



VIRTUAL AGM 2020

Thursday February 4th 2021 at 7.30pm
Register to join us
@ [alturacu.ie](https://www.alturacu.ie)



McDermott Street, Gorey, Co. Wexford.
Ferrybank, Arklow, Co. Wicklow.
Main St. Avoca, 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 1850 345 925

EMBRACING THE FUTURE

2019/2020 ANNUAL REPORT



MEMBER'S CAR DRAW

*it could
be you in*



2021

For just €5 per month

We could **CU** driving away in a Brand New Motor
Ask at Counter for details
Can you afford not to be a member ?

(terms & conditions apply)

www.alturacu.ie



Virtual Online AGM. Register at alturacu.ie
Thursday 4th February, 2021 at 7.30p.m.

ORDER OF BUSINESS

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1. Acceptance of Proxies (if any) by Board of Directors.	.
2. Ascertainment that a Quorum is present.	.
3. Adoption of Standing Orders.	.
4. Minutes of Last AGM and any SGM.	.
5. Presidents Address.	4-5
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18. Appointment of Tellers.	.
19. Election of Auditor.	.
20. Election to fill vacancies on Board Oversight Committee.	.
21. Election to fill vacancies on the Board of Directors.	.
22. Other Reports / ICT, CU Update etc.	44-45
23. Any Other Business	.
24. Announcement of Election Results.	.
25. Close / Adjournment of Meeting.	.

Joseph Kinsella
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 new material.
- (3). The seconder 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: There are four vacancies for the position of Director, one vacancy on the Board Oversight Committee and one vacancy for Auditor.

Nomination Packs are available on an ongoing basis at the Credit Union Counter.
Due to legislative changes, nominations can not be accepted from the floor of the AGM.

Each member holding one fully paid-up share of €5.00 and aged 16 years of age or over shall have one vote.

DIRECTORS DURING PERIOD 2019/2020 AND OTHER INFORMATION

EXECUTIVE DIRECTORS:	<i>President:</i> <i>Vice President:</i> <i>Secretary:</i> <i>Asst. Secretary:</i>	Andrew Cullen Tom Finn Joseph Kinsella Mary Hearne
DIRECTORS:	Enda O'Connor Imelda Purcell Seamus Halvey	Jim Kavanagh Philip Cullen (Co-opted)
OVERSIGHT COMMITTEE:	Padraig O'Brien	Lorraine Walsh Mary Quinn

STAFF During 2019/20:

GENERAL MANAGER:	Barry Monaghan
FINANCE MANAGER:	Anne Roche
CREDIT CONTROL MANAGER:	Caroline Kavanagh
LOANS MANAGER:	Gina Kenny
COMPLIANCE MANAGER:	Geraldine Sheehan
OPERATIONS OFFICER:	Fionnuala Doyle
IN HOUSE LEGAL/ PRO:	Donal O'Connor
ICT MANAGER:	Pat Kavanagh
FACILITIES MANAGER:	Tom Fortune
MARKETING & BUSINESS DEVELOPMENT MANAGER:	Tom Brennan

STAFF:

During year 2019/20:

Dina Allegrini	Anne Forsyth	Aidan Mackey	Siobhan O'Toole
Susan Baldwin	Valentina Farris	Mary Mackey	Miriam Osborne
Edel Bethel	Carla Gaule	Tina McClure	Gemma Purdy
Margaret Brennan	Emma Gibney	Roisin Monaghan	Michelle Roche
Mary Butler	Breda Goland	Emma McLoughlin	Lisa Ryan
Edel Byrne	Catherine Hatton	Bernadette McCarthy	Anita Schonken
Noeleen Cullen	Linda Hemenstall	Alex Maguire	Kerry Ann Seymour
Nicola Clune	Siobhan Henry	Denise Murray	Anne Sheridan
Joan Dixon	Joan Hughes	Aisling O'Brien	Liz Sheridan
Rebecca Donnelly	Geraldine Kelly	Edel O'Brien	Jenny Swords
Adam Ellard	Maria Kelly	Lisa O'Connor	Marguerite Townsend
Nicola Finn	Kerrie Kenny	Vivienne O'Leary	Lisa Travers
Anne Fitzgerald	Bernadette Kennedy	Margaret O'Reilly	Fiona Vickers
	Jenny Kirwan	Roseanna O'Sullivan	

AUDITORS: Sheil Kinnear Ltd.
Chartered Accountants & Statutory Auditors.
Sinnottstown Business Park,
Drinagh, Wexford.

BANKERS:	Ulster Bank Ltd. 103 Main Street, Gorey, Co. Wexford.	Bank of Ireland. Main Street, Carnew & Rathdrum, Co. Wicklow.	BNP Paribas, 5 George's Dock, IFSC, Dublin 1.	Allied Irish Bank. Main Street, Gorey, Co. Wexford.	Intessa Sanpaulo S.P.A. Via Langhirano, 1 - Pal.a 43125 Parma (PR) Italy.
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On behalf of the Board of Directors, I would like to welcome you, the members, to the 54th AGM of Altura Credit Union Ltd, being held in a way that we could never have envisaged even a year ago!

2020 has proven to be another challenging year for the Credit Union movement, as the more proactive of Credit Unions move towards business model transformation and all that entails. It is becoming increasingly obvious that Credit Unions must revisit how we conduct our business to remain relevant and viable in the years ahead. The Board of Directors of Altura Credit Union Limited continually discuss the way forward, through our Strategic vision. It must be emphasised that each Credit Union is its' own standalone entity owned by you the members and operated on your behalf by the Board of Directors, with the priority being to ensure that your savings remain safe and secure.

The board of this credit union effectively leverages the support functions provided for of the Risk & Compliance Officer and Internal Auditor, to assist in discharging our oversight roles in this regard.

This year, all of that takes place with the background of living with the coronavirus pandemic for almost 12 months now. As a deemed essential service, I would like to acknowledge at this point all officers of this Credit Union for continuing to serve our membership throughout. Our Credit Control team dealt admirably with the impact that ensued and our members as always excelled with their interaction and co-operation on every count.

We continue to invest in both our Organisational Structure and our Information & Communications Technology, along with upgrading our Head and Branch Offices as necessary.

Other reports refer regarding.

I am delighted that this Credit union was one of the first nationally to introduce the Credit Union current account and the ancillary services attached. This has been on our agenda for about a decade and to finally bring it to fruition, by collaboration of some larger Credit Unions, facilitated by Payac, was a major achievement and a wonderful addition to the portfolio of products and services we already provide and has proven to be extremely popular as well as very cost affective when compared to other offerings.

Our Membership as of 30/09/20 stands at **34,371**. Members' savings total **€142,649,572** while total Loans outstanding from members amounts to **€62,299,218**. The financial performance of Altura Credit Union is most satisfactory, particularly given the current circumstances to include the pandemic and some uncertainty associated with Brexit, with a Loans to Assets ratio of over 38% - 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 Loan Book naturally stagnated in this financial year but generally consistently grows while our loans arrears are continually falling percentage wise and the level of provisioning relating is prudently monitored on an ongoing basis.

With regard to member's shares and deposits, Altura Credit Union Ltd is a member of the Deposit Guarantee Scheme, details of which you will find at the bottom of page 32 in your booklet.

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

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 pandemic brought about an unprecedented level of savings influx which materially impacts on our reserve's requirements and this, aligned with the general effect on the macro environment and a lesser loan demand than normal, combined 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 of the Credit Union by strengthening its reserves. We believe that, based on current returns accessible elsewhere, the returns we receive on investments, the competitively priced products & services we provide and the fact that some financial institutions have or are contemplating negative interest rate implementation on some savings accounts, it is the most prudent avenue for us to take.

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 nett operational expense (€583,387 & €218,423 respectively- over €800,000 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. (Note the amendments to both Insurances from 01.01.2021 stated overleaf)

General Manager, Barry Monaghan, will, later in his update report, refer to other initiatives that the Board of Directors has 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 2021, all be it by Zoom or teams' meetings in the interim.

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.

At this point, I would like to particularly pay tribute to three founder Directors who are no longer with us- Paddy Doyle, Stan Hemenstall & Joe Sheehan. The community of Altura Credit Union Ltd. owes a huge debt to the foresight and vision of these men back in 1966 as they embarked, with others, upon the establishment of this Credit Union.

Ar dheis Dé go raibh a n-anamacha

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.

Andrew Cullen
President.
16th November, 2020

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 and 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 accounts.**

Members can opt to add an **additional Member 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.

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

Our maximum insurance of €5,000 is based on a recent review of our claim's history. 90% of the claims in recent years have been for this amount or less. This also creates a significant saving on premiums paid by the credit union, making this free* benefit more cost effective.

*Note that these insurances are paid for as an operational expense by the credit union as a free member benefit. There is no direct cost (except for the *MDBI as referenced above).*

THE DREAMCAR LOAN

6.9%

7.1% Apr.

DREAMS DO COME TRUE AT



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

1850 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



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

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The directors present their report and the audited financial statements for the year ended 30 September 2020.

Results, Dividend and Appropriation of Surplus

The income and expenditure account as set out on page 13 shows a surplus for the year of €1,324,371 compared with a surplus in the previous year of €751,896. The current year surplus includes a reversal of an impairment of €984,886 on the Credit Union's premises at McDermott Street, Gorey, Wexford.

The directors are not recommending a dividend or a rebate on interest paid on members' loans, as advised by the Central Bank of Ireland.

The directors have transferred €1,490,000 to the Regulatory Reserve 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 21 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 accounts.

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

There have been no significant events affecting the Credit Union since the year-end.

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.

On Behalf of the Board

President: Andrew Cullen
Secretary: Joseph Kinsella

Date: 16th November 2020

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 a going concern basis unless it is inappropriate to presume that the Credit Union will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and 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: Andrew Cullen

Member of the Board of Directors: Jim Kavanagh

Date: 16th November 2020

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: Lorraine Walsh

Date: 16th November 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALTURA CREDIT UNION LIMITED

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 2020, 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 2020 and 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 Act 1997, as amended.

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

- We have obtained all the information and explanations which 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 directors' 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 going concern and using the going concern basis of accounting unless directors either intends 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 the 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,
Co. Wexford.

Date: 17th November 2020

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.

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30TH SEPTEMBER 2020

Income	Note	2020 €	2019 €
Interest on members' loans	4	4,871,113	4,727,862
Other interest income and similar income	5	620,385	616,796
Interest payable on members' deposits	6	(6,154)	(19,750)
Net interest income		5,485,344	5,324,908
Other income	7	106,588	249,934
Employment costs	8	(2,249,983)	(2,371,852)
Other management expenses (Schedule 1)		(2,523,012)	(2,435,491)
Depreciation and Amortisation		(429,585)	(401,789)
Reversal of Fixed assets impairments	13	984,886	-----
Net (losses) recoveries on loans to members	14.3	(49,867)	386,186
Surplus of expenditure over income		1,324,371	751,896
Other comprehensive income			
Total comprehensive income		1,324,371	751,896

The financial statements were approved, and authorised for issue, by the Board on 16th November 2020 and signed on its behalf by:

Manager:	Barry Monaghan
Member of the Board of Directors:	Andrew Cullen
Member of the Board Oversight Committee:	Lorraine Walsh

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 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.

	Note	2020 €	2019 €
ASSETS			
Cash and cash equivalents	10	7,945,630	8,048,171
Intangible assets	11	144,984	139,987
Investment in associate	12	265,000	265,000
Tangible fixed assets	13	6,318,002	5,364,344
Loans to members	14	58,090,024	58,565,467
Members' current accounts	15	3,362	90
Stock of consumables		16,245	19,624
Prepayments and other debtors	16	365,187	380,068
Deposits and investments - cash equivalents	10	28,238,112	24,931,473
Deposits and investments - other	17	61,775,404	61,641,097
Total assets		163,161,950	159,355,321
Liabilities			
Members' shares	18	140,223,587	135,806,680
Members' deposits	19	1,471,180	4,012,134
Members' current accounts	15	954,805	108,991
Accruals and other payables	20	648,580	609,932
Total liabilities		143,298,152	140,537,737
ASSETS LESS LIABILITIES		19,863,798	18,817,584
RESERVES			
Regulatory reserve		17,750,000	16,260,000
Operational risk reserve		600,000	600,000
Non-distributable investment income reserve		-----	43,093
Distribution reserve		1,513,798	1,514,491
Dividend reserve		-----	400,000
Total Reserves		19,863,798	18,817,584

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

Manager:	Barry Monaghan
Member of the Board of Directors:	Andrew Cullen
Member of the Board Oversight Committee:	Lorraine Walshe
Date: 16th November 2020	

STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 30TH SEPTEMBER 2020

	Regulatory reserve €	Operational risk reserve €	Non- distributable investment income reserve €	Distribution reserve €	Dividend reserve €	Total reserves €
As at 1st October 2018	15,963,935	400,000	32,028	1,858,992	400,000	18,654,955
Dividends paid during the year	-	-	-	(294,588)	-	(294,588)
Loan interest rebate paid during year	-	-	-	(294,679)	-	(294,679)
Transfer between reserves	296,065	200,000	-	(496,065)	-	-
Unrealised reserves	-	-	11,065	(11,065)	-	-
Total comprehensive income for the year	-	-	-	751,896	-	751,896
As at 30th September 2019	16,260,000	600,000	43,093	1,514,491	400,000	18,817,584
As at 1st October 2019	16,260,000	600,000	43,093	1,514,491	400,000	18,817,584
Dividends paid during the year	-	-	-	(128,304)	-	(128,304)
Loan interest rebate paid during year	-	-	-	(149,853)	-	(149,853)
Transfer between reserves	1,490,000	-	-	(1,090,000)	(400,000)	-
Unrealised reserves	-	-	(43,093)	43,093	-	-
Total comprehensive income for the year	-	-	-	1,324,371	-	1,324,371
As at 30th September 2020	17,750,000	600,000	-	1,513,798	-	19,863,798

The Regulatory reserve of the Credit Union as % of total assets as at 30th September 2020 was 10.88% (2019: 10.20%).

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 the Board of Altura Credit Union Limited has transferred €1,490,000 (2019: €296,065), to its Regulatory reserve so that the reserve would stand at 10.88% at current year end, 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 (2019: €200,000) from the Distribution reserve to the Operational Risk reserve, and a transfer of €400,000 (2019: Nil) from the Dividend reserve to the Distribution reserve. The Operational Risk reserve as a % of total assets as at 30th September 2020 was 0.37% (2019: 0.38%).

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH SEPTEMBER 2020**

	Note	2020 €	2019 €
Opening cash and cash equivalents		32,979,644	27,597,238
 Cash flow from operating activities			
Loans repaid by members		26,748,151	26,803,372
Loans granted to members		(26,676,165)	(30,283,542)
Loan interest income received		4,860,238	4,723,045
Interest paid on members' deposits		(19,105)	(19,750)
Investment income		620,385	616,796
Other income received		106,588	249,934
Bad debts recovered		353,590	365,135
Dividends paid		(128,304)	(294,588)
Loan interest rebate paid		(149,853)	(294,679)
Operating expenses		(4,772,995)	(4,807,343)
Member current account lodgements/withdrawals		842,542	108,901
Movement in other assets		29,135	(71,047)
Movement in other liabilities		51,599	(12,490)
Net cash from operating activities		1,865,806	(2,916,256)
 Cash flows from investing activities			
Development expenditure		(18,996)	(15,377)
Investment in associate		-----	(265,000)
Purchase of tangible fixed assets		(384,358)	(490,779)
Net cash flow from other investing activities		(134,307)	(2,654,942)
Net cash from investing activities		(537,661)	(3,426,098)
 Cash flow from financing activities			
Members' shares received		94,422,110	98,772,123
Members' deposits received		435,044	1,273,396
Members' shares withdrawn		(90,005,203)	(87,152,541)
Members' deposits withdrawn		(2,975,998)	(1,100,985)
Movement on members' savings stamps		-----	(67,233)
Net cash generated from financial activities		1,875,953	11,724,760
Net increase in cash and cash equivalents		3,204,098	5,382,406
Cash and cash equivalents at end of financial year	10	36,183,742	32,979,644

1. LEGAL AND REGULATORY FRAMEWORK

Altura Credit Union Ltd. is established under the Credit Union Act 1997, as amended. Altura Credit Union Ltd 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 Mc Dermott 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.

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 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 currently only has investments that are valued at amortised cost, and use the effective interest method to recognise investment income.

Investment income from bank term deposits is recognised when received or receivable.

(iii) Other income

Other income which includes commission's 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.

Held at amortised cost

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

Central Bank deposits

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

Investments in associates

Investments in associates are accounted for at cost less impairment.

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%)
● Furniture & 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.

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 derecognised 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 derecognised, 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.

Impairment of financial assets (contd.)

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

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 derecognised 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 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.

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.

Dividend reserve

Dividend 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.

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 credit union 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

	2020	2019
	€	€
Closing accrued loan interest receivable	102,147	91,272
Loan interest received in year	4,860,238	4,723,045
Opening accrued loan interest receivable	(91,272)	(86,455)
Total interest on members’ loans	4,871,113	4,727,862

5. OTHER INTEREST INCOME AND SIMILAR INCOME	2020	2019
	€	€
Investment income and gains received by the Balance Sheet date	334,769	344,958
Receivable within 12 months of Balance Sheet date	285,616	260,773
Other investment income and gains	-----	11,065
Total investment income	<u>620,385</u>	<u>616,796</u>

6. INTEREST PAYABLE AND DIVIDENDS

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

	2020	2019
	€	€
Interest payable for the year	<u>6,154</u>	<u>19,750</u>
Interest rate on members' deposits	0.25%	0.50%

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 dividend 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	2020	2020	2019	2019
	%	€	%	€
Dividends on shares	0.10	128,304	0.25	294,588
Loan interest rebate	5.00	149,853	10.00	294,679
		<u>278,157</u>		<u>589,267</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	2020	2020	2019	2019
	%	€	%	€
Dividends on shares	0.00	-----	0.10	129,210
Loan interest rebate	0.00	-----	5.00	150,906
		<u>-----</u>		<u>280,116</u>

7. OTHER INCOME

	2020	2019
	€	€
Entrance fees	1,178	1,205
Income from additional services	14,607	-----
Commissions and other fees received	90,803	248,729
	<u>106,588</u>	<u>249,934</u>

8. EMPLOYEES AND REMUNERATION

The average monthly number of employees during the year was:	2020	2019
	Number	Number
Management	10	10
Other staff	52	52
	<u>62</u>	<u>62</u>

The staff costs comprise:

	2020	2019
	€	€
Wages and salaries	1,789,661	1,897,979
Social security costs	181,548	203,583
Pension costs	278,774	270,290
	<u>2,249,983</u>	<u>2,371,852</u>

9. KEY MANAGEMENT PERSONNEL

The management personnel compensation is as follows:	2020	2019
	€	€
Short term employee benefits	675,216	641,876
Payments to defined contribution pension scheme	95,091	91,411
Short term employee benefits include wages, salaries, social security contributions and paid annual leave in respect of the entire management team.	<u>770,307</u>	<u>733,287</u>

10. 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.	2020	2019
	€	€
Cash and bank balances	7,945,630	8,048,171
Deposits and investments	28,238,112	24,931,473
	<u>36,183,742</u>	<u>32,979,644</u>

11. INTANGIBLE FIXED ASSETS

	Development Costs	Total
	€	€
Cost		
At 1 October 2019	139,987	139,987
Additions	18,996	18,996
At 30 September 2020	<u>158,983</u>	<u>158,983</u>
Amortisation		
At 1 October 2019	-----	-----
Charge for the year	13,999	13,999
At 30 September 2020	<u>13,999</u>	<u>13,999</u>
Net Book Value		
At 30 September 2020	<u>144,984</u>	<u>144,984</u>
At 30 September 2019	<u>139,987</u>	<u>139,987</u>

12. INVESTMENT IN ASSOCIATE

Unlisted at cost

At 1 October 2019 and 30 September 2020 265,000

Interest in associate

The credit union has interests in the following associate:

Associate	Type of Share held	Proportion held %	Net Assets €	Profit or Loss €
Metacu Management Designated Activity Company	Redeemable A Ordinary	6.25%	4,128,964	(111,063)

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

	Share of net assets €
At 1 October 2019	265,000
Share of profit/(Loss) for the financial year after tax	(6,940)
Share of other comprehensive income	-----
At 30 September 2020	258,060

The above financial information in respect of Metacu Management Designated Activity Company was extracted from the audited financial statements for the period ended 31 December 2019.

13. TANGIBLE FIXED ASSETS

	Land & Premises €	Furniture & Equipment €	Fixtures & Fittings €	Motor Vehicle €	Total €
Cost					
At 1st October 2019	8,569,541	1,637,859	655,114	17,265	10,879,779
Additions	282,125	77,825	24,408	-----	384,358
At 30th September 2020	8,851,666	1,715,684	679,522	17,265	11,264,137
Depreciation					
At 1st October 2019	3,673,690	1,379,811	452,013	9,921	5,515,435
Charge for the year	197,713	183,977	30,443	3,453	415,586
Reversal of impairment	(984,886)	-----	-----	-----	(984,886)
At 30th September 2020	2,886,517	1,563,788	482,456	13,374	4,946,135
Net book value					
At 30th September 2020	5,965,149	151,896	197,066	3,891	6,318,002
At 30th September 2019	4,895,851	258,048	203,101	7,344	5,364,344

In May 2020, 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 €4,100,000, giving rise to an excess over the net book value of the premises of €984,886

On the basis that the premises was previously impaired by an amount of €1,638,363 in 2013, it was deemed appropriate to reverse €984,886 of this impairment in the financial statements of the year ended 30 September 2020.

NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2020

14. LOANS TO MEMBERS - FINANCIAL ASSETS		2020	2019
		€	€
Loans to members	14.1	62,229,218	62,566,200
Provision for bad debts	14.2	(4,209,194)	(4,000,733)
		58,090,024	58,565,467
14.1 LOANS TO MEMBERS		2020	2019
		€	€
As at 1 October		62,566,200	59,274,598
Advanced during the year		26,676,165	30,283,542
Repaid during the year		(26,748,151)	(26,803,372)
Loans written off against provision		(175,114)	(162,316)
Loans written off		(19,882)	(26,252)
<i>Gross loans to members</i>		62,299,218	62,566,200
14.2 LOAN PROVISION ACCOUNT FOR IMPAIRMENT LOSSES		2020	2019
		€	€
As at 1 October		4,000,733	4,210,352
Loans written off against provision		(175,114)	(162,316)
Allowances reversed during the year		383,575	(47,303)
Increase/(decrease) in loan provision during the year		208,461	(209,619)
As at 30 September		4,209,194	4,000,733
14.3 NET RECOVERIES OR LOSSES RECOGNISED FOR THE YEAR		2020	2019
		€	€
Bad debts recovered		(353,590)	(365,135)
Increase/(reduction) in loan provisions during the year		383,575	(47,303)
		29,985	(412,438)
Loans written off		19,882	26,252
Net losses/(recoveries) on loans to members recognised for the year		49,867	(386,186)

14.4 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
- 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. Lending limits are set in accordance with the Credit Union Act 1997 (Regulatory Requirements) Regulation 2016 and Section 35 of the Regulatory Requirements for Credit Unions.

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.

NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2020

14.4 CREDIT RISK DISCLOSURES (contd.)

	2020		2019	
	Amount €	Proportion %	Amount €	Proportion %
Gross loans not impaired				
Not past due	54,562,994	87.58	55,551,919	88.79
Gross loans collectively impaired				
Up to 9 weeks past due	4,958,308	7.96	3,750,417	5.99
Between 10 and 18 weeks past due	555,627	0.89	717,269	1.15
Between 19 and 26 weeks past due	297,687	0.48	585,612	0.94
Between 27 and 39 weeks past due	432,626	0.69	401,748	0.64
Between 40 and 52 weeks past due	240,170	0.39	284,699	0.45
53 or more weeks past due	1,251,806	2.01	1,274,536	2.04
Gross loans collectively	7,736,224	12.42	7,014,281	11.21
Total Loans	62,299,218	100.00	62,566,200	100.00
Impairment allowance				
Individually significant loans	(362,497)	8.61	(482,908)	12.07
Collectively assessed loans	(3,846,697)	91.39	(3,517,825)	87.93
Total impairment allowance	(4,209,194)	100.00	(4,000,733)	100.00

15. MEMBERS CURRENT ACCOUNTS

	2020		2019	
	No. of Accounts	Balance of Accounts €	No. of Accounts	Balance of Accounts €
Payment Accounts				
Credit	877	954,805	193	108,991
Debit	78	3,362	2	90
Permitted overdrafts	22	9,050	3	1,400

16. DEBTORS, PREPAYMENTS & ACCRUED INCOME

	2020	2019
	€	€
Prepayments & sundry debtors	263,040	288,796
Accrued loan interest income	102,147	91,272
	365,187	380,068

17. 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:

	2020	2019
	€	€
Cash and Equivalents (Original Maturity within 3 months)		
Guaranteed investment bonds (Maturity within 3 months)	10,007	-----
Minimum reserve (Maturity within 3 months)	3,000,000	-----
Fixed-term deposits (Maturity within 3 months)	25,228,105	24,931,473
	28,238,112	24,931,473

17. DEPOSITS AND INVESTMENTS (contd.)	2020	2019
	€	€
<i>Other (Original Maturity after 3 months)</i>		
Fixed-term deposits (Maturity after 3 months)	33,989,841	34,329,235
Minimum reserve	1,218,538	1,140,838
Guaranteed investment bonds	26,567,025	26,171,024
	<u>61,775,404</u>	<u>61,641,097</u>

18. MEMBERS' SHARES-FINANCIAL LIABILITIES	2020	2019
	€	€
As at 1 October	135,806,680	124,187,098
Received during the year	94,422,110	98,772,123
Repaid during the year	(90,005,203)	(87,152,541)
	<u>140,223,587</u>	<u>135,806,680</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:

	2020	2019
	€	€
Unattached share	123,791,577	119,102,556
Attached shares	16,432,010	16,704,124
Total members' shares	<u>140,223,587</u>	<u>135,806,680</u>

19. MEMBERS' DEPOSITS-FINANCIAL LIABILITIES	2020	2019
	€	€
As at 1 October	4,012,134	3,839,723
Received during the year	435,044	1,273,396
Repaid during the year	(2,975,998)	(1,100,985)
	<u>1,471,180</u>	<u>4,012,134</u>

20. ACCRUALS AND OTHER PAYABLES	2020	2019
	€	€
Creditors & other accruals	312,369	262,479
Strategic developments	66,550	184,500
Regulatory levies	164,014	123,346
Pension and short-term payroll accruals	105,647	39,607
	<u>648,580</u>	<u>609,932</u>

21. FINANCIAL INSTRUMENT

Financial Risk Management

Altura Credit Union Limited is a provider of personal and business loans 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 risks. 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.

21.1 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.

21.2 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 10.88% of the total assets of the Credit Union at the Balance Sheet date.

22. INSURANCE AGAINST FRAUD

The Credit Union has insurance against fraud in the amount of €5.2 million (2019 €5.2m), This is in compliance with section 47 of the Credit Union Act 1997, as amended.

23. 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 scheme is a multi-employer 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, in accordance with FRS 102.

The Pension's Act requires the trustees of the Scheme to assess whether it could meet a certain prescribed standard, known as the Minimum Funding Standard. This assesses whether, if the scheme was wound up on a specified theoretical valuation date, it could satisfy the Funding Standard at that date. Following the Scheme's actuary certifying a Minimum Funding Standard deficit in the Scheme in 2009, Altura Credit Union Limited, the ILCU Group and the other credit unions participating in the Scheme entered into a funding agreement with the Scheme that was designed to ensure that, the Scheme could be reasonably expected to satisfy the Minimum Funding Standard by a specified future date (1 March 2019). This funding plan was approved by the Pensions Authority. The Scheme exited the funding plan as scheduled on 1 March 2019 meeting its statutory funding obligations on that date.

As part of the solvency assessment process, the Scheme actuary must carry out a separate valuation under the Minimum Funding Standard every 3 years and produce a funding certificate for submission to the Pensions Authority within 9 months of the effective date of the valuation. The purpose of the certificate is to certify whether or not the assets of the scheme at the effective date are sufficient to meet the liabilities of the scheme based on the assumption that the scheme was wound up at that date. The most recent Actuarial Funding Certificate was effective as at 1 March 2018 and it certified that the Scheme satisfied the funding standard.

An actuarial review of the fund is normally carried out every three years by the Scheme's independent, professionally qualified actuary. The actuarial review considers the past and future liabilities of the scheme. The last completed triennial actuarial review was carried out with an effective date of 1 March 2017 using the Projected Unit valuation method. The principal actuarial assumption used in the valuation was the investment return would be 1.75% higher than the annual salary increases. The market value of the scheme's assets at 1 March 2017 was €216m. The actuarial valuation disclosed a past service deficit of €6.4m at 1 March 2017 calculated under the Ongoing Actuarial Valuation method. This valuation method assumes that the Scheme will continue in existence for the foreseeable future. The assumptions used in the actuarial review to determine the past service deficit differ from the assumptions that would be used to determine the liabilities for defined benefit obligations under FRS102. This actuarial review recommended that the rate agreed under the funding proposal, 27.5% of pensionable salary, continues to be paid. The cost of risk benefits is paid in addition to this rate giving a total contribution rate of 30% of Pensionable Salary. The 2020 actuarial review is underway and is expected to be concluded by 30 November 2020.

24. 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. The credit union is progressing a review of this matter to ascertain whether any top-up loans made to members might be impacted by these circumstances, and if so, although unlikely, to determine what actions may need to be taken. The credit union continues to engage with sectoral representative bodies regarding this matter and it is expected that the credit union will finalise its review over the coming months. Consequently, it is impracticable at this time to estimate the impact, financial or otherwise, if any, of this matter and whether any net amounts will become payable or not in the future.

25. CAPITAL COMMITMENTS

The Credit Union had no material capital commitments at the year-ended 30 September 2020.

26. 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 0.52% of total gross loans due at 30th September 2020 (2019: 0.43%).

	No. of Loans	2020 €	No. of Loans	2019 €
Loans advanced to Related Parties during the year	19	173,233	15	50,200
Total loans outstanding to Related Parties at the year end	25	321,165	26	269,121
Share balance held by Related Parties at year end	120	399,239	117	382,557

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

	2020 €	2019 €
AGM & Transfer of Engagement booklets	16,455	14,000
Printing and Stationery	4,544	31,673
Signage & Equipment	4,275	21,760
	<u>25,274</u>	<u>67,433</u>

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

27. POST-BALANCE SHEET EVENTS

There have been no significant events affecting the Credit Union since the year-end.

28. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 16th November 2020.

SCHEDULE TO THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30TH SEPTEMBER 2020

Schedule 1 - Other Management Expenses

	2020 €	2019 €
Other Management Expenses		
Training and seminars	24,766	38,004
Rent & rates	33,007	55,316
Board oversight	4,368	7,294
General insurance	65,488	55,461
Share and loan insurance	583,387	557,253
Death benefit insurance	218,423	226,502
Security	11,947	17,187
Light, heat & cleaning	54,111	58,251
Repair and renewals	26,874	28,305
Computer and other contracts	390,855	283,912
Printing and stationary	47,663	70,344
Promotion and advertising	137,746	149,546
Telephone and postage	105,949	87,872
AGM expenses	38,166	32,275
Convention expenses	-----	1,938
Travelling and subsistence	18,575	25,642
Entertainment costs	418	14,039
Legal and professional	204,637	174,715
Audit fees	33,275	33,825
Debt collection	34,514	47,887
Deposit guarantee scheme	159,949	157,720
MPCAS Charges	27,694	2,768
Bank interest and charges	107,192	86,611
Miscellaneous expenses	29,739	38,633
Cash short	(42)	412
Subscriptions and donations	11,179	16,190
Affiliation fees	16,008	16,742
Membership fees	17,557	18,957
Savings protection scheme	11,938	11,772
Regulatory levy	107,629	120,118
	<hr/> <hr/> 2,523,012	<hr/> <hr/> 2,435,491

Returned Post

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, we will switch your AGM notification preference to eAGM 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 and at that stage you can opt once again to continue to receive your AGM information by post.

You may also take this opportunity to update your identity validation document by bringing in a passport or driving licence, if applicable.

The Board of Directors of Altura Credit Union Limited propose the following resolutions for approval and adoption which must be approved by not less than two-thirds of the members of the credit union present and voting at this annual general meeting of Altura Credit Union Limited on 4th February, 2021.

1. Finance (Miscellaneous Provisions) Bill 2020 - General Meetings

The Board of Directors of Altura Credit Union hereby acknowledges the introduction of the Finance (Miscellaneous Provisions) Bill 2020, amending regulations set out in the Credit Union Act 1997 specific to the operation of General Meetings. In response to this change, the Board of Directors further resolves to apply these changes for the purposes of conducting General Meetings, which allow Altura Credit Union to:

Facilitate the meeting, wholly or partly, by use of secure electronic communications technology (virtual), incorporating member participation (including proxies) and casting of votes.

2. ILCU Affiliation Fees

That the Board of Directors of Altura Credit Union hereby resolve that an affiliation fee of €1.80 be deducted from each member account, excluding members under the age of sixteen and forwarded to the ILCU.

Board of Directors, Altura Credit Union Ltd.

TAXATION OF DIVIDEND

From the 1st January 2014 Credit Unions must deduct 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 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).

DEPOSIT GUARANTEE SCHEME

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 20 working days; within 15 working days from 1 January 2019 until 31 December 2020; within 10 working days from 1 January 2021 to 31 December 2023; and within 7 days from 1 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, PO BOX 11517, Spencer Dock, North Wall Quay, Dublin 1. Tel: 1890-777777. Email: info@depositguarantee.ie More information: www.depositguarantee.ie

THE DISCOVER OUR POTENTIAL LOAN

4.9%

5% Apr.

Third Level Education

Qualifying Applicants will be entered into our education Loan Draw Fund

€5,000

call our loan line on

1850 345 925



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.

or apply online @ www.alturacu.ie

Lending Criteria, Terms & Conditions Apply

2020 was a year we will never forget. On some level we have all been affected. It has had a negative impact for Altura Credit Union in relation to loan growth and indeed membership growth. However, as always, we have risen to the challenge.

In March we introduced digital signatures for loan applications and credit agreements. This coupled with our secure document uploader reduced the need for members to visit a branch in person. This continues to grow in popularity. The secure document uploader facility allows you to not only submit loan documents but also to update your ID and proof of address documents. We also added an online facility to change your address.

Work has begun on allowing new members to fully join online. We have seen a marked increase in members paying online with their debit cards since March too. While not a new facility – it has grown in popularity in recent times. More online options are in the pipeline as we continue offer more alternatives for your banking needs.

Online facilities are not for everyone. We know that, and stick to our assertions in previous years reports that we will never force these on people. We have quick-lodge envelope stations in every branch. In Gorey, you can use the main letterbox from 9am -4 pm so you don't need to enter the building. By promoting the online and quick-lodge options we create more time and space for those who can't or don't want to use those channels.

We opened our brand new Ferrybank Branch in Arklow in July. This has proven extremely popular. A bright and airy branch with plenty of space. There is an external ATM at the new branch – the only one on that side of town.

We have given away more cars than ever in 2020 – with five fantastic cars in December. We continued with our Monster Christmas Raffle to give joy to people who needed it more than ever last year.

We continue to listen to our membership and develop more products and services and delivery channels that you ask for. Our Current account is thriving, with growth during the pandemic from members who never had a current account before – as they needed to use online services. Not only is it the best value current account out there, but you have our support when you need it.

Altura Credit Union continues to be there for their membership through these uncertain times, as we have before. We will work tirelessly to provide the best service over many channels to you in 2021.

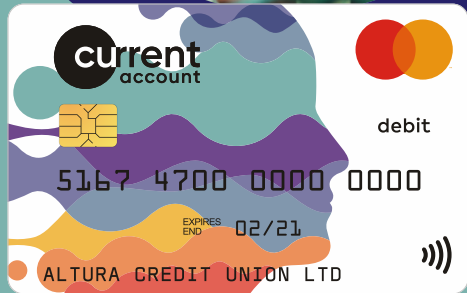
I propose this report on behalf of the Board of Directors.

Tom Brennan
Business Development and Marketing Manager



Introducing Current Account from Altura Credit Union

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



OUR NEW
ATM
ACCEPTED MOST MAJOR DEBIT CARDS



Contact us

053 948 8700

alturacu.ie

Drop into your local branch

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

During the past year your Credit Committee met each week to assess loan applications from our members. This Committee comprises of five people who are very experienced in dealing with all matters relating to lending. They are all required to continually update their skills through various training courses which are completed throughout the year.

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 the Credit Union alive.

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".

If a loan is refused by the Credit Committee then the member can appeal such a decision to the Credit Exceptions Committee who will reassess and reconsider your loan application.

With Covid-19, the last year has proved to be both challenging and difficult for many credit unions, but we continued to lend to our members at very competitive rates. We are here for you throughout whatever difficulties we encounter collectively or individually and we look forward to returning to normality once this pandemic is under control and we can start to live and enjoy life again.

Your Credit Union has very competitive rates for various loan purposes but to avail of these special rates, we urge members to establish a regular savings and loan repayments pattern, therefore increasing your borrowing power. 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.

Total loans issued this year, ending September 30th 2020 was **5,808** amounting to **€26,676,165.00**

TOP 10 LOAN PURPOSES

YEAR ENDING SEPTEMBER 2020			YEAR ENDING SEPTEMBER 2019		
Loan Purpose	Number	Amount	Loan Purpose	Number	Amount
Car/Van/Motorbike	1247	10,134,147.00	Car/Van/Motorbike	1349	10,825,745.00
Home Improvement	984	5,231,902.00	Home Improvement	1173	6,237,881.00
Secured By Shares	938	2,879,473.00	Secured By Shares	1075	3,361,557.00
Home/Property	60	1,183,962.00	Home/Property	35	1,684,325.00
Educational	321	1,076,035.00	Educational	429	1,343,242.00
Debts/Finance/Credit Card	203	981,681.00	Holidays	703	1,301,323.00
Household Goods	369	704,619.00	Debts other Finance	211	905,631.00
Christmas	468	611,757.00	Car Ins/Tax/Repairs	300	680,849.00
Car Ins/Tax/Repairs	363	583,696.00	Weddings	153	635,070.00
Holidays	207	433,267.00	Household Goods	324	518,296.00

We, the Credit Committee would like to thank our 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, Loan Exceptions Committee, Management and all our Staff for their help and co-operation. We extend our best wishes to Gina Kenny, our now former Loans Manager and thank her most sincerely for her dedication and service to your Credit Union for over 30 years.

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

By using our services and by you making application and then making prompt repayments on loans drawn continue to make Altura Credit Union the success it is today.

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

Jim Kavanagh
Enda O' Connor
Imelda Purcell

Committee members during the year:
Chairperson: Pat Kavanagh
Tom Fortune
Gemma Purdy
Noeleen Cullen
Aidan Mackey

The Committee, along with the Board of Directors, recognises the importance of safeguarding the reputation of the Credit Union and protecting members' funds. In line with these core objectives, the Committee's mandate was extended to incorporate audit and compliance oversight from December 2019.

The principal functions of the Committee are:

- Responsibility for monitoring the Credit Union's Risk Management Framework which embraces risk principles, policies, methodologies, systems, processes, procedures, and people.
- Reviewing new, or material amendments to, risk principles and policies including oversight of any action resulting from material breaches of such policy.
- Providing assistance and advice to the Board in relation on current and emerging risks facing the Credit Union, and risk strategy in that regard, ensuring that the Credit Union is equipped to fulfil its oversight responsibilities in relation to these.
- Monitoring compliance with relevant laws and regulation obligations.
- Considering, and acting upon, the implications of both internal and external reviews of compliance and risk management.

Aligned to this increased mandate, the committee recognises the need for the credit union to continually enhance its overall risk and compliance management frameworks. In response, the committee and Board agreed to outsource the Risk Management Officer duties to BJP Consultancy from February 2020. This was soon followed by the appointment of BJP Consultancy as the Compliance Officer. Not only were these decisions consistent with our commitment to Member protection, but also necessary in the face of continued regulatory and pandemic developments.

Risk & Compliance Management Summary

The responsibilities of the Committee are discharged through its monthly meetings, and through commissioning, receiving, and considering reports from the Risk Management and Compliance Officer. The Committee met on 10 occasions during the year, with reports to the Board after each meeting, both verbally and in writing, on the standard of Risk and Compliance within the Credit Union. The Committee reports to the Board are in addition to the reports provided to Board monthly by the Risk Management and Compliance Officer.

The Committee, in conjunction with the Risk Management & Compliance Officer, provides oversight of the Credit Union's Risk Management System. The Risk Management Policy and supporting risk related policies and frameworks, including the Risk Management System, were reviewed and the Committee's recommended changes were agreed by the Board and subsequently implemented. The Committee assisted the Board in setting the Credit Union's risk tolerance and reviewed significant risks to ensure that they were mitigated to a level consistent with the credit unions risk tolerance. The Committee also spent time tracking the continuing regulatory agenda which included taking, and subsequently acting upon, feedback from our Central Bank of Ireland supervisors.

To assess ongoing compliance with the credit unions legal and regulatory requirements, the Compliance Officer, in conjunction with Management, the Committee and the Board, establishes an annual compliance programme. Considering the extensive scope of relevant laws and regulations, the credit union adopts a risk-based programme to ensure it is focused on the most relevant risks to the credit union and its members.

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.

In 2020/2021, the credit union will continue to build upon these strong foundations, providing further stability in these uncertain times and supporting the future growth objectives of the credit union and its members.

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

Committee participants:
Barry Monaghan (General Manager)
Pat Kavanagh (ICT Manager)

Committee members during the year:
(Chairperson) Tom Finn,
(Secretary) Joseph Kinsella,
(Committee Member) Andrew Cullen.

The main focus of the Committee is to ensure that our members repay their loans in accordance with their signed credit agreements in order to protect our member's savings.

The Committee meet regularly with our Credit Control Manager to review all accounts in arrears. We continue to place a strong focus on a policy of early intervention, which has proven very successful as reflected in our figures below. The vast majority of cases are resolved following initial contact from the Credit Control Team.

2020 has been a year like no other and the Committee are aware that there are members who find themselves in very difficult circumstances, even without taking in to account the impact of the coronavirus pandemic. Our staff are highly trained and experienced in dealing with such cases and we encourage any member in difficulty to contact us. It is important for members to protect their good credit record, as arrears on an existing loan can cause problems when applying for loans in the future. We are members of the Irish Credit Bureau and Central Credit Register.

We are empathetic to our members plight -all we ask from the outset is that contact is made and maintained. From there, we will do whatever we can to resolve any issues.

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 in order to recover the money owed to our members.

During the year the Committee recommended loans to the value of €194,996 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 €19,882.

The amount recovered during the year in respect of loans previously written-off amounted to **€353,590**. This confirms 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 Credit Control Manager Caroline Kavanagh, the Assistant Credit Control Manager Roisin Monaghan and the Credit Control team for their excellent work and support, not only to us, but also the members during the financial year 2019-2020.

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

Committee members during the year:

(Chairperson) Barry Monaghan,
(Secretary) Fionnuala Doyle,
(Committee Member) Anne Roche.

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 2019/2020. In that time, our membership has increased by **1,249**, bringing the total membership of Altura Credit Union Ltd at year end to **34,371**. 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. During these challenging times we have put measures in place to ensure everyone's safety. You can apply for membership through our website to shorten your time in the office when finalising the application; further enhancements to this process coming in 2021, when full online onboarding will become available.

This Committee is responsible for verifying eligibility of new members wishing to join Altura Credit Union and for ensuring compliance with legal 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.
- ❖ P.P.S. Number on official document/ card.
- ❖ Household Utility bill (proof of current address)

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. In addition to our range of services as mentioned, we offer a competitively priced Current Account to our members. 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 & C's 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.

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 2021 in our premises on McDermott Street Gorey, Rathdrum, Roundwood, Avoca, Carnew and Ferrybank or through our ever-developing website www.alturacu.i.e., and app for your device.

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.

Under Section 59. Of the Credit Union Act, 1997 (as amended)

1) A Supervisory Committee shall—

(a) hold at least one meeting in each month;

(b) hold, at least four times in a year, a meeting with the board of directors to review the directors' performance of their functions;

(c) submit, in advance of a meeting referred to in *paragraph (b)*, a written report to the board of directors on the directors' performance of their functions.

It is the opinion of the Oversight Committee that the Board of Directors have complied with all legal and regulatory requirements, and have acted in accordance with the Act. The Oversight Committee has also attended various committee meetings throughout the year (Via Microsoft Teams Platform since March 2020 due to Covid 19 Pandemic) which forms part of the Board's assessments.

The Board Oversight Committee has throughout the year been proactive in attending necessary training seminars, conferences and courses, such as Anti-Money Laundering /Ethics / GDPR training, and the National Supervisors Forum AGM Conference in November, through the medium of Microsoft Teams and Zoom platforms.

In conclusion, the Committee wish to acknowledge the immense volume of work, commitment, time and outstanding dedication of the Board of Directors, Management and staff in all branches: Gorey, Avoca, Ferrybank (Arklow), Rathdrum, Roundwood and Carnew offices especially in light of the challenges posed to Officers & members of this Credit Union with the advent of the Covid 19 pandemic.

We also wish to formally recognise everyone's understanding and commitment to abide by the guidelines, regulations and legislation set down by the Government and National Public Health Emergency Team, (NPHE.T.) during this unprecedented time.

Finally, we look forward to a prosperous and successful 2021.

Committee members during the year:
Padraig O'Brien (Chairperson)
Lorraine Walsh (Secretary)
Mary Quinn

THE IMPROVE

without
the

MOVE LOAN

Special Home
Improvement Loan

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

6.9%

7.1% Apr.

call our loan line on

1850 345 925

WARNING

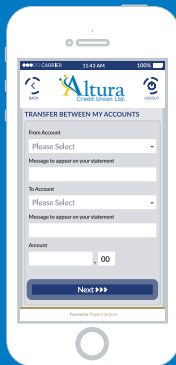
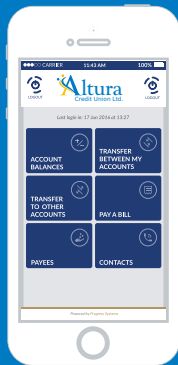
If you do not meet the repayments on your loan,
your account will go into arrears.
This may limit your ability to access credit in the future.

or apply online @ www.alturacu.ie

Lending Criteria, Terms & Conditions Apply

Your Credit Union *in the palm of your hand*

We have
always
been local,



now
we're
mobile.

Check balances,
move money,
and pay bills
wherever you
may be

You can now avail of all your
Credit Union services at the following locations:

Avoca, Carnew, Gorey, Ferrybank, Rathdrum, Roundwood

Head Office: McDermott Street, Gorey, Co. Wexford.

Tel: 053 / 9488700

Direct Loan Line:

1850 345 925

info@alturacu.ie / www.alturacu.ie



DREAM BIGGER

WITH A LOW INTEREST

SECURED LOAN

(Loans must be secured by shares)

4.9%

5% 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

1850 345 925

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.

or apply online @ www.alturacu.ie

Lending Criteria, Terms & Conditions Apply

Altura Credit Union (ACU) has grown from having a single office in 2015 to currently having a Head Office and five branch offices. Information and Communications Technology (ICT) is pervasive in every part of our credit union business, therefore its importance cannot be overstated.

The growth of ACU in recent years requires a different approach in terms of ICT. The approach now must focus on the availability and resilience of our systems along with strong Risk Management. There are several fronts to this approach:

- **Cybersecurity:** The security of our Members' data is top priority 24/7 and we can never become complacent in this regard. We hear and read with alarming frequency about Cyber attacks and the consequences. We are working tirelessly to implement best in class products and services, taking on board the best advice available. ACU's approach is to have layers of security to reduce the dependency on a single product and therefore reduce risk. New and intelligent products are being developed all the time in this area and we regularly review these new products to assess their suitability or otherwise for our infrastructure.
- **Training:** All our staff, Board & Board Oversight members must now complete an annual course on IT Security so as to help raise awareness of threats and to reinforce good practices in the workplace.
- **Single points of failure:** Within our structures we have identified areas where single points of failure existed. We have implemented systems of failover where possible, so that if one physical item of equipment fails, another can take over the process.
- **Disaster Recovery:** Our data is being backed up continuously and as frequently as is practically possible. We have a number of backup servers in locations other than our main building. At least annually, we restore the backups and verify the data present.
- **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.
- **Comms:** The availability of good broadband is imperative for ACU and we also have a strong SLA in the event of there being issues. We also have a backup service that will failover automatically if required.
- **The ICT landscape is continually changing, and the pace of that change only increases.** We continually research new products and services and do extensive testing in conjunction with our ISO27001 accredited OSPs, to ensure that these products behave as required and are fully compatible with our current product portfolio.

2020 saw the completion of an end-to-end loan application process which allows members to submit completed loan applications from our website directly into our banking platform. On issuing a loan contract, members can now sign digitally, and the funds can be disbursed automatically. We also have a document upload facility which allows members to submit documentation securely into our banking platform and is available both on the web and the mobile app. These features mean that Altura Credit Union can facilitate members seeking loans without having to be physically present in an Altura office. This has been very significant in relation to Covid-19.

Further enhancements in the pipeline for the coming year include the ability to apply to become a member of Altura Credit Union using a mobile app. This is an exciting development as it will streamline the application process for potential members and considerably reduce the need to present physically in an Altura office. We are also working on the introduction of a Chat Bot, which will integrate with our upcoming new website & offer an alternative means of communication for you, our members. Research shows that this method of communication is one that is favoured by younger generations.

We are nearing the end of our first major project involving Robotic Process Automation (RPA). RPA is a software 'robot' that can sit in a company's IT environment and perform 'robotic' tasks. RPA mimics or maps tasks performed by a person in various systems and data sources into a repeatable activity to be run by the bot.

Altura Credit Union is working with Metamo and its member credit unions across several areas. These include the development of a Technology Roadmap, and the development & rollout of new products and services. Much foundational work has been done in this crucial area as we begin to leverage the Fexco expertise and the economies of scale that are possible when sixteen credit unions collaborate.

Finally, the importance of our online banking portal & mobile app cannot be understated, and this means that our business runs 24/7/365. We do however have 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
ICT Manager

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.

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.

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 to enable such projects as MPCAS through PAYAC and Metamo, the 50/50 joint venture between Metacu (an amalgamation of Credit Unions) & the fintech company Fexco.

In the pipeline for almost a decade, the launch of the Credit Union current account (MPCAS) is seen as a major landmark on the road to the aforementioned transformation. 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 progression in the past and has proved extremely popular to date.

With the ongoing poor return on investments, with some establishments actually charging a negative interest rate, it is imperative that Credit Unions seek alternative revenue streams, hence our shareholder participation in Metamo.

Our online banking services and mobile phone app give our membership access to their full suite of accounts 24/7, allowing them to transact their business at a time that suits them and we continually upgrade in this space. Shortly this will include online membership onboarding and an end -to- end loan application process to include drawdown is already in place.

As 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'. It is our intention to fully embrace the legislative amendments made in relation to Credit Unions in the past twelve months to include further lending options suitable for our membership.

Altura Credit Union remains hugely proactive in this regard, always mindful of the need to ensure your Credit Union is safe, secure and an attractive viable alternative.

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 that continues to include mergers, transfers of engagements and shared services opportunities. 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. 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.

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 a very difficult year for members and Officers alike.

Most of all we thank our members 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.

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 hopefully for generations to come.

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

**The Board of Directors,
Board Oversight Committee,
Management & Staff of
Altura Credit Union Limited.**

**Would like to wish all our members a
Safe & Healthy New Year**

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.

Avoca Office

Main Street,
Avoca, Co. Wicklow.

Friday 9.30am to 4pm.

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.

Thursday & 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.