other income

Other income which includes commissions receivable on insurance products and foreign exchange services arises in connection to specific transactions. Income relating to individual transactions is recognised when the transaction is completed.

Interest on Members' Deposits, Dividends to Members & Loan Interest Rebates

Interest on members' deposits

Interest on members' deposits is recognised using the effective interest method.

Dividend on shares and loan interest rebates

Dividends are made from current year's surplus and the dividend reserves set aside for that purpose. The Board's proposed distribution to members each year is based on the dividend and loan interest rebate 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 investment portfolios;
 - the Board's desire to maintain a stable rather than a volatile rate of dividend each year; and
 - members' legitimate dividend and loan interest rebate 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 rebates of loan interest when members ratify such payments at the Annual General Meeting.



Investments

Cash and short term deposits (Maturity within 3 months)

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

Fixed-term deposit accounts (Maturity after 3 months)

Term deposits and fixed interest investment bonds with fixed maturity dates are valued at the lower of cost or encashment value and interest is recognised in the income statement when it is received or irrevocably receivable.

Collective Investment Schemes

The Credit Union has an investment in a Collective Investment Scheme which is initially measured at cost and is subsequently measured at market value. Net gains and losses, including any interest or dividend income and expense and foreign exchange gains and losses, are recognised in the Income and Expenditure account in 'other investment income and gains / losses' under 'other interest income and similar income'.

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.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

- | | |
|-----------------------|------------------------------|
| • Land & Premises | 2.5% Straight line (Land 0%) |
| • Equipment | 20%/33.33% Straight line |
| • Fixtures & Fittings | 10% Straight line |
| • Motor Vehicles | 20% Straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the Income and Expenditure account.

Impairment of tangible fixed assets

At each reporting end date, the Credit Union reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Credit Union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Income and Expenditure account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying 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.



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.

Investments in associates

Investments in associates are accounted for at cost less impairment.

Taxation

The Credit Union is not subject to income tax or corporation tax on its activities as a Credit Union.

Financial instruments

The Credit Union has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Credit Union becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements when, and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial assets

Basic financial assets are initially measured at the transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method. Basic financial instruments include the following:

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.

Prepayments and other debtors

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.

De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Credit Union transfers to another party substantially all the risks and rewards of ownership of the financial asset, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

In the case of loans to members, loans are de-recognised, when the right to receive cash flows from the loans have expired, usually when all amounts outstanding have been repaid by the member. Altura Credit Union Limited does not transfer loans to third parties.

Impairment of financial assets

Financial assets, other than those held at fair value, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the expected cash flows discounted at the asset's original effective interest rate.

In the case of impairment of loans to members, the loans are assessed collectively in groups that share similar credit risk characteristics except for individually significant loans which are assessed on a loan by loan basis for impairment.

Any 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.



Basic financial liabilities are initially recognised at the transaction price, including transaction costs, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities are subsequently carried at amortised cost using the effective interest method.

Members' shares

Members' shares, current accounts and deposits are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently members' deposits are measured at amortised cost.

Other payables

Other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Other payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liability

Financial liabilities are de-recognised when the obligations of the Credit Union specified in the contract are discharged, cancelled or expire.

Pensions

Altura Credit Union Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded defined benefit scheme with assets managed by the Scheme's trustees.

The scheme is a multi-employer defined benefit Scheme and due to the nature of the Scheme, it is not possible for Altura Credit Union Limited to separately identify its share of the Scheme's underlying assets and liabilities.

Consequently, it accounts for the Scheme as a defined contribution plan.

If an agreement is entered into with the Scheme that determines how Altura Credit Union Limited will fund a past service deficit, Altura Credit Union Limited shall recognise a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit).

Employee benefits

The costs of short-term employee benefits, including holiday pay, are recognised as a liability and as an expense (unless those costs are required to be recognised as part of the cost of fixed assets) over the period they are earned.

Reserves

Regulatory reserve

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

Operational risk reserve

The Credit Union has established an Operational Risk reserve which is separate, distinct and in addition to the reserves the Credit Union is required to hold in its Regulatory reserve. The amount held in the Operational Risk reserve is the predicted impact of operational risk events that may have a material impact on the Credit Union's business.

Distribution reserve

Distribution reserves are the accumulated surpluses to date that have not been declared as dividends or loan interest rebate returnable to members or set aside to the Regulatory or Operational Risk reserves.

Non-Distributable Investment Income reserve

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



3. CRITICAL ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of financial statements requires the use of certain accounting estimates. It also requires the directors to exercise judgement in applying Altura Credit Union Limited's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements are disclosed below:

Investments in associates

The investments in associates represents Altura Credit Union Limited's investment in Metacu Management Designated Activity Company. This investment was made for operational purposes. The credit union holds 6.25% Redeemable A Ordinary shares in the company and through the terms of the shareholders agreement agreed between each of the participating credit unions, Altura Credit Union Limited is deemed to have influence over the operations of this company. Therefore the investment has been accounted for as an investment in an associate.

Impairment losses on loans to members

The Credit Union's accounting policy for impairment of financial assets is set out in accounting policies. 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. Credit risk is identified, assessed and measured through the use of rating and scoring tools with emphasis on weeks in arrears and other observable credit risk metrics. The ratings influence the management of individual loans. The credit rating triggers the impairment assessment and if relevant the raising of specific provisions on individual loans where there is doubt about their recoverability. Loan loss provisioning is monitored by the Credit Union, and the Credit Union assesses and approves its provisions and provision adequacy on a monthly basis. Key assumptions underpinning the Credit Union's estimates of collective provisions for loans with similar credit risk characteristics, and, Incurred But Not Reported provisions ("IBNR") are based on the historical experiences of the Credit Union's allied to the Credit Union's judgement of relevant conditions in the wider technological, market, economic or legal environment in which the Credit Union operates. If a loan is impaired, the impairment loss is the difference between the carrying amount of the loan and the present value of the expected cash flows discounted at the asset's original effective interest rate taking account of pledged shares and other security as appropriate. Assumptions are back tested with the benefit of experience. After a period of time, when it is concluded that there is no real prospect of recovery of loans/part of loans which have been subjected to a specific provision, the Credit Union writes off that amount of the loan deemed irrecoverable against the specific provision held against the loan.

Pensions

Altura Credit Union Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded scheme of the defined benefit type, with assets invested in separate trustee administered funds. Judgement is required to assess whether Altura Credit Union Limited has sufficient information to enable it to account for the plan as a defined benefit plan. An assessment has been performed of the information currently available and Altura Credit Union Limited has determined that there is currently insufficient information available to provide an appropriate allocation of pension assets and liabilities due to the following:

- Scheme assets are not segregated or tracked by contributing employers. There is insufficient information to appropriately allocate the assets to individual employers as contributions paid are pooled in a single fund and none of the contributing employers have separately segregated asset pools.
- Orphan members are those members (including pensioners) who previously contributed to the scheme where their employer has paid an exit cost and as a result has no further liability to the scheme. A pension liability continues to exist for these individual members. There is uncertainty around where the obligation rests in respect of orphan members currently and into the future.
- The Funding Plan calculations are based on each employer's share of liabilities at a point in time. This does not infer that each employer is contributing towards its liabilities. The determination of the contribution rate is a point in time assessment and is not updated subsequently for changes in the employers' liability that may occur in the future. Subsequently, as the profile of the scheme continues to change, there will continue to be a natural cross subsidisation.

Estimation of useful life and impairment of buildings

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the income statement.

The useful lives of the company's assets are determined by management at the time the asset is acquired and reviewed at least annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

The buildings in the accounts are valued periodically by an independent third party to ensure that the carrying amount of the buildings are not more than market value.



4. INTEREST ON MEMBERS' LOANS

	2022	2021
	€	€
Closing accrued interest receivable	89,527	97,833
Loan interest received in year	4,823,793	4,776,086
Opening accrued loan interest receivable	(97,833)	(102,147)
	<u>4,815,487</u>	<u>4,771,772</u>

Total interest on members' loans

5. OTHER INTEREST INCOME AND SIMILAR INCOME

	2022	2021
	€	€
Investment income and gains received by the Balance Sheet date	228,380	292,763
Receivable within 12 months of the Balance Sheet date	285,681	231,306
Other investment income and gains	13,741	36,000
Other investment losses	(1,404,240)	-
	<u>(876,438)</u>	<u>560,069</u>

Total investment income

6. INTEREST PAYABLE AND DIVIDENDS

The interest expense for the Credit Union comprises of interest payable on deposits, and was as follows for the current and prior year:

	2022	2021
	€	€
Interest payable for the year	-	-
Interest rate on members' deposits	0.00%	0.00%

The dividend and any loan interest rebate are formally proposed by the directors after the year end and are confirmed at an AGM of the members. As a result the proposed dividends do not represent a liability at the Balance Sheet date and the dividend included in the Statement of Reserves in the current year relates to dividends paid to members for the prior year.

The dividends and loan interest rebate for the current and prior year were as follows:

Dividends and loan interest rebate paid

	2022	2022	2021	2021
	%	€	%	€
Dividends on shares	0.00	-	0.00	-
Loan interest rebate	0.00	-	0.00	-
		<u>-</u>		<u>-</u>

The above dividends refer to those paid out in those years from the surplus earned in previous years.

Dividends and loan interest rebate proposed

	2022	2022	2021	2021
	%	€	%	€
Dividends on shares	0.00	-	0.00	-
Loan interest rebate	0.00	-	0.00	-
		<u>-</u>		<u>-</u>



7. OTHER INCOME

	2022	2021
	€	€
Entrance fees	997	1,168
Income from additional services	96,789	47,022
Gain on sale of tangible fixed assets	4,000	17,862
Gain on sale of investments	-	169,422
ECCU Refund	27,254	103,518
Commissions and other income received	168,102	78,347
	<u>297,142</u>	<u>417,339</u>

8. EXCEPTIONAL GAINS

	2022
	€
Gain on revaluation of investment property	453,945
SPS Refund	672,016
Total exceptional gains	<u>1,125,961</u>

Gain on revaluation of investment property

Investment property relates to the old premises owned by the credit union in Gorey which had been used as the backup location for the head office. The board took the decision to sell this property during FY22 with the completion of the new building in Gorey and in September 2022 a deal was negotiated to sell the property for €498,789 net. However, this sale was not completed until early November 2022 and as such the property has been moved to investment properties at the year end with the gain of €453,945 being realised on completion of the sale.

SPS Refund

At the 2022 ILCU Annual General Meeting a resolution was passed whereby a payment of €80.9m was permitted from the SPS fund of the ILCU to aid in the stabilization of the sector as a result of the ILCU pension fund deficit and other recent environmental factors. Altura Credit Union Limited was allocated a portion of this payment based on the credit union's assets at 30th September 2021 as a proportion of total credit union assets at 30th September 2021. Altura Credit Union Limited was allocated the following:

	2022
	€
Funds received during the year	604,815
Funds receivable by 31st December 2025	67,201
Total funds allocated	<u>672,016</u>

9. EMPLOYEES AND REMUNERATION

The staff costs comprise:

	2022	2021
	€	€
Wages and salaries	1,902,849	1,973,676
Social security cost	207,943	202,436
Pension costs	225,570	272,136
	<u>2,336,362</u>	<u>2,448,248</u>

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Management	10	10
Other staff	49	52
	<u>59</u>	<u>62</u>



10. KEY MANAGEMENT PERSONNEL

The management personnel compensation is as follows:

	2022	2021
	€	€
Short term employee benefits	649,487	657,224
Payments to defined contribution pension scheme	86,414	88,860
	<u>735,901</u>	<u>746,084</u>

Short term employee benefits include wages, salaries, social security contributions and paid annual leave in respect of the entire management team.

11. EXCEPTIONAL LOSS

Pension Funding Deficit

Altura Credit Union Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded defined benefit scheme with assets managed by the Scheme's trustees. The ILCU, as principal employer, commenced a review of the Scheme in conjunction with advisors independent of the trustees. The conclusion of this review was that the Scheme should close to future accrual and this occurred with effect from 31st March 2022 with an associated Funding Plan. This funding plan set out the required contributions required from each participating credit union with Altura Credit Union Limited's contribution being as follows:

	2022
	€
Share of total deficit contribution	<u>2,379,980</u>

12. CASH AND CASH EQUIVALENTS

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

	2022	2021
	€	€
Cash and bank balances	8,047,436	10,911,409
Deposits and investments	22,439,721	20,809,672
	<u>30,487,157</u>	<u>31,721,081</u>

13. INTANGIBLE FIXED ASSETS

	Development Costs	Total
	€	€
Cost		
At 1st October 2021	169,147	169,147
Additions	-	-
At 30th September 2022	<u>169,147</u>	<u>169,147</u>
Amortisation		
At 1st October 2021	30,914	30,914
Charge for the year	16,915	16,915
At 30th September 2022	<u>47,829</u>	<u>47,829</u>
Net book value		
At 30th September 2022	<u>121,318</u>	<u>121,318</u>
At 30th September 2021	<u>138,233</u>	<u>138,233</u>



14. INVESTMENT IN ASSOCIATE

Unlisted at cost

At 1st October 2021 and 30th September 2022 €
265,000

Interests in associate

The credit union has interests in the following associate:

Associate	Type of Shares held	Proportion held %	Net Assets €	Profit or Loss €
Metacu Management Designated Activity Company	Redeemable A Ordinary	6.25	4,030,007	4,607

The effect of including the investment as if it had been accounted for using the equity method would be as follows:

	Share of net assets €
At 1st October 2021	251,587
Share of profit/(loss) for the financial year after tax	288
Share of other comprehensive income	-
At 30th September 2022	<u>251,875</u>

The above financial information in respect of Metacu Management Designated Activity Company was extracted from the audited financial statements for the period ended 31st December 2021.

15. TANGIBLE FIXED ASSETS

	Land & Premises €	Investment Property €	Equipment €	Fixtures & Fittings €	Motor Vehicles €	Total €
Cost						
At 1st October 2021	8,854,690	-	1,791,114	702,392	17,265	11,365,461
Additions	550,344	-	62,551	119,282	-	732,177
Disposals	-	-	-	-	-	-
Transfers	(252,176)	44,844	(13,055)	(11,328)	-	(231,715)
Revaluation	-	453,945	-	-	-	453,945
At 30th September 2022	<u>9,152,858</u>	<u>498,789</u>	<u>1,840,610</u>	<u>810,346</u>	<u>17,265</u>	<u>12,319,868</u>
Depreciation						
At 1st October 2021	2,920,379	-	1,679,867	514,839	16,827	5,131,912
Charge for the year	193,144	-	88,371	33,992	219	315,726
On disposals	-	-	-	-	-	-
Transfers	(211,863)	-	(13,055)	(6,797)	-	(231,715)
Reversal of impairment	(346,705)	-	-	-	-	(346,705)
At 30th September 2022	<u>2,554,955</u>	<u>-</u>	<u>1,755,183</u>	<u>542,034</u>	<u>17,046</u>	<u>4,869,218</u>
Net book value						
At 30th September 2022	<u>6,597,903</u>	<u>498,789</u>	<u>85,427</u>	<u>268,312</u>	<u>219</u>	<u>7,450,650</u>
At 30th September 2021	<u>5,934,311</u>	<u>-</u>	<u>111,247</u>	<u>187,553</u>	<u>438</u>	<u>6,233,549</u>

Investment property relates to the old premises owned by the credit union in Gorey which had been used as the backup location for the head office. The board took the decision to sell this property during FY22 with the completion of the new building in Gorey and in September 2022 a deal was negotiated to sell the property for €498,789 net. However, this sale was not completed until early November 2022 and as such the property has been moved to investment properties at the year end with the gain of €453,945 being realised on completion of the sale.

During the financial year, The Board of Directors obtained a valuation of the Altura Credit Union Limited's premises at McDermott Street, Gorey, Co. Wexford. The independent valuers DNG, valued the premises at €4,300,000. On the basis that the premises was previously impaired by an amount of €1,638,363 in 2013, it was deemed appropriate to reverse a further €346,705 (€1,131,954 reversed in prior years) of this impairment in the financial statements of the year ended 30 September 2022.



16. LOANS TO MEMBERS - FINANCIAL ASSETS

		2022	2021
		€	€
Loans to members	16.1	66,483,727	62,456,312
Provision for bad debts	16.2	(3,831,538)	(4,227,146)
		<u>62,652,189</u>	<u>58,229,166</u>

16.1 LOANS TO MEMBERS

		2022	2021
		€	€
As at 1st October		62,456,312	62,299,218
Advanced during the year		31,093,950	28,173,093
Repaid during the year		(26,978,128)	(27,881,589)
Loans written off against provision		(77,096)	(115,156)
Loans written off		(11,311)	(19,254)
Gross loans to members		<u>66,483,727</u>	<u>62,456,312</u>

16.2 LOAN PROVISION ACCOUNT FOR IMPAIRMENT LOSSES

		2022	2021
		€	€
As at 1st October		4,227,146	4,209,194
Loans written off against provision		(77,096)	(115,156)
Allowances (decreased)/increased during the year		(318,512)	133,108
(decrease)/increased in loan provision during the year		(395,608)	17,952
As at 30th September		<u>3,831,538</u>	<u>4,227,146</u>

16.3 NET RECOVERIES OR LOSSES RECOGNISED FOR THE YEAR

		2022	2021
		€	€
Bad debts recovered		(356,270)	(424,269)
Increase/(reduction) in overdraft provisions during the year		1,274	466
(reduction)/ increase in loan provisions during the year		(318,512)	133,108
		<u>(673,508)</u>	<u>(290,695)</u>
Overdrafts written off		296	-
Loans written off		11,311	19,254
Net (recoveries)/losses on lending to members recognised for the year		<u>(661,901)</u>	<u>(271,441)</u>

16.4 CREDIT RISK DISCLOSURES

The Credit Union complies with Section 12 of the Credit Union Act 1997, (Regulatory Requirements) Regulations 2016. This Regulation:

- restricts the concentration of lending by the Credit Union within certain sectors or to connected persons or groups (concentration limits);
- restricts the absolute amount of lending to certain sectors to a set percentage of the regulatory reserve (large exposure limit);
- restricts the loan duration of certain loans to specified limits (maturity limits); and



16.4 CREDIT RISK DISCLOSURES (contd.)

- requires specified lending practices to be in place where loans are made to certain sectors such as commercial loans, community loans or loans to another Credit Union.

Altura Credit Union Limited does offer mortgages and these loans along with some other larger loans are secured. All other loans to members are unsecured, except that there are restrictions on the extent to which borrowers may withdraw their savings whilst loans are outstanding. There are maximum amounts set down by the Central Bank in terms of what amount a member can borrow from the Credit Union.

The carrying amount of the loans to members represents Altura Credit Union Limited's maximum exposure to credit risk. The following table provides information on the credit quality of loan repayments. Where loans are not impaired it is expected that the amounts repayable will be received in full.

	2022		2021	
	Amount €	Proportion %	Amount €	Proportion %
Gross loans not impaired				
Not past due	<u>59,978,654</u>	<u>90.22</u>	<u>55,073,226</u>	<u>88.18</u>
Gross loans collectively impaired				
Up to 9 weeks past due	<u>4,141,048</u>	<u>6.23</u>	<u>4,859,967</u>	<u>7.78</u>
Between 10 and 18 weeks past due	<u>750,471</u>	<u>1.13</u>	<u>681,045</u>	<u>1.09</u>
Between 19 and 26 weeks past due	<u>259,177</u>	<u>0.39</u>	<u>301,379</u>	<u>0.48</u>
Between 27 and 39 weeks past due	<u>516,123</u>	<u>0.77</u>	<u>364,549</u>	<u>0.59</u>
Between 40 and 52 weeks past due	<u>151,116</u>	<u>0.23</u>	<u>145,291</u>	<u>0.23</u>
53 or more weeks past due	<u>687,138</u>	<u>1.03</u>	<u>1,030,855</u>	<u>1.65</u>
Gross loans collectively	<u>6,505,073</u>	<u>9.78</u>	<u>7,383,086</u>	<u>11.82</u>
Total loans	<u>66,483,727</u>	<u>100.00</u>	<u>62,456,312</u>	<u>100.00</u>
Impairment allowance				
Individually significant loans	<u>(439,120)</u>	<u>11.46</u>	<u>(646,139)</u>	<u>15.29</u>
Collectively assessed loans	<u>(3,392,418)</u>	<u>88.54</u>	<u>(3,581,007)</u>	<u>84.71</u>
Total impairment allowance	<u>(3,831,538)</u>	<u>100.00</u>	<u>(4,227,146)</u>	<u>100.00</u>

17. MEMBERS CURRENT ACCOUNTS

	2022		2021	
	No. of Accounts	Balance of Accounts €	No. of Accounts	Balance of Accounts €
Payment Accounts				
Credit	<u>2,277</u>	<u>3,306,441</u>	<u>1,400</u>	<u>1,786,946</u>
Debit	<u>101</u>	<u>6,667</u>	<u>60</u>	<u>4,022</u>
Permitted overdrafts	<u>64</u>	<u>35,030</u>	<u>35</u>	<u>20,400</u>

Gross debit balances on members current accounts were €3,407 (2021: €4,488) at the 30th September 2022. At the year end the credit union calculated an impairment charge of €1,740 (2021: €466) against these balances at that date.

18. DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2022	2021
	€	€
Prepayments & sundry debtors	<u>215,060</u>	<u>310,333</u>
Accrued loan interest income	<u>89,527</u>	<u>97,833</u>
	<u>304,587</u>	<u>408,166</u>



19. DEPOSITS AND INVESTMENTS

Deposits and investments at the current and prior Balance Sheet date were all measured at amortised cost as appropriate and comprised of the following:

	2022	2021
	€	€
<i>Cash and Equivalents (Maturity within 3 months)</i>		
Collective Investment Schemes (Maturity within 3 months)	-	413,383
Minimum reserve (Maturity within 3 months)	7,785,659	7,836,534
Fixed-term deposits (Maturity within 3 months)	14,654,062	12,559,755
	<u>22,439,721</u>	<u>20,809,672</u>

	2022	2021
	€	€
<i>Other (Maturity after 3 months)</i>		
Fixed-term deposits (Maturity after 3 months)	20,094,726	27,069,828
Collective Investment Schemes	6,631,761	7,622,617
Minimum reserve	1,195,315	1,147,545
Guaranteed investment bonds	33,443,596	26,978,719
	<u>61,365,398</u>	<u>62,818,709</u>

20. MEMBERS' SHARES - FINANCIAL LIABILITIES

	2022	2021
	€	€
As at 1st October	135,888,527	140,223,587
Received during the year	93,884,558	92,846,457
Repaid during the year	(91,358,849)	(97,181,517)
As at 30th September	<u>138,414,236</u>	<u>135,888,527</u>

Members' shares are repayable on demand except for shares attached to loans. The breakdown of the shares between attached and unattached is as follows:

	2022	2021
	€	€
Unattached shares	122,852,304	120,002,541
Attached shares	15,561,932	15,885,986
Total members' shares	<u>138,414,236</u>	<u>135,888,527</u>

21. MEMBERS' DEPOSITS – FINANCIAL LIABILITIES

	2022	2021
	€	€
As at 1st October	736,629	1,471,180
Received during the year	52,830	97,838
Repaid during the year	(123,392)	(832,389)
As at 30th September	<u>666,067</u>	<u>736,629</u>



22. ACCRUALS AND OTHER PAYABLES

	2022	2021
	€	€
Creditors & other accruals	346,915	352,400
Regulatory levies	227,129	175,667
Pension and short-term payroll accruals	89,301	99,524
	<u>663,345</u>	<u>627,591</u>

23. FINANCIAL INSTRUMENTS

Financial risk management

Altura Credit Union Limited is a provider of personal, business loans and mortgages and also provides savings products to its members. The Credit Union invests excess funds with a view to ensuring that the return from members' loans and investments is adequate to meet the overheads of the Credit Union and provide a reasonable return to members on shares and deposits. The Credit Union has a risk register in place to help the directors manage the various risks arising from its activities to include the issuing of loans to members and investing the excess funds of the Credit Union.

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

Credit Risk:

Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to Altura Credit Union Limited, resulting in financial loss to the Credit Union. In order to manage this risk the Board of Directors approves Altura Credit Union Limited's lending policy, and all changes to it. 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.

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

Liquidity Risk:

Altura Credit Union Limited'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. The objective of the Credit Union's liquidity policy is to smooth the mismatches between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise. The Credit Union adheres, on an ongoing basis, to the minimum liquidity ratio and minimum short term liquidity ratio as set out in the Credit Union Act 1997(Regulatory Requirements) (Amendment) Regulations 2018.

Market Risk:

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

Interest Rate Risk:

Altura Credit Union Limited's main interest rate risk arises from differences between the interest rate exposures on the receivables and payables that form an integral part of a Credit Union's operations. Altura Credit Union Limited considers rates of interest receivable on investments and members' loans when deciding on the dividend rate payable on shares and on any loan interest rebate.

23.1 LIQUIDITY RISK DISCLOSURE

All of the financial liabilities of the Credit Union are repayable on demand except for some members' shares attached to loans and funds on long term deposit.

23.2 CAPITAL

The Credit Union maintains sufficient reserves to buffer the Credit Union against any losses on its members' loans and also its investments. The current Regulatory reserve is in excess of the minimum requirement set down by the Central Bank and stands at 11.07% of the total assets of the Credit Union at the Balance Sheet date.



24. INSURANCE AGAINST FRAUD

The Credit Union has insurance against fraud in the amount of €5.2 million (2021: €5.2m), This is in compliance with section 47 of the Credit Union Act 1997, as amended.

25. PENSION SCHEME

Altura Credit Union Limited participates in an industry-wide pension scheme for employees (The Irish League of Credit Unions Republic of Ireland Pension Scheme). This is a funded defined benefit scheme with assets managed by the Scheme's trustees.

The ILCU is the principal employer for the Scheme. In this role it consents to the participation of employers in the Scheme, it appoints 2 of the 4 trustees to the Scheme and is consulted on the setting of the contribution rate. If credit unions exit the Scheme, they are required to pay to the trustees the exit amount which the trustees determine is required to fund benefits in respect of their active, deferred and pensioner members. The exiting credit union thereby settles any liability they have to contribute to the Scheme in the future.

The Scheme is a multi-employer scheme and there is pooling of the assets, and the sharing of risks associated with the liabilities for all participating employers. Judgement is required to assess whether Altura Credit Union Limited has sufficient information to provide an appropriate allocation of pension assets and liabilities. An assessment has been performed of the information available and Altura Credit Union Limited has determined that there is currently insufficient information available. Consequently, Altura Credit Union Limited continues to account for the plan as a defined contribution plan.

An actuarial review of the Scheme is normally carried out every three years by the Scheme's independent, professionally qualified actuary. The actuarial review considers the past and future service liabilities of the Scheme. The last completed triennial actuarial review was carried out with an effective date of 29th February 2020, using the Attained Age valuation method.

The ILCU, as principal employer, commenced a review of the Scheme in conjunction with advisors independent of the trustees. The conclusion of this review was that the Scheme should close to future accrual and this occurred with effect from 31st March 2022 with an associated Funding Plan.

The assets and liabilities of the Scheme and the key assumptions are included in the table below at the respective dates of the Funding Plan and the last triennial valuation date in the table below:

	31st March 2022	29th February 2021
	€m	€m
Assets	283.4	250.0
Liabilities	377.1	291.8
Deficit	93.7	41.8

Assumptions used	31st March 2022	29th February 2021
Investment return in the period pre-retirement	3.35%	3.50%
Investment return while in receipt of pension	0.25%	0.40%
Annual indexation of accrued pensions up to retirement	2.05%	1.25%
Annual increases to pension in payment	3%/0%	3%/0%

Life expectancy*		
65 year old male lives to age	87	86
65 year old female lives to age	89	88
Amount of pension exchanged for tax-free cash at retirement	0%	25%
* Based on 58% of ILT15 (Males), 62% of ILT15 (Females) and annual improvement to annuity rates post retirement of: Males: 0.30%, Females: 0.25% (improvements from 2014)		

Altura Credit Union Limited's liability in respect of the funding plan based on outstanding contributions payable under the funding plan is set out in the table below:

	30th September 2022	30th September 2021
	€m	€m
Retirement Benefit Liability	-	-



26. CONTINGENT LIABILITY

In September 2018, the Registry of Credit Unions advised all credit unions of a potential matter in relation to accrued interest outstanding on certain top-up loans which may have led to a potential over-collection of interest. Following this, the credit union undertook a review to ascertain whether any top-up loans made to members might be impacted by these circumstances, and if so, to determine what actions may need to be taken. The credit union has concluded its review and is satisfied that no over-collection of interest has occurred.

27. CAPITAL COMMITMENTS

The Credit Union has capital commitments of €5,900 (2021: €679,000) at the year-ended 30th September 2022 relating to the construction works ongoing at its premises at Church Lane, Gorey, Co. Wexford.

28. RELATED PARTY TRANSACTIONS

During the year loans were advanced to directors and the management team of the Credit Union (to include their family members or any business in which the directors or management team had a significant shareholding). These loans were approved in accordance with the Standard Credit Union rules and the Credit Union Act 1997, (Regulatory Requirements) Regulations 2016.

Total related party loans amounted to 0.85% of total gross loans due at 30th September 2022 (2021: 0.76%).

	2022		2021	
	No. of loans	€	No. of loans	€
Loans advanced to Related Parties during the year	20	318,599	17	111,677
Loans outstanding to Related Parties at year end	32	565,336	28	471,980
Share balances held by Related Parties at year end	187	598,153	169	558,918

During the year, the following payments were made to one of the directors in respect of services provided;

	2022	2021
	€	€
AGM booklets	11,250	10,295
Printing and Stationary	11,183	5,676
Signage & Equipment	1,085	330
Displays	886	-
	<u>24,404</u>	<u>16,301</u>

Related Parties are members & family members of the board & senior management team.

29. POST-BALANCE SHEET EVENTS

The board took the decision to sell the old Gorey premises during FY22 with the completion of the new building in Gorey and in September 2022 a deal was negotiated to sell the property for €498,789 net. However, this sale was not completed until early November 2022.

30. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved, and authorised for issue, by the Board of Directors on the 08th November 2022.

Returned Post / Change of Address

If your AGM notification or any other post addressed to you as per your information on file with us is returned to the Credit Union as undeliverable and we have your email address on file. Your account will be marked 'No Correspondence' and we will send no further postal correspondence. We will also switch your AGM notification preference to e-AGM on our system.

However, you are required to furnish us with an up-to-date proof of address (within last 6 months) at your earliest convenience. When an account is marked 'no correspondence', it means you could miss out on vital communications. Please ensure we have your current contact information at all times. You may also take this opportunity to update your identity validation document by bringing in a passport or driving licence, if applicable.



SCHEDULE TO INCOME AND EXPENDITURE ACCOUNT for the year ended 30th September 2022

Schedule 1 - Other Management Expenses

	2022	2021
	€	€
Other Management Expenses		
Training and seminars	28,019	45,869
Rent and rates	24,107	20,183
Board oversight	575	975
General insurance	73,415	74,526
Share and loan insurance	477,578	529,451
Death benefit insurance	218,162	202,565
Security	38,345	19,798
Light, heat and cleaning	76,268	60,636
Repairs and renewals	14,119	19,117
Computer and other contracts	413,614	388,239
Printing and stationery	36,227	36,228
Promotion and advertising	117,326	118,798
Telephone and postage	110,667	103,077
AGM expenses	36,038	36,415
Convention expenses	2,955	-
Travelling and subsistence	17,863	14,043
Entertainment costs	170	-
Legal and professional	135,666	194,298
Audit fees	33,825	33,825
Debt collection	39,462	28,475
Deposit guarantee scheme	175,019	180,790
MPCAS Charges	120,146	90,866
Bank interest and charges	99,845	103,814
Miscellaneous expenses	19,952	17,471
Cash over	(446)	(161)
Sponsorship and donations	6,580	4,350
Membership fees	29,229	19,187
Savings protection scheme	12,358	10,181
Regulatory levy	133,939	72,344
--		
	<u>2,491,023</u>	<u>2,425,360</u>



CAR DRAW ACCOUNT

	2022
	€
Opening balance 1st October 2021 Draw	77,735
subscriptions received	230,040
Car prizes won (10)	(228,340)
Closing balance 30th September 2022	<u>79,435</u>

Following Central Bank guidelines, the credit union plans to reduce the balance on the car draw account to as close to nil as possible after the bumper Christmas car draw each December.

Membership of the car draw scheme and the awarding of prizes are both subject to the Rules of the car draw scheme, a copy of which is available on request.



Rule 33

That this Annual General Meeting amends Rule 33 of the Standard Rules for Credit Unions (Republic of Ireland) to remove the following sentence from section 2:

“Each voucher or receipt or entry in the passbook shall identify the person receiving or paying out, on behalf of the credit union, the money represented thereby”.

Current Rule:

(2) Money paid in or paid out on account of shares, deposits, loans, interest, entrance fees and fines (if any) shall be evidenced by an appropriate voucher or receipt or by entries in a member's passbook. Each voucher or receipt or entry in the passbook shall identify the person receiving or paying out, on behalf of the credit union, the money represented thereby.

The amended rule will read as follows:

(2) Money paid in or paid out on account of shares, deposits, loans, interest, entrance fees and fines (if any) shall be evidenced by an appropriate voucher or receipt or by entries in a member's passbook.

Rule 34

That this Annual General Meeting amends Rule 34 (4) of the Standard Rules for Credit Unions (Republic of Ireland) to add a previously omitted value, specifying that loans may be provided to members who cease to hold the common bond but that said loan amount shall not exceed ten per cent of all outstanding loans made by the credit union to its members. The wording shall appear as follows:

(4) The credit union may make loans to persons ceasing to have the common bond required of members of the credit union provided the total amount outstanding in respect of all such loans shall not exceed **ten per cent.**, or such larger percentage as may be approved by the Bank, of the total amount outstanding in respect of all loans made by the credit union to its members.

TAXATION OF DIVIDEND



From the 1st of January 2014 Credit Unions must deduct Deposit Interest Retention Tax (DIRT) from dividend and interest paid to members on All accounts unless the member is exempt.

The only members who can be exempt are:

- Members aged over 65 whose total income is less than the relevant limit, currently €18,000 for an individual and €36,000 for a married couple or civil partnership. For married couples, only one of the spouses needs to be over 65. To avail of this exemption, you must sign a self-declaration form DE1. This form is available in your credit union and is a declaration that you (or your spouse) are aged over 65 and that your total income is less than the relevant limit.

- Members who are permanently incapacitated. Such members should either contact their local Revenue Commissioners office directly or contact a service body such as the Irish Wheelchair Association. Credit unions have no role in approving the exemption in these cases.

If you do not complete and return the self-declaration form, the credit union will be obliged to deduct DIRT from your dividend or interest, if applicable. You will then have to apply directly to the Revenue Commissioners for a refund of this DIRT (if you are eligible).



The past year has brought many challenges as we came out of the pandemic restrictions and managed the aftereffects. As the world quickly went virtual, we have seen a lasting change as to how many of our members transact and interact with their credit union. Our digital member onboarding, allowing members to join through our app and online loan applications with e-signatures have all remained popular after the return to normal business. We have a chatbot and live chat option on our interactive website and communicate with members through social media and Google blogs and messaging.

While we will always offer face-to-face options that are still exceptionally popular, we did have to take the difficult decision to close our Avoca branch in September. The decision came from a culmination of factors including declining footfall over the years as many members used other close branches as they shopped in Arklow or Rathdrum and the sharp uptake in online services.

Despite the challenges including lingering Covid-19 issues, the ILCU Pension deficit etc. Altura Credit Union has performed extremely well. We reached our lending and membership targets, helped largely by our ability to pivot to new technological advances that our members have eagerly embraced. We are continuing to adopt these options and enhance our online offerings, while maintaining a balance of in-branch options for our diverse membership.

The withdrawal of some banks from the Irish market has helped us to grow our current account numbers -which are now in the thousands. We offer a real alternative to banks for all your financial needs, edging closer to our goal of becoming a one-stop shop for all your financial needs. We have also teamed up with Irish Life to help you with your pension, savings and protection needs. I think it's fair to say, we could all do with a financial review, to see what cover we have and identify any gaps. Irish Life offer this on a no commitment basis virtual meeting or phone call.

In the past year, we have also joined forces with Cultivate, which enables us to help Farmers with their Agri-Lending needs. This has proven incredibly popular and helps us to further strengthen ties with the backbone of the communities we serve.

I was delighted to get back out to meet our members in face-to-face meet and greet events like the fun day in Gorey town park, the Carnew show, the Tinahely show, the Roundwood Street festival and some shopping centre visits. It is by meeting local people that we gain insights and make connections with those local communities that help us to better serve their needs.

We will shortly be offering you the option to apply for your loan in our app and continue to seek out more innovations to make our credit union easily accessible and at a time to suit you. However, we see these as complementary to our in-branch options not as a replacement.

In these times of ever-increasing costs, we remain a comforting constant, here to help and support our membership navigate life's journey by offering more and more products, services and channels. As our vision statement states, we are here *'to build lifelong relationships, one member at a time'*. We grow and evolve to ensure we are relevant and accessible by all for your various financial needs now, and into the future.

I propose this report on behalf of the Board of Directors.

Tom Brennan

Head of Business Development & Marketing

Introducing Current Account from Altura Credit Union



OUR NEW
ATM

ACCEPTS MOST MAJOR DEBIT CARDS


- ✓ Same Friendly Service
- ✓ Easy to Sign Up
- ✓ Globally Accepted Debit Card
- ✓ Transparent, Low Fees



Contact us

 053 948 8700

 alturacu.ie

 Drop into your local branch

Mastercard is a registered trade mark and the circle design is a trademark of Mastercard International Incorporated. This card is issued by Transact Payments Malta Limited pursuant to licence by Mastercard International. Altura Credit Union Limited is regulated by the Central Bank of Ireland.



Here at your Credit Union, it is always our objective to approve loan applications as quickly as possible. There are some loans which may be outside the remit of our Loans Officers or which can be more complex. The Credit Committee meet once or twice each week to assess such loans. This Committee comprises of eight people who are very experienced in dealing with all matters relating to lending. Members of the Credit Committee continually update their skills through various training courses which are completed throughout the year.

They carefully assess these loans so that you the member can be accommodated where at all possible. If a member is not happy with the decision of the Credit Committee, an appeal mechanism is in place where a member can appeal such a decision to the Credit Exceptions Committee, who will reassess and reconsider your loan application.

We now have a new streamlined application process for loans of up to €15,000 for established borrowers- all that is needed is proof of income and a clear CCR.

We have also introduced Open Banking for quick access to Bank Statements, which eliminates bank charges for same and gives the Loan Officer timely access.

We can assure you that we take great care and consideration in assessing each loan application we receive, each on its own merit. Our policy is "say Yes unless we really have to say No".

Central Bank Regulations are ever increasing and demanding, so our policies and procedures are continually updated to ensure full compliance. However, we are always mindful of the needs of our members and we continue to keep the ethos of your Credit Union alive.

We continue to enhance our products and services for our members. This year we introduced our new Cultivate Loan for those who work in the farming sector. We have also seen increased demand for our Green Loan at a special rate of 5.49% (5.64% Apr) This loan is suitable for insulating your house, upgrading your boiler, installing Solar Panels, purchase of electric/hybrid cars or electric bicycles.

Your Credit Union has very competitive rates for various loan purposes so we would advise you to check us out prior to making your lending decisions

We continue to invest in automation to ensure you have access to your Credit Union services whichever way you choose, your convenience being our priority. Unlike most other financial institutions, we are happy to talk to you "face to face" so this year we have constructed a new, modern Member Services Centre at Fairview House (opposite Liam Brennan's Hardware) in Gorey. We will continue to provide such service, something that makes us different. You can drop in to open up a savings account, talk to us about a loan application or open a current account.

Total loans issued this year, ending September 30th 2022 was 5894 amounting to €31,093,950

2022			2021		
Loan Purpose	Number	Amount	Loan Purpose	Number	Amount
Promotional Vehicle Loan	394	€4,244,566	Promotional Vehicle Loan	526	€5,648,719
Vehicle Purchase	587	€4,154,350	Car Purchase	628	€3,952,811
General Home Improvements	883	€3,693,587	Property Plus	44	€3,090,194
Property Plus	51	€3,647,252	Home Improvement Special	222	€2,881,282
Home Improvement Special	190	€2,909,871	General Home Improvements	812	€2,852,535
Secured Loan	815	€2,510,149	Secured Loan	818	€2,793,225
Green Loan	75	€979,732	Third Level	162	€637,947
Holiday Not Annual	369	€857,927	Green Loan	22	€348,254
Third Level Education	165	€675,833	Debts/Personal	59	€300,995
Personal	232	€592,943	Christmas Loan	199	€224,716

We, the Credit Committee would like to thank our Head of Credit Rebecca Donnelly, Assistant Loans Manager Maria Kelly & all Loan Officers for their dedication, hard work, and support not only to us, but also to our members during the past year. We would also like to thank the Board of Directors, Board Oversight Committee, Credit Exceptions Committee, Management and all our Staff for their help and co-operation.

Finally, we wish to thank you, the members of Altura Credit Union.

By choosing to borrow from your Credit Union and then making prompt repayments on your loan we can continue to make Altura Credit Union the success it is today.

Remember your Credit Union is "Not for profit, not for charity, but for service"

Please continue to consider us as your first port of call for all your borrowing needs.

Chairperson: Pat Kavanagh **Secretary:** Tom Fortune
 Tom Brennan Geraldine Sheehan, Emma McLoughlin, Aidan Mackey, Gemma Purdy, Barry Monaghan



In November 2021 the Central Bank stated that “good governance and robust risk management are necessary and critical business enablers for credit unions in protecting members’ funds, addressing current challenges and leveraging available opportunities”. Altura Credit Union has long been committed to embedding a culture of risk management as it approaches both challenges and opportunities.

2022 has presented a volatile environment in which to do business. Externally, while key impacts of the past two years, Covid-19 and Brexit, began to lessen, the Russian invasion of Ukraine, resulting in supply issues, raising inflation and increased interest rates stepped into their place, providing, among other issues, unstable market performance for key investments. This, combined with the reversal of a deficit in the league pension fund mentioned in previous reports, has led to the greatest impact to our capital position in several years.

This Board Audit & Risk Committee will continue to monitor, assess, advise, and challenge on all relevant risk events to ensure the ongoing sustainability of your Credit Union, acting as a trusted advisor and a critical friend.

The responsibilities of the Committee are discharged through a combination of meetings and the consideration of reports by the Head of Risk and Compliance and Internal Audit. Oversight of the Risk Management Framework and Annual Compliance Plan are central to those responsibilities, including overseeing management of the Credit Union’s risk policy, risk register, wider company policies, and risk appetite statements. The Committee met independently or through the Board at least once per month throughout the financial year, with reports provided at each meeting in writing and verbally on the Risk and Compliance position of the Credit Union. We would like to extend thanks to the Board on its continued engagement and commitment on each occasion.

Throughout the reporting period, through discussion with and challenge to Management, the Committee satisfied itself that the key risks facing the Credit Union were being appropriately managed, with relevant mitigants in place and appropriate actions taken, where necessary.

Internally, the Board of Directors made the decision in early 2022 to transition to a full time, in-house Head of Risk and Compliance, strengthening its commitment to a fully embedded risk and compliance culture. Prior to, and during this transition, Altura was expertly supported by Ben Pickup as Risk and Compliance Advisor since 2019. We would like to place on record the Committee’s thanks to Ben for the exceptional support and commitment provided during that time and wish him the very best in his new opportunity.

Altura has invested in key areas such as Information Technology support and infrastructure, Communications and Lending automation. These investments have not only helped the Credit Union to manage the risks that exist in these areas more effectively, but also allow us to provide improved, more timely service to you, our members, supporting the view that good risk management is very often just good business.

The Committee would like to thank the Members for their continued support and wish all and their families a safe and merry Christmas and New Year.

Committee Participants:

Barry Monaghan (CEO)
Pat Kavanagh (Head of ICT)
Mandy Cousins (Head of Risk & Compliance)

Committee Members during the year:

Chairperson Thomas Finn
Secretary Joseph Kinsella
Committee Members Andrew Cullen; Thomas Fitzpatrick



In 2022 we are experiencing new challenges to that of the previous 2 years. We are thankful that the uncertainty and restrictions associated with the Covid 19 pandemic are reducing and life as we know it, is returning to normal albeit with a few scars.

Unfortunately, the challenge we are now trying to navigate through is the increased cost of living, as our incomes are stretched further to try to maintain our outgoings. We appeal to our members who are facing a financial burden to engage early with the support unit within the Credit Control department. Our mission is to assist you, advise you and support you through this challenging time. We are aware of how difficult it is to admit that our debts are falling due, and we may no longer be able to afford them. We are also aware of the worry and stress this can bring to someone, so the Credit Control department would like to reiterate how important it is to stay connected, engage and trust us. We would like to assure you that your concerns will be treated with the utmost of sensitivity.

There are options available to anyone who is in financial difficulty. Our team will discuss with you the best option for your circumstances- these include but are not restricted to alternative payment arrangements, restructuring of repayment and term, arrears control and maybe thereby prevention of a negative credit rating while we work together. Our main aim is always to protect our members savings and work with our members to facilitate loans being repaid in accordance with their credit agreement.

The Credit Control Committee work very closely with the Head of Credit Control. We place a strong focus on early intervention and encourage our members to engage with the department. It is evident that our approach is working positively for both the Credit Union and the members concerned, due to our ever-decreasing arrears.

Our department is very proactive in securing the recovery of loans that are deemed Bad Debts and have been written off. We reach out to our members who have had previous legal proceedings and have reneged on their commitment to repay the loan given to them in good faith. The majority of our engagements are positive, with members resuming their repayments on the outstanding debt.

However, as with all loans there are a small number of members who refuse to communicate and work with us in finding a solution that allows them to meet their loan obligations. In these cases, where all other options have been exhausted, we will not hesitate to initiate legal proceedings to recover the money owed to our members.

During the year, the Committee recommended loans to the value €88,407 are written-off in accordance with the standard rules for Credit Unions. Prudent provisioning against these loans resulted in a net cost to our Income & Expenditure account of €11,311

The amount recovered during the year in respect of loans previously written-off amounted to €356,270, affirmation that even though an account is written-off, every effort is still made to recover the debt, up to and including legal action.

The committee would like to acknowledge, the Head of Credit Control, Roisin Monaghan, the Assistant Credit Control Manager, Mary Mackey, and the Credit Control team for their excellent work and support, not only to us, but also the members during the financial year 2021 -2022. I formally propose this report on behalf of the Board of Directors.

Chairperson: Anne Roche

Secretary: Fionnuala Doyle

Committee Members: Carla Gaule; Edel Byrne



Mission Statement:
“Altura Credit Union is a member owned and controlled financial services co-operative. Our mission is to meet members’ financial needs through quality service at the best value while maintaining financial stability”



Our Membership Committee is pleased to report the continuous growth in our membership figures during our financial year 2021/2022. In that time, our membership has increased by 1,411, bringing the total membership of Altura Credit Union Ltd at year end to 36,998. This is extremely positive, with good membership growth occurring across all branches. Naturally we would like to see it further progress in the coming year, so as all qualifying prospective new members can avail of the advantages of Credit Union membership.

It's now easier than ever to join Altura Credit Union Ltd. by going online at www.alturacu.ie or via our app, with advanced biometric facial verification, and the ability to submit proof of ID, we're offering you a safe and reliable way to become a member without the need to visit a branch.

This Committee is responsible for verifying eligibility of new members wishing to join Altura Credit Union and for ensuring compliance with legal/regulatory requirements, in respect of obtaining the required documentation for those applying for membership and reactivating their accounts.

Please note, under Money Laundering Legislation the following documentation is required to open an account with Altura Credit Union:

- Photo I.D.
 - Current proof of address – utility bill/bank statement
- We are required to seek Proof of PPSN (required for lending)**

Each new member receives a New Member pack, containing information on the various services offered by us -competitively priced loans, bill payments, Fexco bureau de change, Christmas saving options to name but a few. This information is also available on our website should you chose not to receive hardcopy.

With the withdrawal of UB and KBC from the Irish Market both new and existing members are continuing to avail of our competitively priced Current Account. We are happy to provide access to our Current Account without any of the lengthy wait times associated with other financial institutions.

Our Current Account, Debit Card, and Overdraft facility where applicable, provide convenient methods of making and receiving day to day payments. We are continually striving to identify new products and services to aid and be of benefit to you.

Please remember that to retain your membership of Altura Credit Union, you currently must have a minimum of €5 held in your Share account. To ensure qualification for our Free Death Benefit Insurance, you must retain a minimum of €250 in your share account. Your Credit Union membership offers you many distinct advantages, none more so than the free Insurances currently available on savings, loans and death benefit insurance (terms & conditions do apply), all currently paid for as an operational expense. An additional €2000 death benefit insurance coverage has been available to members since January 2019, as a member pay option (T's & Cs apply).

If you change your address or employment upon joining this Credit Union you may no longer hold the common bond. Under the standard rules and the Credit Union Act 1997 (as amended) certain additional lending restrictions may apply. If you think you may be affected by this, please contact our office immediately.

For any enquires the friendly staff in the Credit Union will be more than happy to assist you.

Fraud Prevention

Keep your account information safe. Remember the three 'Be's'; **Be** Informed, **Be** Alert, **Be** Secure. Refer to our website for more information.

How can you aid the progression of your Credit Union?

Encourage anyone you know who is not a member to join. Membership is growing nationwide and Credit Unions are a transparent and viable alternative to other financial institutions.

Please see our ongoing 'Join a friend' promotion to see if you could refer a friend, for Credit Union membership.

We look forward to serving you, our loyal and valued members, in 2023 in our premises on McDermott Street Gorey, Rathdrum, Roundwood, Carnew and Ferrybank or through our ever-developing website www.alturacu.ie and app for your device.

I formally propose this report on behalf of the Board of Directors.

MEMBERSHIP COMMITTEE
ALTURA CREDIT UNION L'



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

This means that the role of the Board Oversight Committee is to oversee the operation of the Board to ensure that it complies with the requirements of the Act.

The Oversight Committee meets on a monthly basis to discuss and review the Boards duties and requirements. This act of assessing by way of Quarterly Appraisals, indicates to the Board Oversight Committee that the Board of Directors have complied with all legal and regulatory requirements, and have acted in accordance with the **Credit Union Act 1997 (as amended)**. The oversight committee have a right to attend other Various Operational committees throughout the credit union structure and have found these meetings to be conducted in good faith and governance. The Members of the Oversight committee have also undertaken appropriate training to support them in their role.

In conclusion, even though the BOC experienced unexpected changes of members throughout the year, with the investment of new talents and skills, the BOC continued to carry out its governance duties accordingly. The Committee wish to acknowledge the immense volume of work, commitment, time, and dedication from the Board of Directors, Management, and staff in all branches: Gorey, Ferrybank (Arklow), Rathdrum, Roundwood and Carnew offices. Finally, we look forward to a prosperous and successful 2023.

Mary Quinn
Chair BOC



Deposit Guarantee Scheme - Basic information about the protection of your eligible deposits

Eligible deposits in Altura Credit Union are protected by: The Deposit Guarantee Scheme ("DGS"), the limit of this protection is €100,000 per depositor, per credit institution. If you have more than one eligible deposit with Altura Credit Union, then all your eligible deposits at this credit union are 'aggregated' and the total is subject to the limit of €100,000. If you have a joint account with another person(s) the limit of €100,000 applies to each depositor separately.

The reimbursement period in the case of the credit unions failure is within 10 working days from 1st January 2021 to 31st December 2023; and within 7 days from 1st January 2024 onwards, save where specific exceptions apply. Currency of reimbursement: Euro.

Where the repayable amount cannot be made available within seven working days depositors will be given access to an appropriate amount of their covered deposits to cover the cost of living within five working days of a request. Access to the appropriate amount will only be made on the basis of data provided by the credit institution. If you have not been repaid within these deadlines, you should contact the deposit guarantee scheme. For enquiries relating to your account: MSO's, Altura Credit Union, McDermott St., Gorey, Co. Wexford. 053 9488700. Email: info@alturacu.ie More information: www.alturacu.ie

To contact the DGS for further information on compensation: Deposit Guarantee Scheme, Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1, D01F7X3. More information: www.depositguarantee.ie

Live life cleaner by making Earth greener.

Check Out Our Great New

GREEN LOAN

5.49%

5.64%APR.

Example:

A green loan of €20,000 over 10 years has 120 repayments of €216.96.
Total Interest Payable is €6,030.
Total amount repayable is €26,030.
Available only to your primary, principal residence or cars/bikes for personal use.
Quotes/Proof of Green Purpose required.


call our loan line on

0818 345 925

www.alturacu.ie

Lending Criteria, Terms & Conditions Apply



-  Hybrid / Electric Cars
-  Solar Panels / Insulation
-  Electric Bicycles
-  Energy Efficient Windows & Doors
-  And Lots More...



WARNING

If you do not meet the repayments on your loan, your account will go into arrears. This may limit your ability to access credit in the future.

The IMPROVE

WITHOUT THE

MOVE

LOAN

Special Home Improvement Loan

6.9%

7.1% APR.

call our loan line on

0818 345 925

or apply online www.alturacu.ie

WARNING

If you do not meet the repayments on your loan, your account will go into arrears. This may limit your ability to access credit in the future.

Lending Criteria, Terms & Conditions Apply



Example:

A loan of €25,000 over 5 Years has 60 Monthly repayments of €493.94 Total Interest Payable: €4,635.22 Total Amount Repayable €29,635.22

The
**DREAM CAR
LOAN**

6.9%

7.1% APR.

DREAMS DO COME TRUE AT

Altura
Credit Union Ltd.

Example:

A loan of €10,000 over 5 Years
has 60 Monthly repayments of €197.58
Total Interest Payable: €1,854.04
Total Amount Repayable €11,854.04

**call our loan line on
0818 345 925
or apply online @ www.alturacu.ie**

WARNING

If you do not meet the repayments on your loan,
your account will go into arrears.
This may limit your ability to access credit in the future.

Lending Criteria, Terms & Conditions Apply

DREAM BIGGER WITH A LOW INTEREST SECURED LOAN

(Loans must be 100% secured by shares)

4.9%

5.01% APR.

MAKE YOUR DREAM
A REALITY WITH



Example

A loan of €5,000 over 5 Years has 60 Monthly repayments of €94.14 Total Interest Payable: €648.20 Total Amount Repayable €5,648.20

call our loan line on

0818 345 925

or apply online @ www.alturacu.ie



WARNING

If you do not meet the repayments on your loan, your account will go into arrears. This may limit your ability to access credit in the future.

Lending Criteria, Terms & Conditions Apply

The DISCOVER YOUR POTENTIAL LOAN

4.9%

5.01% APR.

Third Level Education

Qualifying Applicants will be entered into our education Loan Draw Fund

€2,000

call our loan line on

0818 345 925

or apply online @ www.alturacu.ie

Example:

A loan of €5,000 over 5 Years has 60 Monthly repayments of €94.14 Total Interest Payable: €648.20 Total Amount Repayable €5,648.20



WARNING

If you do not meet the repayments on your loan, your account will go into arrears. This may limit your ability to access credit in the future.

Lending Criteria, Terms & Conditions Apply



Information and Communications Technology (ICT) is central to everything that we do, therefore its importance cannot be overstated.

At Altura, we focus strongly on the availability and resilience of our systems. There are several fronts to this approach:

- **Cybersecurity:** We work with some of the best IT Security experts available, who audit, advise & report to the Board on a quarterly basis.
- **Risk Management** is embedded into everything from an IT perspective.
- **Training:** All our staff, Board & Board Oversight members must complete regular training in IT Security to help raise awareness of threats and to reinforce good practices in the workplace.
- **Disaster Recovery (DR):** Our data is being backed up continuously and as frequently as is practically possible. We have a backup server in a branch office. At least annually, we restore the backups and verify the data present. We also test our ability to run our network from our DR Office.
- **Outsourced Service Providers (OSPs):** We have a small number of key outsourced service providers (our banking software for example). We are obliged to have robust Service Level Agreements (SLAs) in place with these providers and to monitor the OSP's performance.

2022 has been dominated by a number of large projects. A new loan assessment tool was incorporated with our existing banking platform. This has transformed the back-office processes for loan applications by utilising new technology such as Open Banking. This allows us, with the member's consent, to quickly request & retrieve their last three months bank transactions. We have been working strongly on developing further product to aid in loan decisioning, using even more advanced technology. We hope to incorporate this product in 2023.

2022 has also seen Altura change one of its Outsourced Service Providers. This provider manages all connectivity & communications into & between branches as a managed service. It is imperative that Altura is surrounded by providers that are best in class & can provide the appropriate levels of expertise, service & security to keep our network resilient.

In 2022, we at Altura have also strengthened the systems we use to safeguard our email and the security of our mobile devices. All of this is critical to maintaining the safety of our member's data.

We hope to shortly provide you, our members, with the ability to apply for a loan entirely from your mobile device. In conjunction with this, we will enhance the capability of our electronic signature platform, DocuSign.

The IT landscape in which we operate is constantly changing with new collaborations & company ownership changes, not to mention new technology development itself. At Altura we continually monitor the environment for changes that may be beneficial for our complex technology stack.

Finally, the importance of our online banking portal & mobile app cannot be understated, and this means that our business runs 24/7/365. We are continually enhancing the mobile app with updates. We are obliged to maintain, update, and replace equipment and software, so we ask for understanding and patience when we must take services offline. I can assure you that any such downtime will always be kept to the minimum.

Pat Kavanagh
Head of ICT



The Board of Directors and Management team at ACU Limited have long since understood the need for business model transformation within the sector to ensure continuing sustainability and viability and this Credit Union has embraced the ongoing necessary changes wholeheartedly and in a proactive manner.

The unexpected and once off knocks we have encountered this year are unprecedented and totally out of our control and the only comparison I can make is to align them to 2013, when we had to endure a write down on our Head office building of over €1,600,000 due to the financial crisis. To clarify further, since its inception in 1966, this credit union has encountered three significant financial impacts, two of them this year alone. We recovered well in 2013 and we are well on the road to doing so again in 2022.

During the financial year the credit union's investment income was reduced due to the decline in value of its holding in a corporate bond fund (a UCITS holding), as referenced in the Chairperson's address.

Under accounting rules, the change in the market value of this fund needs to be recognised in the financial accounts. This year the value of the fund declined and therefore an unrealised loss has been recorded.

The main reason for this decline has been the rapid rise in interest rates on the back of higher inflation. This has pushed the current market value of bonds lower but not their long-term expected value, which creates short-term unrealised losses but higher expected returns in future years.

In future years, as interest rates settle, the fund is expected to recover in value which will lead to a positive contribution to the investment income. Both our investment advisor and the fund manager remain confident in the robustness of the fund's strategy, while the Central Bank is also fully aware of all circumstances around this investment.

We continue to strive to make this Credit Union a one stop financial shop for our current and prospective membership and a realistic alternative to the main stream banking institutions, all the while maintaining our ethos and our competitive advantage of excellent member service- something that is at the forefront of everything we do.

We recognise that as a stand- alone Credit Union, it is not feasible to challenge some of our competitors without collaboration in an extremely aggressively marketed industry with major consumer choice, hence our successful participation in joint ventures and pooling of resources with other Credit Unions.

The Credit Union current account continues to go from strength to strength- Competitively and transparently priced, with free banking to students and members over the age of 66, it fills a gap that has been a barrier to our progression in the past and with the withdrawal of a number of financial institutions from the Irish market, a hugely viable alternative in that product space.

It is imperative that Credit Unions seek alternative revenue streams and not solely rely on investment and loan interest income.

A varied loan product portfolio is essential- one that must be competitively priced and deliver to our members in a timely and efficient manner.

The reports of the Heads of Business Development and ICT outlines specific initiatives therein that we are currently pursuing.

We are keen to continue on the journey of streamlined member centric processes connected to every product and service we provide, making it as hassle free and accessible as possible.

As previously per the Registrar of Credit Unions, 'forward-looking credit unions today, of which we are one, are focused on developing their business models to serve their members' future needs. They distinguish themselves from peers by embracing a risk mind-set and recognising minimum regulatory standards to be what they are – the minimum of what is expected, not a target'.

Therefore, it is imperative that we continue to be recognised as a progressive and compliant Credit Union to further ensure our sustainability and viability and that benefits are derived from the ongoing sectoral restructuring. To that end, the Board of Directors will continue to look at strategic opportunities should they present themselves, all the while mindful at all times of the benefits to be derived for our membership.

Adequate reserves support a credit union's operations, provide a base for future growth and protect against the risk of unforeseen losses- a case in point in this financial year- Credit unions need to maintain sufficient reserves to ensure continuity and to protect members' savings, which completely aligns with the Board decisions made throughout the past financial year. We will endeavour to further increase our regulatory reserve ratio further over the coming years.

We continue to demonstrate our commitment to our local communities and the full bond area that we serve. In this regard, our strategic mindset will ensure that we avail of any viable support to our membership, irrespective of location, ensuring easy access to us no matter where you are.

Altura Credit Union also resources the upskilling and training of all our Officers and has in place a minimum competency requirement that surpasses current regulatory guidelines to ensure we continue to impart valid and accurate information from a professional and highly trained staff to our membership.

At all levels people are continuing to successfully achieve their exams and upskill in relation to the various roles they hold within the organisation. This enables us strengthen our organisational structure as the need arises.

This will continue in parallel to the scale and complexity of this Credit Union.

In conclusion, I would like to take this opportunity to thank the Board of Directors, Board Oversight Committee & volunteers, on your behalf in particular, for their continued commitment of time and talent on a voluntary basis to our Credit Union. Their forward strategic thinking plays a huge part in this Credit Unions success.

I would also like to acknowledge the hard work and dedication of the Management team and staff in Altura Credit Union's Head and Branch Offices in what has been another difficult year for members and Officers alike.

Most of all we thank you for your continued loyalty. Our goal is as always, to provide the broadest range of products and services in a speedy, efficient and cost- effective manner all year round, giving excellent value for money, to enable us to meet your needs both now and into the future.

I would ask you to always consider us for any financial product or service that interests you- do your cost comparisons, factoring in the actual benefits of dealing with an organisation whose priority first and foremost is you- not for profit, but for service.

Your continued engagement with us and support in what we are trying to achieve will ensure a strong, vibrant, community-based, fit for purpose financial institution that will serve our bond area for generations to come.

Barry Monaghan
Chief Executive Officer

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.*

Amen

Christmas Opening Hours 2022

Week ending Saturday 24th December 2022:

Gorey Head Office will be open Monday 18th to Friday 23rd inclusive.
Rathdrum, Carnew & Ferrybank (Arklow) offices will open on
Monday 18th, Thursday 22nd & Friday 23rd
Roundwood will be open on Thursday 22nd & Friday 23rd.
All offices closed on Saturday 24th December 2022.

Week ending Saturday 31st December 2022:

All offices open on Thursday 29th & Friday 30th.
All Offices closed on Saturday 31st December 2022 and
Monday 02nd January 2023

Re-opening as normal from Tuesday 03rd January 2023.

*The Board of Directors, Board Oversight Committee,
Management & Staff of Altura Credit Union Limited
would like to wish all our members a
Happy Christmas and all the best in 2023.*

OFFICE LOCATIONS and current opening hours:

Head Office

Mc Dermott, Street,
Gorey, Co. Wexford.

Monday to Saturday 9.30am to 4pm.

Ferrybank

Arklow,
Co. Wicklow.

Monday, Thurs, Friday 9.30am to 4pm.
Tuesday & Wednesday Closed.
Saturday 9.30am to 3pm.

Carnew Office

Main Street,
Carnew, Co. Wicklow.

Monday, Thursday & Friday 9.30am to 4pm.
Tuesday & Wednesday Closed.
Saturday 9.30am to 3pm.

Rathdrum Office

Market Place
Rathdrum,
Co. Wicklow.

Monday, Thursday & Friday 9.30am to 4pm.
Tuesday & Wednesday Closed.
Saturday 9.30am to 3pm.

Roundwood Office

Ashtown,
Roundwood,
Co. Wicklow.

Friday 9.30am to 4pm.
Saturday 9.30am to 3pm.



Reaching New Heights

Altura Credit Union Limited is regulated by the Central Bank of Ireland.

*Produced & Designed
for*
ALTURA CREDIT UNION LTD.
by Gorey Print Ltd