



## MISSION STATEMENT

*“Our mission and aim is to be the primary and most trusted provider of financial services to our members, providing good value in a friendly, professional and efficient manner”*

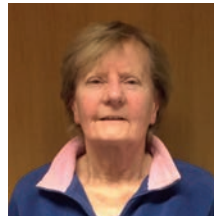
## BOARD OF DIRECTORS



Denis Foley  
(Chair)



Joe Kavanagh  
(Vice Chair)



Vera Sullivan Butler  
(Secretary)



Enda Hayden  
(Director)



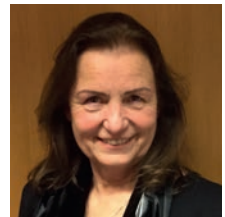
Kieran Dempsey  
(Director)



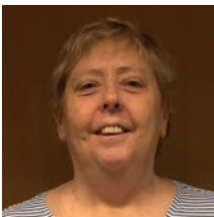
Patrick Kinsella  
(Director)



Aoife Devane  
(Director)



Claire Byrne  
(Director)



Rena Allen (Director)



Paddy Goode, Charlotte Doyle, Dave Madden  
(Board Oversight Committee)

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## NOTICE OF ANNUAL GENERAL MEETING

*Dear Member,*

**The 54th Annual General Meeting of RTÉ Credit Union Ltd. will take place in Bite Café, RTÉ Sports & Social Club on Monday 17th February 2020 at 17.45.**

*We look forward to seeing you there and we welcome any questions you have.*

*Please bring a copy of your annual report to the meeting.*

*We will be offering light refreshments on the night.*

**Vera Sullivan Butler**

Secretary

## MYTH BUSTERS

**People have some funny ideas about credit unions! They are old-fashioned, you have to save for years before you can get a loan, they only lend small amounts. Not true!**

### **Did you know that:**

- ✓ Anyone who works in RTÉ can join – and your family members are welcome too
- ✓ It's easy to open an account – just bring valid photo ID, proof of your address and proof of your PPSN
- ✓ There's no waiting time to apply for a loan – join today, borrow tomorrow – and if you're a new borrower, ask about our new 5% Welcome Loan
- ✓ Most loans are approved within one day, and our great value interest rates won't be beaten (4.95% to 7.5%)
- ✓ You can borrow for just about any purpose – we have special loan rates for cars, energy efficiency, home renovations and more. Borrow up to €75,000 with flexible repayments.



## Order of Business

- (1) Credit Union Invocation
- (2) Ascertain that a Quorum is present
- (3) Adoption of Standing Orders
- (4) Reading and approval (or correction) of Minutes of 2018 Annual General Meeting
- (5) Report of the Board of Directors
- (6) Presentation of Financial Statements & Executive Report
- (7) Report of the Auditor
- (8) Declaration of Dividend
- (9) Elections:
  - Appointment of Tellers
  - Election of Directors & Board Oversight Committee
  - Election of Auditors
- (10) Committee Reports:
  - Board Oversight
  - Nominations
- (11) Motions
- (12) Rule Changes
- (13) AGM Cash Draw
- (14) John Kelly Scholarship
- (15) Announcement of Election Results
- (16) Any other business
- (17) Adjournment of meeting

## DIRECTORS AND OTHER INFORMATION

### Directors

Denis Foley (Chairperson)  
 Joe Kavanagh (Vice Chairperson)  
 Vera Sullivan Butler (Secretary)  
 Claire Byrne  
 Kieran Dempsey  
 Patrick Kinsella  
 Aoife Devane  
 John Kavanagh (resigned June 2019)  
 Niall Malone (resigned January 2019)  
 Rena Allen (co-opted August 2019)  
 Enda Hayden (co-opted February 2019)

### Board Oversight Committee

Dave Madden (Chairperson)  
 Paddy Goode (Secretary)  
 Charlotte Doyle

### Staff

Vivienne Keavey (CEO)  
 Denise Comerford (Head of Operations & Lending)  
 Noeleen Gahan  
 Marian McMorro  
 Roisin Jennings  
 Rose Maguire  
 Karen Tiernan  
 Lisa Sheridan  
 Amanda Gunning (temporary)

### Volunteers

Norma O'Connor  
 Margaret Hayes-Claffey  
 John Reynolds

### Registered Number

60CU

### Registered Office

RTÉ Campus, Donnybrook, Dublin 4

### Auditors

Moore, Chartered Accountants & Registered Auditors,  
 Ulysses House, Foley Street, Dublin 1

### Bankers

Bank of Ireland, Montrose, Stillorgan Road, Co. Dublin

### Solicitors

O'Donnell Solicitors  
 Wroxton, Brighton Road, Foxrock, Dublin 18

## RULE CHANGES

**Rule 1** That this Annual General Meeting agrees to amend Rule 1(a) of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of “membership officer”, to read as follows:

### Rule 1. Interpretation

‘officer’ includes:

(a) the chair, the secretary or any other member of the board of directors, a member of a principal committee, a member of the board oversight committee, risk management officer, compliance officer, credit officer, *membership officer* or credit control officer of the credit union,

(b) an employee of the credit union to whom paragraph (a) does not apply, and

(c) a voluntary assistant of the credit union, but does not include an auditor appointed by the credit union in accordance with the requirements of the Act;

**Rule 13** That this Annual General Meeting agrees to amend Rule 13(1)(ii) of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of “or by a duly appointed and authorised Membership Officer”, to read as follows:

### Rule 13. Qualifications for membership

(1) An applicant shall be admitted to membership only when:

(i) it shall have been determined that s/he is eligible for membership in accordance with rule 11; and

(ii) his/her application for membership shall have been approved by the affirmative vote of a majority of the board of directors or by a duly appointed and authorised membership committee present at a

meeting at which the application is considered, or by a duly appointed and authorised Membership Officer; and

**Rule 83** That this Annual General Meeting agrees to amend Rule 83 of the Standard Rules for Credit Unions (Republic of Ireland) by the insertion of “and/or membership officer”, to read as follows:

### Rule 83. Duties of membership committee and/or membership officer

Subject to these rules and the Act, the membership committee and/or membership officer shall: .....

**Rule 84A** That this Annual General Meeting agrees to insert a new 84A into the Standard Rules for Credit Unions (Republic of Ireland), to read as follows:

### Rule 84A. Membership Officer

(1) *The board of directors may approve the appointment of a person by the manager as a membership officer to assist the membership committee and work under its supervision and control.*

(2) *A record of each application for membership which has or has not been approved shall be furnished by the membership officer to the membership committee no later than seven days of receipt of the application.*

## STANDING ORDERS

### 1. VOTING

Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with section 82(2) of the Credit Union Act, 1997 (as amended)

### 2 - 3 ELECTION PROCEDURE

2. Elections to the board of directors, to the board oversight committee and the position of auditor shall be by majority vote and by secret ballot.
3. When nominations are announced tellers shall be appointed by the chair and ballot papers shall be distributed. Nominations shall be in the following order: (a) nominations for auditor; (b) nominations for members of the board oversight committee; (c) nominations for directors. When voting is completed, the votes shall be taken and tallied by the tellers. Any ballot paper which contains votes for more than the number required to be elected shall be void. All elections shall be by secret ballot and by majority vote. When the votes have been counted by the tellers, the results shall be announced by the chair. In the event that all vacancies are not filled by the first ballot further ballots shall be taken as required. In the event of an equality of votes between candidates for the remaining vacancies not filled in accordance with the above procedure one further ballot shall be taken and should that ballot fail to determine the issue, the vacancies shall be filled by lot from among such candidates having an equality of votes.

### 4 - 9 MOTIONS

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



## 10 - 15 MISCELLANEOUS

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

## 16. SUSPENSION OF STANDING ORDERS

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

## 17. ALTERATION OF STANDING ORDERS

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

## 18. ADJOURNMENTS

Adjournments of the AGM shall take place only in accordance with section 81(1) of the Credit Union Act, 1997 (as amended).

## DIRECTORS' REPORT



*On behalf of your Board of Directors I am delighted to present to you our Annual Report and Accounts for the year ended 30th September 2019. You will see that we continue to be a safe, stable and financially sound credit union where you can save and borrow with confidence. Our reserves, the rainy day fund that protects your savings, stand at €12.9m. This equates to almost 17% of our balance sheet, well in excess of the 10% required by regulation. This year's surplus of €659k, while still healthy, is €179k lower than last year. Our income was up this year but against that, expenses were slightly higher and the re-credit from our Bad Debt Provision was lower than last year. This re-credit came about as a result of unwinding bad debt provisions that had previously been provided.*

### Proposed Dividend

*The Board is proposing a dividend on members' shares of 0.4% (at a cost of approx. €230k), slightly down on last year but still significantly higher than the return paid by the banks and An Post. The remaining €429k of our surplus will be retained within the credit union, which will ensure that our financial reserves remain healthy ahead of Brexit and other economic uncertainties. More importantly, it also provides the financial resources required for the introduction of new technology, loan products and other developments from our strategic plan that we hope will greatly benefit all of our members.*

### Strategy

*We have developed a new five-year strategic plan that sets out a number of objectives to ensure the continued success and relevance of the credit union. Over the life of the plan RTÉ Credit Union will improve and expand the range of products and services we provide to meet your needs. To drive this process forward we have appointed a new management team with lots of energy and experience from within the credit union movement. You will get to meet them at our AGM or when you are next in the office.*

*We will continually strive to offer innovative products and services and improve our communication and engagement with you to provide us with a strengthened understanding of your financial needs and how you want our services to be delivered. We will also ensure that we deliver high-quality financial services to you at a reasonable cost through the efficient use of technology and the optimization of our internal processes. We want to make it as easy as possible for you to do business with us.*

### Regulation

*There are some items of information, detailed elsewhere in this booklet, that we must bring to your attention. The most important is that savings are guaranteed by the Irish Government's Deposit Guarantee Scheme for up to €100,000 per member; savings above this threshold are not covered by the scheme. For this reason, the most that any credit union can accept as savings from an individual member is €100,000. Please feel free to talk to a member of our staff if you have any questions about your savings.*

*Our key message to members is to come and talk to us if you need a loan. Our lending rates are very competitive, so if you plan to borrow, please think of your credit union before approaching other lenders. Our interest rates range from 4.95% to 7.5%, so we certainly won't be beaten on price. Despite the value we offer, the total amount we lend has grown very slowly in recent years. With our new management team and strategic plan in place we will work hard to become the*

*lender of choice for all of our members. But we need your help – when you need a loan for any purpose, please think of us first and encourage your colleagues and family members to do the same.*

*During the year our CEO Jim Healy resigned to return to his previous credit union and was replaced by Michael O'Sullivan on an interim basis. Michael's work commitment was much appreciated during his time with us.*

*The Board was delighted to welcome our new CEO Vivienne Keavey in September. I would also like to welcome Denise Comerford, our new Head of Lending and Operations, Lisa Sheridan, Finance Officer and Amanda Gunning (temporary) to our team. On your behalf I would like to thank our dedicated and professional staff (Noeleen Gahan, Marian McMorrough, Roisin Jennings, Rose Maguire and Karen Tiernan), for their hard work and commitment throughout the year. The Board of Directors is very appreciative of the level of outstanding customer service provided by them to our members.*

*It would not be possible for us to provide the services we do without the voluntary input of Directors, Board Oversight Committee and other volunteers who freely give of their time. My thanks to them for their continued commitment and dedication and the professionalism they display on your behalf and for this they deserve great appreciation from members.*

*My thanks to RTÉ and to you our members for your loyalty and continued support throughout the year. Finally, I wish you all a healthy and successful 2020 and trust you will continue to use and value your Credit Union.*



**Denis Foley** - Chairman

## BOARD OVERSIGHT COMMITTEE REPORT

*The role of the Board Oversight Committee is to assess whether the board of directors has operated in accordance with Part IV and Part IV(a) of the Credit Union Act 1997 as amended (the "Act") and any other matter prescribed by the Central Bank.*

*We do this by attending monthly meetings of the board in order that Governance can be enhanced and where we believe members' interest can be protected and served.*

*We are pleased to confirm that the Board Oversight Committee met on a regular basis and met with the board of directors on a number of occasions to discuss their performance. We attended board meetings and in addition attended a various number of committee meetings. We were satisfied that the board and committees acted at all times in accordance with the Act.*

*During the year we completed mandatory and other training to enhance our knowledge and skills to carry out our duties as members of the Board Oversight Committee.*

*The BOC would like to thank the board of directors, the various committees of the board, the CEO and staff of the credit union for their co-operation and assistance throughout the year.*

**Dave Madden** - Chairperson

**Paddy Goode** - Secretary

**Charlotte Doyle**

## EXECUTIVE REPORT – THE YEAR IN REVIEW

*Firstly, can I say what a privilege it is for me to be presenting this review to you as I settle into my new role as CEO of RTÉ Credit Union. I joined the team in September, and I have to say that I have been made to feel very welcome by members, staff, Board of Directors, Board Oversight Committee and volunteers alike as I get used to my new surroundings. It quickly became clear to me that everyone in RTÉ is very proud of their credit union, which has been an integral part of the organisation for 55 years. Like you I have a strong belief in the ethos and operating principles that make credit unions different – and better. Moving Forward Together.*





*I have been involved with credit unions for almost twenty years, initially as a director of Malahide Credit Union and more recently as CEO there. I am also a director of the ILCU Foundation, which provides technical assistance and advice to credit unions in developing countries. My overriding objective in my new role is to ensure that RTÉ continues to be a successful, financially strong and independent credit union providing the top-quality and high value services that you deserve.*

*Of course the continued success of RTÉ Credit Union is dependent on our members doing more of their business with us, particularly their borrowing, which is the lifeblood of the credit union. If you look at our Balance Sheet in this report you will see that over 80% of our assets are held as Deposits and Investments; these funds earned a return for us of just over 1.3% in 2019 and this rate will be below 1% next year due to the ongoing low interest-rate environment internationally. When combined with our low average loan interest rate of 6.52%, this gives us an overall earning rate of just over 2%, which leaves us with very little wriggle room to pay our operating costs and invest in better services for members. Our medium-term objective is to reduce that 80% to 70%, so please think of us first and encourage your friends and family to avail of our services, and especially our loans.*

*From a financial perspective (see highlights overleaf) I am delighted to report that 2019 was another successful year for RTÉ Credit Union in a business environment that continues to be challenging. We achieved excellent results in just about all of the key performance areas of our business, with an increase in income of €246k offset by operating costs that were up by €167k. In the past few years we have benefited from a write-back of amounts that we had previously placed in our Bad Debt Provision. This write-back is coming to an end and is €209k lower this year, hence our lower Surplus. We are proposing to pay a dividend of 0.4%, a very competitive return on savings in the current climate.*

*Credit unions exist primarily to lend money to members and we have lots of funds available. Our interest rates (average 6.52%) are as low as you will find anywhere for your day to day borrowing needs, so there should be no reason for a member of RTÉ Credit Union to borrow elsewhere. During the year we granted over 800 loans for all kinds of purposes to a value of €5.7 million. Our special rate Green Loan (5.07% APR) is especially topical and popular, representing over one quarter of all loans granted in 2019.*

*Imminent changes to lending regulations for credit unions will give us much greater scope to offer larger, longer-term loans for purposes such as giving your house that long-awaited makeover, buying yourself a nice(r) car or improving the energy efficiency of your home at interest rates that*

<b>FINANCIAL HIGHLIGHTS</b>	<b>TOTAL ASSETS</b> <b>€76.7M</b> UP €3.0M	 <b>LOANS</b> <b>€13.9M</b> UP €0.1M	<b>MEMBERS' SHARES</b> <b>€61.2M</b> UP €2.4M
	<b>OPERATING COSTS</b> <b>€1.21M</b> UP €167K	 <b>INCOME</b> <b>€1.72M</b> UP €246K	<b>BAD DEBT PROVISION WRITE-BACK</b> <b>€123K</b> DOWN €209K

won't be beaten. In November we introduced a special Welcome Loan for people who have never borrowed from us before, just to show them the great value available from RTÉ Credit Union and to encourage them to do business with us in the future. We especially want to help our younger members to make a start in their 'financial journey', to establish a savings habit and borrowing record that will stand to them when they need to make their big financial decisions, such as a mortgage. Please keep an eye on our website for new, great value loan products.

We are working hard to improve our delivery channels, especially our on-line offering, to make it as easy as possible for you to do all of your business with us. You will see incremental improvements in this area over the next few years. Coupled with our friendly, face to face service and member-friendly opening hours, we believe that our product and service offering will soon be second to none. 142 new members joined us in 2019, bringing our total membership to 4,800. Please continue to encourage your colleagues and family members to join the Credit Union.

Finally, can I take this opportunity to wish all of our members, volunteers, staff and their families a very happy and prosperous new year and I look forward to meeting you in the months and years ahead as we work together to further develop the business model and ensure our long term viability of RTÉ Credit Union.



**Vivienne Keavey** - CEO

**142 new members** joined us in 2019, bringing our total membership to 4,800. Please continue to encourage your colleagues and family members to join the Credit Union.

## CREDIT COMMITTEE REPORT

While the loan book growth that we reported for our financial year to Sep 2018 was not achieved during this financial year, we did issue €5.7m in loans to our members and continue to offer low interest rates. During 2020, with the aid of technology we will be enhancing our loan application and loan issue processes. These developments will allow us to provide a more modern and user-friendly service, allowing members to

- apply on-line
- upload bank statements and other documentation via an app on any smartphone
- sign their credit agreement with digital signatures.

### LOANS ISSUED BY INTEREST RATE

As noted above we issued €5.7m of loans and the chart across shows the interest rates they were issued at, which were

- Green Loans & Loans Within Shares @ 4.95%
- Special Car Loans & Educational Loans @ 5.95%
- Standard Loans @ 6.75%
- Long Term Loans @ 7.2%

This works out at an average rate of 6.52%.

### LOANS ISSUED BY TERM

This second chart shows the mix of term for loans issued during the past year.

Whilst in the past our ability to lend for terms greater than 5 years was restricted by law, from early 2020 these restrictions will be relaxed and our lending capacity for loans up to 10 years will be greatly increased.

### LOANS ISSUED BY VALUE

Because of the legal restriction on loans for terms of more than 5 years, during the year, the majority of our loans were issued for a term of 5 or less years. 50% of our loans were issued for amounts between €10,001 and €50,000, as the final chart shows.

Currently, our maximum value for unsecured loans is €75,000 so if you are planning to do that home renovation that you have been longing for, we would be delighted to receive your application!

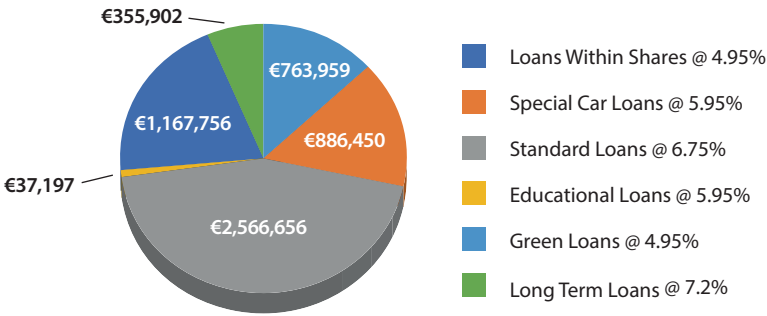
### Credit Committee

Rena Allen

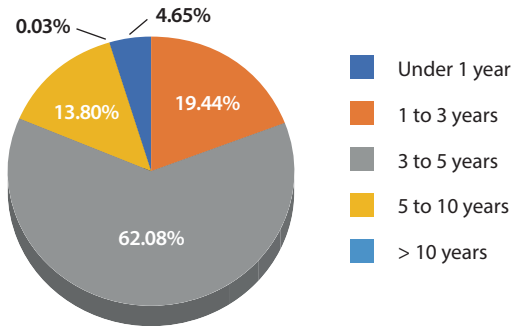
Aoife Devane

Robert Moynihan

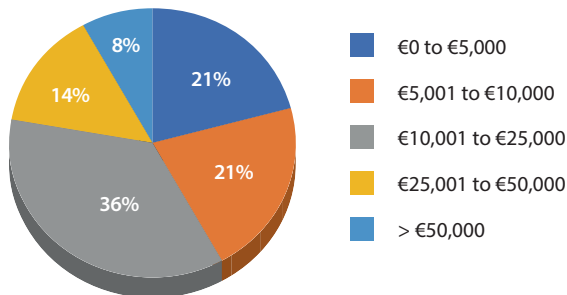
**LOANS ISSUED OCTOBER 2018 - SEPTEMBER 2019**



**LOANS ISSUED BY TERM OCTOBER 2018 - SEPTEMBER 2019**



**LOANS ISSUED BY € OCTOBER 2018 - SEPTEMBER 2019**



## AUDIT & RISK COMMITTEE REPORT

The Board of Directors have overall responsibility for ensuring RTÉ Credit Union has policies, procedures and controls to manage risk and ensure compliance with statutory and regulatory requirements. The role of the Audit & Risk Committee is to assist the Board in carrying out these obligations. This Committee, together with the Board of Directors and the management team, recognises the importance of safeguarding members' funds to ensure they are not put at risk.

All credit unions are obliged by the Act to have an internal audit function. This year RBK (Russell Brennan Keane) continued to act as our Internal Auditor. In this role they provide independent internal oversight by continuously testing and evaluating the effectiveness of the credit union's risk management, control and governance processes. They carry out inspections each quarter on a risk basis and recommendations are made to mitigate any identified risks or potential risks. The Audit & Risk Committee's role is to oversee this process on behalf of the Board. The committee is pleased to state that much of their findings were assessed as low risk and all recommendations have already been or are currently being implemented.

Moore Ireland have acted as our external independent auditors and provided independent assurance to the membership throughout the year.

Risk management consumes a significant portion of this committee's attention. Credit unions are regulated entities and elements of the operations could be considered as complex. Risk in credit unions is considerably greater than simply the possibility of some members not being able to repay their loans.

RTÉ Credit Union operates in a competitive marketplace serving a more debt-averse membership who demand a modern delivery of financial services. The ECB's Quantitative Easing program has brought returns on investments to ultra-low levels and this low interest rate environment seems likely to persist. Aside from commercial risks, risk also arises in other areas including governance, ethical standards, operations, health & safety, liquidity, investments, financial operations, fraud, compliance, disaster recovery, data protection and IT security. The role of this committee in respect of risk is to guide the credit union and implement a robust risk management system that ensures risks are managed and mitigated insofar as possible.

A Risk Management & Compliance Officer is responsible on a day-to-day basis for identifying operational risks and assists management and the committee to implement appropriate controls to manage each significant risk. The committee meets with this officer monthly to oversee this process.

No significant risk events outside the normal course of business impacted RTÉ Credit Union in a manner detrimental to the viability of the credit union during the past 12 months. The Audit & Risk Committee look forward to approaching risk management in RTÉ Credit Union with renewed focus during financial year 2020.

**Enda Hayden** (Chairperson)

**Denis Foley** (Secretary)

**Claire Byrne**



## NOMINATIONS COMMITTEE REPORT

The Nominations Committee continues to have, as its main priorities, the responsibility for ensuring that the board is properly resourced with suitably qualified directors and that there is a robust succession plan, including training and development, in place. To this end, the Nominations Committee has met regularly throughout the year and has been addressing the following matters:

- The updating of our Succession Plan in order to effectively support a new five-year strategy
- The identification of future skills requirements in order to assist the recruitment of appropriate volunteers to our credit union
- The identification of skills/experience gaps at board level (for example Finance) following changing needs and changes to the composition of the board over the last two to three years
- Identifying learning and development requirements and opportunities for board members in order to roll-out a comprehensive training plan in early 2020.

Clearly, the key challenge at board level is to ensure that we have a continuous supply of suitably qualified volunteer directors who will assist us to fully realise our ambitious plans for our credit union. We will be actively recruiting volunteers in 2020 but in the meantime, if you would like to get involved in any capacity, please contact any member of the Nominations Committee listed below.

The composition of the Nominations Committee has changed significantly from last financial year to this year and in this regard, RTÉ Credit Union acknowledges the contribution made by our now former directors John Kavanagh and Niall Malone to the work of this committee. Additionally, we would like to thank Rena Allen who agreed mid-year, and at short notice, to return to the board to cover a temporary director vacancy until the Nominations Committee can implement a permanent solution in 2020.

**Kieran Dempsey** (Chairperson)

**Clare Byrne** (Secretary)

**Vera Sullivan-Butler**

**Joe Kavanagh**

## CASH DRAW

All members over 18 are welcome to join the Cash Draw. It costs €3 a fortnight. We give away a prize fund of €12,000 in cash prizes every month with extra draws on bank holidays, Christmas and Easter! T&C's apply – see [www.rtecu.ie/Cash-Draw](http://www.rtecu.ie/Cash-Draw)

A full list of winners is available on our website and is updated regularly.



Members  
only draw

# RTÉ Credit Union CASH DRAW

€12,000

1st: €7,000 • 2nd: €2,000 • 3rd, 4th & 5th: €1,000

**Become a member today and enjoy all the benefits!**

Visit [rtecu.ie](http://rtecu.ie) to download a membership form or you can pick one up in our office.

### How to enter the Cash Draw

You can enter the cash draw for €3 a fortnight.

Download an application form online or sign up next time you visit us\*.

\*T&Cs apply. See [www.rtecu.ie/Cash-Draw](http://www.rtecu.ie/Cash-Draw)

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

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A large, white, three-dimensional RTÉ logo is mounted on a green artificial turf surface within a stone-lined planter. The planter is set on a stone-paved area with some greenery around it.

## STATEMENT OF DIRECTORS' AND BOARD OVERSIGHT COMMITTEE'S RESPONSIBILITIES

For the year ended 30 September 2019

### Statement of Directors' Responsibilities

The Credit Union Act 1997, as amended requires directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Credit Union and the Income and Expenditure Account of the Credit Union for that year. In preparing those 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;
- 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 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.

On behalf of the Board of Directors



**Denis Foley**  
Member of the  
Board of Directors

Date Signed: 4th February 2020



**Joe Kavanagh**  
Member of the  
Board of Directors

Date Signed: 4th February 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.



**Dave Madden**  
Chairperson of the  
Board Oversight Committee

Date Signed: 4th February 2020

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

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of RTÉ Credit Union Limited for the year ended 30 September 2019 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and the 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 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 30 September 2019 and of its income and expenditure and cash flow for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the 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 described below 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 ISAs (Ireland) require us to report to you where:

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

#### Other information

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

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

### Report on the audit of the financial statements

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, and
- The financial statements are in agreement with the accounting records.

#### **Respective responsibilities**

##### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set on page 20, 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 management 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.

**Moore, Chartered Accountants & Statutory Audit Firm, Ulysses House, Foley Street, Dublin 1**

Date signed: 4th February 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 director's 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 going concerns. 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 30 September 2019

	Notes	2019 €	2018 €
Interest on members' loans	4	907,580	860,602
Other interest income and similar income	5	810,827	605,891
Interest payable on members' deposits	6	-	(3,879)
<b>Net interest income</b>		<b>1,718,407</b>	<b>1,462,614</b>
Other income	7	1,452	11,432
Employment costs	9	(337,340)	(333,922)
Regulation charges and levies	10	(119,388)	(108,621)
Depreciation	12	(17,156)	(16,219)
Other management expenses (schedule 1)		(739,428)	(587,739)
Net recoveries on loans to members	13	152,718	410,205
<b>Surplus for the financial year</b>		<b>659,265</b>	<b>837,750</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>659,265</b>	<b>837,750</b>

The financial statements were approved and authorised for issue by the Board on 4th February 2020 and signed on its behalf by:



**Vivienne Keavey**  
CEO



**Joe Kavanagh**  
Member of the  
Board of Directors



**Dave Madden**  
Member of the Board  
Oversight Committee



## BALANCE SHEET

As at 30 September 2019

	Notes	2019 €	2018 €
<b>ASSETS</b>			
Cash and balances at bank	11	1,280,354	68,433
Tangible fixed assets	12	58,027	36,952
Loan to members	13	13,076,579	12,858,733
Prepayments and accrued income	14	88,623	55,293
Deposits and investments - cash equivalents	15	9,380,852	9,884,437
Deposits and investments - other	15	<u>52,767,501</u>	<u>50,836,239</u>
<b>Total Assets</b>		<b><u>76,651,936</u></b>	<b><u>73,740,087</u></b>
<b>LIABILITIES</b>			
Members' shares	16	61,247,590	58,796,624
Money management accounts	18	2,191,446	2,128,460
Other payables	19	<u>360,789</u>	<u>281,661</u>
<b>Total liabilities</b>		<b><u>63,799,825</u></b>	<b><u>61,206,745</u></b>
<b>Assets less liabilities</b>		<b><u>12,852,111</u></b>	<b><u>12,533,342</u></b>
<b>RESERVES</b>			
Regulatory reserve		8,423,576	7,558,802
Operational risk reserve		200,000	172,500
Dividend reserve		3,928,535	4,802,040
Transformation Reserve		<u>300,000</u>	<u>-</u>
<b>Total reserves</b>		<b><u>12,852,111</u></b>	<b><u>12,533,342</u></b>

The financial statements were approved and authorised for issue by the Board on 4th February 2020 and signed on its behalf by:



**Vivienne Keavey**  
CEO



**Denis Foley**  
Member of the  
Board of Directors



**Dave Madden**  
Member of the Board  
Oversight Committee

## STATEMENT OF CHANGES IN RESERVES

For the year ended 30 September 2019

	Regulatory Reserve €	Dividend Reserve €	Operational risk reserve €	Transformation Reserve €	Income and expenditure Reserve €	Total Reserves €
<b>Opening Balance at 1 October 2017</b>	7,018,806	5,472,969	172,500	-	-	12,664,275
<b>Period ended 30 September 2018:</b>						
Total comprehensive income for the year	-	-	-	-	837,750	837,750
Dividend paid during the year	-	(880,132)	-	-	-	(880,132)
Interest rebate paid during the year	-	(88,551)	-	-	-	(88,551)
Transfer between reserves	539,996	297,754	-	-	(837,750)	-
<b>Balance at 30 September 2018</b>	<b>7,558,802</b>	<b>4,802,040</b>	<b>172,500</b>	<b>-</b>	<b>-</b>	<b>12,533,342</b>
<b>Period ended 30 September 2019:</b>						
Total comprehensive income for the year	-	-	-	-	659,265	659,265
Dividend paid during the year	-	(274,515)	-	-	-	(274,515)
Interest rebate paid during the year	-	(65,981)	-	-	-	(65,981)
Transfer between reserves	864,774	(533,009)	27,500	300,000	(659,265)	-
<b>Balance at 30 September 2019</b>	<b>8,423,576</b>	<b>3,928,535</b>	<b>200,000</b>	<b>300,000</b>	<b>-</b>	<b>12,852,111</b>

The Regulatory reserve of the Credit Union as % of total assets as at 30 September 2019 was 11% (2018: 10.25%).

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 Regulatory Reserve) each year has been removed. Notwithstanding this the Board of RTÉ Credit Union Limited has transferred €864,774 of its current year surplus to its Regulatory reserve (2018: €539,996) so that the reserve would stand at 11% at the current year end (2018: 10.25%), which is above the required limit of 10%.

In accordance with S45 of the Credit Union Act 1997 (as amended) RTÉ Credit Union Limited has in place an Operational Risk Reserve. Following the completion of an internal process of assessing the level of the reserve required to cover the Operational Risk within the Credit Union, it was decided by the Board that the current reserve held is adequate. The Operational Risk reserve as a % of total assets as at 30 September 2019 was 0.26% (2018: 0.23%)

The Board agreed to establish a Transformation Reserve of €300,000. Funds will be released from the Transformation Reserve to cover non-recurring expenditure required for the implementation of the Strategic Plan.

## STATEMENT OF CASH FLOWS

For the year ended 30 September 2019

	Notes	2019 €	2018 €
<b>Cash flows from operating activities</b>			
Loans repaid by members	13	5,650,651	6,035,418
Loans granted to members	13	(5,777,920)	(6,543,811)
Loan interest received	4	873,088	861,122
Interest paid on members' deposits		-	(3,879)
Investment income received		810,827	605,891
Other income received	7	1,452	11,432
Bad debts recovered	13	36,302	66,848
Impairment of loan interest reclassified as bad debt recoveries	4	25,839	24,119
Dividend and interest rebate paid	6	(340,496)	(968,683)
Operating expenses paid to include employment costs		(1,115,865)	(1,058,304)
<b>Net cash flows from operating activities</b>		<b>163,878</b>	<b>(969,847)</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	12	(38,232)	(6,093)
Movement in long term investments	15	(1,931,262)	(13,178,864)
<b>Net cash flows from investing activities</b>		<b>(1,969,494)</b>	<b>(13,184,957)</b>
<b>Cash flows from financing activities</b>			
Cash inflow from money management accounts	18	5,987,248	6,266,527
Cash outflow from money management accounts	18	(5,924,262)	(6,241,455)
Members' shares received	16	15,773,612	22,265,568
Members' shares withdrawn	16	(13,322,646)	(14,722,132)
Cash inflows from deposit accounts		-	9,920
Cash outflows from deposit accounts		-	(3,865,231)
<b>Net cash flows from financing activities</b>		<b>2,513,952</b>	<b>3,713,197</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>708,336</b>	<b>(10,441,607)</b>
Cash and cash equivalents at beginning of year		9,952,870	20,394,477
<b>Cash and cash equivalents at end of year</b>	<b>11</b>	<b>10,661,206</b>	<b>9,952,870</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2019

### 1. LEGAL AND REGULATORY FRAMEWORK

RTÉ Credit Union Limited is established under the Credit Union Acts 1997, as amended. The Credit Union is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The principal place of business is Donnybrook, Dublin 4.

### 2. ACCOUNTING POLICIES

#### 2.1 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 Republic of Ireland” (“FRS 102”).

The financial statements have been prepared on the historical cost convention, modified to include certain items at fair value.

#### 2.2 Currency

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

#### 2.3 Going concern

The financial statements are prepared on the going concern basis. The directors of RTÉ 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.

#### 2.4 Income

##### *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.

##### *Investment income*

The Credit Union uses the effective interest method to recognise any investment income on investments recognised at amortised cost. In relation to any investments held at fair value, the Credit Union recognises changes in fair value in the Income and Expenditure account.

##### *Other income*

Other income such as fees and commissions receivable can arise in connection with a specific transaction. Income relating to individual transactions is recognised when the transaction is completed.

#### 2.5 Dividends to members and interest on members' deposits

##### *Interest on members' deposits*

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

##### *Dividends on shares and loan interest rebates*

Dividends are made from current year's surplus and/or reserves of the credit union. 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 recommended by the Board will reflect:

- the risk profile of the credit union, particularly in its loan and investment books,
- the Board's desire to maintain a stable rather than a volatile rate of dividend each year and

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 2. ACCOUNTING POLICIES - (CONTINUED)

- members' legitimate dividend expectations 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.

#### 2.6 Taxation

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

#### 2.7 Cash and cash equivalents

Cash and cash equivalents comprises of operating cash on hand, cash deposited with banks and investments with original maturity of less than or equal to three months.

#### 2.8 Financial instruments

The Credit Union has elected to apply the provisions of Section 11 'Basic Financial Instruments' and/or Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Credit Union becomes 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 to members are financial assets with fixed or determinable payments. Loans are recognised when cash is advanced to members and measured at amortised cost using the effective interest method.

##### - *Investments held at amortised cost*

Investments 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 un-collectability. This effectively spreads out the return on such investments over time, but does take account immediately of any impairment in the value of the investment.

#### Other receivables

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

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 2. ACCOUNTING POLICIES - (CONTINUED)

#### Other financial assets

##### - Investments held at fair value

The Credit Union initially recognises its complex instruments at fair value. At the end of each reporting period, the Credit Union measures these investments at fair value and recognises changes in fair value in the Income and Expenditure Account. The Credit Union uses the following hierarchy to estimate the fair value of these investments:

**Level 1 fair values.** The best evidence of fair value is a quoted price for an identical asset in an active market. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted price is usually the current bid price.

**Level 2 fair values.** When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the entity can demonstrate that the last transaction price is not a good estimate of fair value (e.g. because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distressed sale), that price is adjusted.

**Level 3 fair values.** If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, an entity estimates the fair value by using a valuation technique. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

#### Impairment of financial assets

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

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

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

Any impairment losses are recognised in the Income and Expenditure account.

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

#### Derecognition 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.

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 2. ACCOUNTING POLICIES - (CONTINUED)

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. RTÉ Credit Union Limited does not transfer loans to third parties.

#### 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.

#### - *Financial liabilities members' shares and deposits*

Members' shares, Money Management 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.

#### Derecognition of financial liabilities

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

### 2.9 Tangible fixed assets

Tangible fixed assets which comprises of the items below, are stated at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is provided to write off the cost of each item of property, plant and equipment, less its estimated residual value over its estimated useful life. The categories of property, plant and equipment are depreciated as follows:

Office equipment	12.5% per annum
Fixtures and fittings	12.5% per annum
Computer equipment	20% per annum

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.

### 2.10 Impairment of tangible fixed assets

At each reporting end date, the Credit Union reviews the carrying values 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.

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 2. ACCOUNTING POLICIES - (CONTINUED)

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, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation reserve.

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.

#### 2.11 Employee benefits

##### *Pension scheme*

The credit union operates a defined contribution scheme. The assets of the scheme are held separately from those of the credit union in an independently administered fund. Contributions to the scheme are charged to the income and expenditure account in the period to which they relate. The pension cost charge represents contributions payable by the credit union to the fund.

##### *Other 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are rendered.

Termination benefits are recognised immediately as an expense when the Credit Union is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 2.12 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*

Other 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, Operational Risk or Transformation reserves.

##### *Transformation reserve*

The Board agreed to establish a Transformation Reserve. Funds will be released from the Transformation Reserve to cover non-recurring expenditure required for the implementation of the Strategic Plan.



## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 3. USE OF ESTIMATES AND JUDGEMENTS

In the application of the credit union's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

#### Impairment losses on loans to members

The Credit Union's accounting policy for impairment of financial assets is set out in accounting policy in Note 2.8. 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 quarterly 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 judgment of relevant conditions in the wider technological, market, economic or legal environment in which the Credit Union operates. 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.

#### Useful lives of tangible fixed assets

Long-lived assets comprising primarily of fixtures and fittings, office equipment and computer equipment represent a portion of total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year.

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 4. INTEREST ON MEMBERS' LOANS

	2019	2018
	€	€
Closing accrued loan interest receivable	33,972	(520)
Loan interest received in year	898,927	885,241
Interest on impaired loans reclassified as bad debts recovered	(25,839)	(24,119)
Opening accrued loan interest receivable	520	-
<b>Total interest on members' loans</b>	<b><u>907,580</u></b>	<b><u>860,602</u></b>

### 5. OTHER INTEREST INCOME AND SIMILAR INCOME

	2019	2018
	€	€
Investment income and gains received by the balance sheet date	810,827	226,805
Receivable within 12 months of balance sheet date	-	379,086
Other investment income and gains	-	-
<b>Total investment income</b>	<b><u>810,827</u></b>	<b><u>605,891</u></b>

### 6. INTEREST PAYABLE AND DIVIDENDS

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

	2019	2018
	€	€
Interest payable for the year	-	3,879
Interest rate applied to members' deposits	-	0.25%

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 for the current year does 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 periods were as follows:

	2019	2018
	€	€
Dividends paid during the year	274,515	868,803
Dividend rate applied to members' shares	0.50%	1.75%
Loan interest rebate paid during the year	65,981	88,551
Loan interest rebate rate applied to members' loans	7.50%	10.00%
Dividends proposed, but not recognised	244,990	293,983
Dividend rate to be applied to members' shares	0.40%	0.50%
Loan interest rebate proposed, but not recognised	-	64,645
Loan interest rebate rate to be applied to members' loans	-	7.50%

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 7. OTHER INCOME

	2019	2018
	€	€
Miscellaneous income	1,452	11,432
<b>Total other income</b>	<b>1,452</b>	<b>11,432</b>

### 8. EXPENSES

	Notes	2019	2018
		€	€
Employment costs	9	337,340	333,922
Depreciation of owned tangible fixed assets	12	17,156	16,219
Regulation charges and levies	10	119,388	108,621
Other management expenses (schedule 1)		739,428	587,739
		<u>1,213,312</u>	<u>1,046,501</u>

### 9. EMPLOYEES AND EMPLOYMENT COSTS

#### Number of employees

The average monthly number of employees during the year was:

	2019	2018
	€	€
CEO	1	1
Other staff	7	7
	<u>8</u>	<u>8</u>

#### Employment costs

	2019	2018
	€	€
Wages and salaries	287,320	286,987
Social security costs	29,633	26,897
Payments to pension schemes	20,387	20,038
	<u>337,340</u>	<u>333,922</u>

#### Key management personnel

The remuneration of key management personnel was as follows;

	2019	2018
	€	€
Short term employee benefits	65,170	41,145
Payments to defined contribution pension scheme	-	-
<b>Total key management personnel compensation</b>	<b>65,170</b>	<b>41,145</b>

Short-term employee benefits include wages, salaries, social security contributions and paid annual leave.

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 10. REGULATION CHARGES AND LEVIES

	2019	2018
	€	€
Regulatory levy	108,239	86,141
Affiliation fees	11,149	22,480
	<u>119,388</u>	<u>108,621</u>

Included within regulatory levies are Central Bank Resolution fund and the CI Stabilisation fund.

### 11. CASH AND CASH EQUIVALENTS

	2019	2018
	€	€
Cash and bank balances	1,280,354	68,433
Deposits and investments	9,380,852	9,884,437
Total cash and cash equivalents	<u>10,661,206</u>	<u>9,952,870</u>

Deposits and investments categorised under cash and cash equivalents above are those with original maturity of less than or equal to three months.

### 12. ANGIble FIXED ASSETS

	Office equipment €	Fixtures and fittings €	Computer equipment €	Total €
<b>Cost</b>				
At 1 October 2018	156,302	70,720	394,726	621,748
Additions	3,487	510	34,235	38,232
<b>At 30 September 2019</b>	<u>159,789</u>	<u>71,230</u>	<u>428,961</u>	<u>659,980</u>
<b>Depreciation and impairment</b>				
At 1 October 2018	150,664	57,836	376,297	584,797
Depreciation charged in the year	1,497	2,423	13,236	17,156
<b>At 30 September 2019</b>	<u>152,161</u>	<u>60,259</u>	<u>389,533</u>	<u>601,953</u>
<b>Carrying amount</b>				
<b>At 30 September 2019</b>	<u>7,628</u>	<u>10,971</u>	<u>39,428</u>	<u>58,027</u>
<b>At 30 September 2018</b>	<u>5,639</u>	<u>12,885</u>	<u>18,428</u>	<u>36,952</u>

### 13. LOANS TO MEMBERS - FINANCIAL ASSETS

#### 13.1 LOANS TO MEMBERS

	Note	2019 €	2018 €
At 1 October		13,819,733	13,323,705
Advanced during the year		5,777,920	6,543,811
Repaid during the year		(5,650,651)	(6,035,418)
Loans written off		(32,123)	(12,365)
Gross loans to members	13.2	13,914,879	13,819,733
Impairment allowances			
Group loans		(838,300)	(961,000)
Loan provision	13.3	(838,300)	(961,000)
At 30 September	13.2	<u>13,076,579</u>	<u>12,858,733</u>

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 13.2 CREDIT RISK DISCLOSURES

RTÉ Credit Union Limited does not offer mortgages and as a result all loans to members are unsecured, except that there are restrictions on the extent to which borrowers may withdraw their savings whilst loans are outstanding. There are maximum amounts set down by the Central Bank in terms of what amount a member can borrow from the Credit Union.

The carrying amount of the loans to members represents RTÉ 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.

	<b>2019</b>		<b>2018</b>	
	€	%	€	%
Not impaired:				
Not past due	1,367,431	9.83%	3,629,796	26.27%
Up to 9 weeks past due	55,596	0.40%	63,987	0.46%
Between 10 and 18 weeks past due	1,612	0.01%	24,195	0.18%
Between 19 and 26 weeks past due	-	-	10,132	0.07%
Between 27 and 39 weeks past due	-	-	2,298	0.02%
Between 40 and 52 weeks past due	9,865	0.07%	8,798	0.06%
53 or more weeks due	-	-	25,213	0.18%
Gross loans not impaired	<u>1,434,504</u>	<u>10.31%</u>	<u>3,764,419</u>	<u>27.24%</u>
Individually impaired:				
Not past due	89,986	0.65%	-	-
Up to 9 weeks past due	53,009	0.38%	-	-
Between 10 and 18 weeks past due	36,549	0.26%	-	-
Gross loans individually impaired	<u>179,544</u>	<u>1.29%</u>	<u>-</u>	<u>-</u>
Collectively impaired:				
Not past due	11,562,437	83.09%	9,182,918	66.45%
Up to 9 weeks past due	242,241	1.74%	307,400	2.22%
Between 10 and 18 weeks past due	90,494	0.65%	150,182	1.09%
Between 19 and 26 weeks past due	94,773	0.68%	121,615	0.88%
Between 27 and 39 weeks past due	13,215	0.09%	20,814	0.15%
Between 40 and 52 weeks past due	141,064	1.01%	144,512	1.05%
53 or more weeks due	156,607	1.14%	127,873	0.92%
Gross loans collectively impaired	<u>12,300,831</u>	<u>88.40%</u>	<u>10,055,314</u>	<u>72.76%</u>
Total gross loans	<u>13,914,879</u>	<u>100%</u>	<u>13,819,733</u>	<u>100%</u>
Impairment allowance				
Group loans	<u>(838,300)</u>		<u>(961,000)</u>	
Total carrying value	<u><u>13,076,579</u></u>		<u><u>12,858,733</u></u>	

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 13.3. LOAN PROVISION ACCOUNT FOR IMPAIRMENT LOSSES

	Note	2019 €	2018 €
At 1 October		961,000	1,292,603
Decrease in loan provisions during the year	13.4	(122,700)	(331,603)
At 30 September		<u>838,300</u>	<u>961,000</u>

### 13.4. NET RECOVERIES OR LOSSES RECOGNISED FOR THE YEAR

	Note	2019 €	2018 €
Bad debts recovered		36,302	66,848
Decrease in loan provisions during the year	13.3	122,700	331,603
Interest on impaired loans reclassified as bad debts recovered	4	25,839	24,119
		<u>184,841</u>	<u>422,570</u>
Loans written off		(32,123)	(12,365)
Net recoveries on loans to members recognised for the year		<u>152,718</u>	<u>410,205</u>

### 13.5. ANALYSIS OF GROSS LOANS OUTSTANDING

	2019 Number of loans	€	2018 Number of loans	€
Less than one year	203	585,883	216	495,553
Greater than 1 year and less than 3 years	391	2,856,817	397	3,119,639
Greater than 3 years and less than 5 years	443	6,703,487	431	6,104,456
Greater than 5 years and less than 10 years	94	3,276,220	104	3,333,659
Greater than 10 years and less than 25 years	12	492,472	18	766,426
Greater than 25 years	-	-	-	-
	<u>1,143</u>	<u>13,914,879</u>	<u>1,166</u>	<u>13,819,733</u>

### 14. PREPAYMENTS AND ACCRUED INCOME

	2019 €	2018 €
Prepayments	54,651	55,293
Income Accrued	33,972	-
	<u>88,623</u>	<u>55,293</u>

### 15. INVESTMENTS

Deposits and investments at the current and prior balance sheet date were all measured at amortised cost except for four investments in the amount of €11,629,747 (2018: €13,676,000). These are reflected at fair value as they fall into the category of "Other financial Instruments" under Section 11 of FRS102. Investments comprised of the following:

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 15.1. CASH EQUIVALENTS (ORIGINAL MATURITY WITHIN 3 MONTHS)

	2019	2018
	€	€
Deposits with banks	9,380,852	9,884,437
Total cash equivalents	<u>9,380,852</u>	<u>9,884,437</u>

### 15.2. OTHER (ORIGINAL MATURITY AFTER 3 MONTHS)

	2019	2018
	€	€
Fixed term deposits with banks	40,468,722	36,588,882
Bank bonds	11,797,811	13,771,998
Balances held with the Central Bank	500,968	475,359
Total other investments at amortised cost	<u>52,767,501</u>	<u>50,836,239</u>

The categories of counterparties with whom the deposits and investments were held were as follows:

	2019	2018
	€	€
A1	21,343,836	-
A2	8,572,505	10,212,136
A3	7,794,084	21,900,000
Baa1	3,251,478	12,750,000
Baa2	7,010,306	1,500,000
Aa3	5,210,725	3,545,572
Ba2	-	9,050,076
Baa3	8,965,419	1,293,215
Accrued income	-	469,677
Total deposits and investments	<u>62,148,353</u>	<u>60,720,676</u>

### 16. MEMBERS' SHARES - FINANCIAL LIABILITIES

	2019	2018
	€	€
At 1 October	58,796,624	51,253,188
Received during the year	15,773,612	22,265,568
Repaid during the year	(13,322,646)	(14,722,132)
<b>At 30 September</b>	<b><u>61,247,590</u></b>	<b><u>58,796,624</u></b>

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

	2019	2018
	€	€
Unattached shares	57,663,948	55,031,181
Attached shares	3,583,642	3,765,443
<b>Total members' shares</b>	<b><u>61,247,590</u></b>	<b><u>58,796,624</u></b>

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 17. MEMBERS' DEPOSITS - FINANCIAL LIABILITIES

	2019	2018
	€	€
At 1 October	-	3,855,311
Received during the year	-	9,920
Repaid during the year	-	(3,865,231)
<b>At 30 September</b>	<u>-</u>	<u>-</u>

Members' deposits were all repaid or transferred to member share accounts during the prior year.

### 18. MONEY MANAGEMENT ACCOUNTS - FINANCIAL LIABILITIES

	2019	2018
	€	€
At 1 October	2,128,460	2,103,388
Received during the year	5,987,248	6,266,527
Repaid during the year	(5,924,262)	(6,241,455)
<b>At 30 September</b>	<u>2,191,446</u>	<u>2,128,460</u>

Money Management Accounts are repayable on demand.

### 19. OTHER PAYABLES

	2019	2018
	€	€
Creditors and other accruals	<u>360,789</u>	<u>281,661</u>

## 20 ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

### 20.1 Financial risk management

RTÉ 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 RTÉ 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 RTÉ Credit Union Limited, resulting in financial loss to the Credit Union. In order to manage this risk the Board approves the Credit Union's credit policy, and all changes to it. All loan applications are assessed with reference to the credit 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 risk on members' loans is disclosed in Note 13.



## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

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. The credit ratings of the financial institutions where investments are held are disclosed in Note 15.

### Liquidity risk:

The Credit Union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. 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) Regulations 2018.

### Market risk:

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

### Interest rate risk:

The Credit Union'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. The Credit Union 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.

## 20 ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

### 20.2 Interest rate risk disclosures

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

	2019 Amount €	Average interest rate	2018 Amount €	Average interest rate
<b>Financial assets</b>				
Gross loans to members	<u>13,914,879</u>	6.52%	<u>13,819,733</u>	6.52%
<b>Financial liabilities</b>				
Members' shares	<u>61,247,590</u>		<u>58,796,624</u>	

The interest rates applicable to loans to members are fixed and range from 4.42% to 11.75%. The dividend on shares and interest on deposits is determined on the basis of income less administrative expenses and, as can be seen above, a consistent margin is maintained between interest receivable and dividend on shares and interest payable on deposits. As a result, the surplus for the year is not particularly sensitive to interest rate risk and no sensitivity analysis is presented.

### 20.3 Liquidity risk disclosures

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

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

### 20.4 Fair value of financial instruments

RTÉ Credit Union Limited holds four financial instrument at fair value. The fair value of the “Other financial instruments” fell into the level 1 category.

Category	2019 €	2018 €
Level 1 fair values	11,629,747	13,676,000
	<u>11,629,747</u>	<u>13,676,000</u>

### 20.5 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 reserves are in line with the minimum requirement set down by the Central Bank, and stand at 11% of the total assets of the Credit Union at the Balance Sheet date.

### 21. CONTINGENT LIABILITIES

On 17 September 2018, the Registry of Credit Unions wrote to all credit unions in the Republic of Ireland notifying that it had become aware of a potential issue that may affect certain credit unions in relation to accrued interest outstanding on loans in circumstances where additional credit is extended to a member by way of a top-up-loan, which could lead to the potential over-collection of interest. The Registry of Credit Unions sought information from credit unions in this regard to enable the potential impact of this matter to be assessed. A process is ongoing to enable the potential impact, if any, of this matter on RTÉ Credit Union to be assessed. As this process is not yet complete, the existence of any liability, while possible, remains uncertain, along with the timing of same. No reliable estimate of any liability can be guaranteed at this point in time. As such no provision has been made in the financial statements to 30 September 2019 for any amount that may become payable by RTÉ Credit Union.

### 22. CAPITAL COMMITMENTS

There were no capital commitments either contracted for or approved by the Board at the year end.

### 23. EVENTS AFTER THE REPORTING DATE

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Credit Union, the results of those operations or the state of affairs of the Credit Union in financial years subsequent to the financial year ended 30 September 2019.

### 24. 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) in the amount of €39,200 (2018: €46,085). These loans were approved in accordance with the Standard Credit Union rules and the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

The loans outstanding from these parties at 30 September 2019 were €86,395 (2018: €103,918). These loans amounted to 0.62% of total gross loans due at 30 September 2019 (2018: 0.75%).

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 30 September 2019

There were no provisions against loans due from the directors and the management team at the current or prior Balance Sheet date.

The directors and management team share balances stood at €329,429 at 30 September 2019 (2018: €649,748).

The directors and management team deposit balances stood at €Nil at 30 September 2019 (2018: €Nil).

The directors and management team money management accounts stood at €10,456 at 30 September 2019 (2018: €16,029).

### 25. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved, and authorised for issue, by the Board on 4th February 2020.

## SCHEDULE NO 1: OTHER MANAGEMENT EXPENSES

For the year ended 30 September 2019

	2019	2018
	€	€
<b>Other management expenses</b>		
Repairs and renewals	136	860
Printing and stationary	8,788	17,418
Debt collection	6,745	15,035
AGM & convention expenses	10,119	13,985
Travel and subsistence	25,790	11,408
Education	17,159	5,198
Other financial costs	546	-
Audit Fee	23,982	23,985
General insurance	14,688	20,423
Share and loan insurance	185,991	197,775
Computer maintenance	62,840	52,315
Subscriptions	17,414	9,820
Advertising and promotion	31,358	28,567
Legal & professional fees	291,680	130,749
Bank charges	31,250	33,927
Sundry expenses	10,942	26,274
<b>Total other management expenses</b>	<b><u>739,428</u></b>	<b><u>587,739</u></b>



# RTÉ Credit Union

Fantastic  
Welcoming  
Helpful Joe Lovely  
Reliable Best Safety  
Amazing Helpful Easy Godsend  
Money Fantastic Best Sound  
Fast Support Service Indispensable  
Trust Helpful Fantastic Best  
Friendly Service Welcoming Fast Godsend  
Local Fantastic There Professional Best  
Money Fast Reliable Community Dependable  
Service Convenient Welcoming Helpful Safety  
Indispensable Amazing Best Dependable Easy  
Helpful Joe Fabulous Trusted  
Best Superb Lifesaver Fantastic  
Local Amazing Draw  
Trusted Fast  
Godsend  
Support  
Joe

rtecu.ie



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