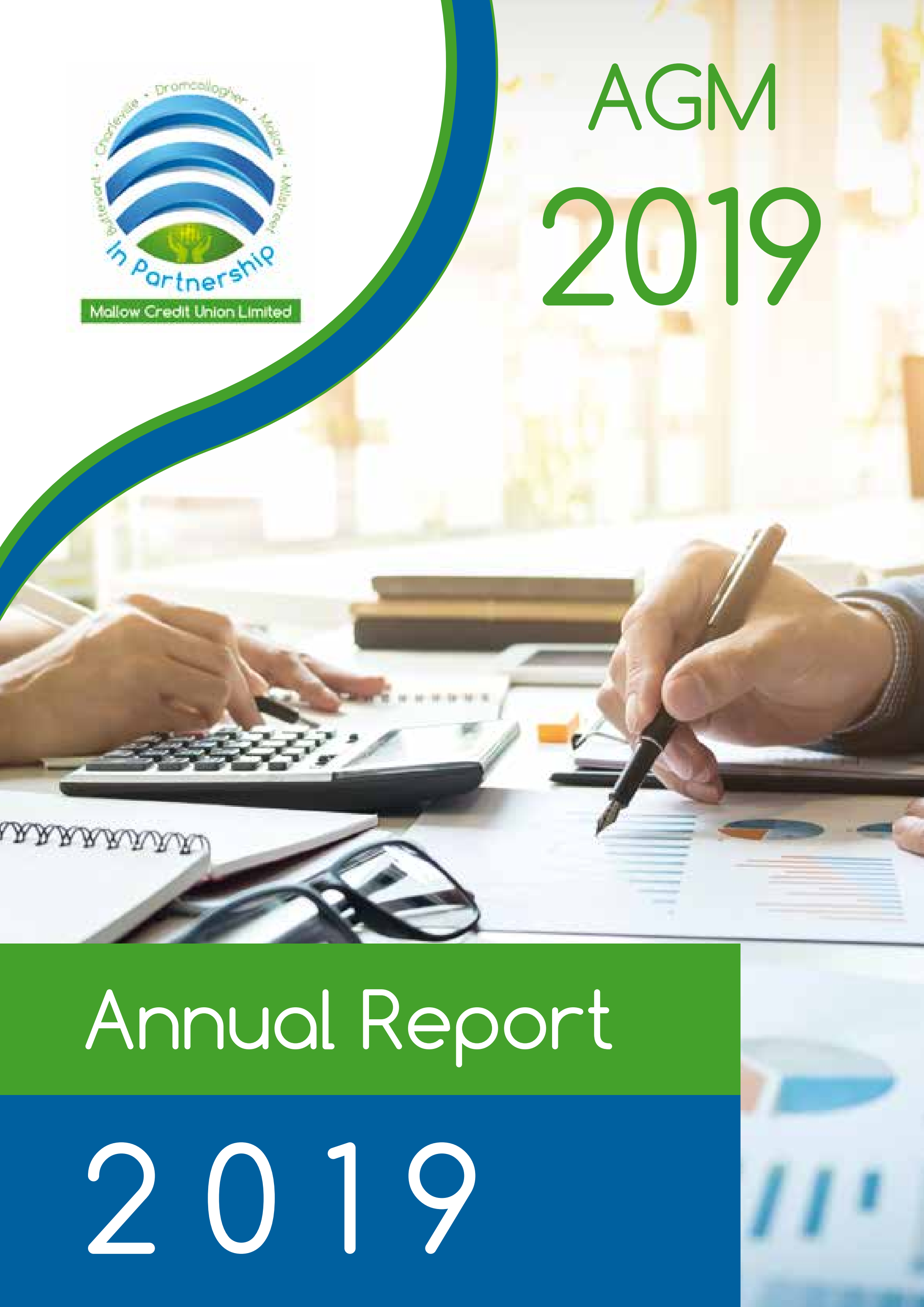
Charleville · Dromcollogher · Mallow · Millstreet · Buttevant

In Partnership

Mallow Credit Union Limited

AGM 2019



Annual Report 2019

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3. Adoption of Standing Orders.
4. Reading and approval (or correction) of the minutes of the last Annual General Meeting and any intervening Special General Meeting.
5. Appointment of Tellers.
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10. Report of the Credit Committee.
11. Report of the Board Oversight Committee.
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13. Report of the Credit Control Committee.
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16. Notice of Motion (Amendment to Rules)
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18. Announcement of Election Result.
19. Adjournment or close of Meeting.

Notice of Elections

Elections will be held to fill the following vacancies:

- 5 vacancies on the Board of Directors
- 3 vacancies on the Board Oversight Committee
- The Position of Auditor

Standing Orders
for the AGM of Mallow Credit Union Ltd.

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.

2 - 4 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. A Ballot Paper for the election of the Board, the Board Oversight Committee and the Auditor where applicable, will be distributed to each member at the AGM.

5 - 10 Motions.
5. All motions from the floor of the AGM must be proposed and seconded by members present at the AGM and moved by the proposer. If the proposer is absent when the motion is called, the motion shall be deemed to have failed.

6. A proposer of a motion may speak for such period as shall be at the discretion of the Chair of the meeting and shall have the right of reply before the motion is put to the meeting for a vote.

7. In exercising his/her right of reply, a proposer may not introduce new material.

8. The seconder of a motion shall have such time as shall be allowed by the Chair to second the motion.

9. Members are entitled to speak on any such motion and must do so through the Chair. All speakers to any motion shall have such time as shall be at the discretion of the Chair.

10. 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.

11 - 16 Miscellaneous.
11. 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.

12. The Chair may at his/her discretion, extend the privilege of the floor to any person who is not a member.

13. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the Chair.

14. The Chair's decision on any matter relating to these Standing Orders or interpretation of same shall be final.

15. 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.

16. Any matter to be decided upon by vote at the AGM shall, unless otherwise expressly provided for by law or the rules, be decided upon by simple majority.

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

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

19. Adjournments.
Adjournments of the AGM shall take place only in accordance with Section 81(1) of the Credit Union Act.

Chairman's Address

On behalf of the Board of Directors of Mallow Credit Union Limited I would like to welcome you to this our 56th Annual General Meeting.

I am happy to report that despite operating in a low interest rate environment Mallow had another financially successful year and at year end we recorded the following results;

- Savings €169.4 million
- Loans €39.3 million
- Assets €196.3 million
- Reserves €26 million
- Surplus €449,995

With so much uncertainty surrounding Brexit and the world economy we must continue to be vigilant with regard to our finances and we have strengthened our provisions by adding an additional c.€5m over the year and hence the reduction in our surplus.

What the continuing fall off in investment returns means for the members of Mallow Credit Union is that excess funds not out on loan are increasingly getting less and less returns. An example of this is if we look at the amounts invested over the last number of years and the returns we received compared to the current year;

- In 2016 Mallow had €116 million invested which yielded a return of €1.47 million or 1.27%
- In 2019 Mallow had €154 million invested which yielded a return of €1.23 million or 0.8%

As you can see we had €36 million more invested than in 2016 but received less return. The forecasts for the future are not showing any signs of improvement as the uncertainties in the world economy continues.

To counteract this we must broaden our income base and protect our reserves, continue to provide the current range of services to our members and develop new ones. We must accept that we are moving into an era where we will have to introduce fees and charges to enable us to provide these services and to protect our future by maintaining an independent community owned financial institution.

Following our annual engagement with the Central Bank we completed a review of the operations of Mallow Credit Union and its branch network. We as a Board recognise that our presence in our extended common bond through our eight branches is the only financial service that is on offer in some areas and we are fully committed to maintaining that. However we must also justify from a financial viability position that all the branches are needed. As a result we have changed the opening hours of all our branches since the beginning of October which reflect the use that is being made of them and the cost of staffing them at times when they simply are not in use. We apologise for any inconvenience these changes caused but would ask you the member to use your local branch and we thank you for your understanding and co-operation. In addition we also created dedicated Loans and Regulations departments which further streamlines our operations.

Chairman's Address (continued)

We are constantly on the look out to develop new services for you our member. We are involved in a joint venture between sixteen credit unions and the Foreign Exchange Company of Ireland (FEXCO) which was launched in July. This company is called Metamo and is the first joint venture between credit unions and a third party in Ireland. The aim is to develop new services and products for the credit union market which will be of benefit to our members and to the future success of credit unions in Ireland and we are very excited at the potential that this will offer.

During the year gone by two of the credit union's long term servants unfortunately passed away.

Der Kiely was a founder member of Millstreet Parish Credit Union and gave over fifty years service to the credit union movement acting as both a director and employee and finally as a volunteer teller after the mergers in 2016. His dedication to the office in Millstreet was an inspiration to all of us.

Biddy O'Callaghan was attached to Buttevant & Doneraile Credit Union for over 25 years and again served in several capacities over that time spending most of her time at the Doneraile office where she was well known and much liked. Their passing has left a void in our credit union group and they will be sadly missed.

This will be my last AGM as Chairperson as my four years is now up. I have been honoured to serve this credit union at a time of great change and I would like to thank all those who I have worked with, my fellow directors, members of the oversight committee, management and staff and you our loyal members. Together we have created a credit union that is financially strong and capable of meeting the challenges that lie ahead.

I would like to wish everyone a peaceful Christmas and a prosperous 2020.

David Browne
Chairperson

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Mallow Credit Union Limited

Financial Report

On behalf of the Board of Directors I would like to present the 2019 Financial Report.

Operating Environment

The environment in which we operate hasn't changed much since this time last year, with ongoing global headwinds such as Brexit and continuing tensions in the wider international arena, whether it be between the USA and China and their ongoing trade negotiations, in the Middle East between Iran and the USA, the USA and North Korea, etc., all of which have varying but detrimental impacts on the investment markets and the domestic economy. Having said that, the domestic performance has been primarily positive, although consumer sentiment has been under strain for most of 2019 and the housing crisis still weighs heavily on the country.

It is in this environment that we have tried to move the credit union forward and provide better services and products for our members and to maintain our credit union on a firm financial foundation.

Loans

At the start of 2019 we starting making changes to our loans department in order to provide a better service and to become the loans provider of choice for our members. Kieran O'Callaghan joined us at the start of 2019 as our new Head of Lending and with his considerable experience he has revamped our loans proposition since then, with quicker turnaround times now being experienced. We have updated our loan products and our dedicated loans area in the main Mallow branch is now up and running. This will also provide training and support for loans officers across the group.

We have upgraded our CU Online offering in conjunction with regulatory requirements launched as part of PSD2, and with our new Member Service Centre it is easier to apply for loans online, with loan applications over the phone due to commence early in the new year.

In the 2018-2019 financial year just gone the loan book and the interest received from it has grown and we hope to see that growth continue going forward. Loans approved for the year were €21,109,376 with €2,818,468 received in loan interest.

Our total loan book as at 30th September 2019 was €39,297,816 compared to €38,031,222 in 2018, an increase of €1.27m or 3.3%.

We continue to focus where we can on preventing loans from going into significant arrears and going bad by supporting any member who might experience financial difficulties, something that can happen at any time for any reason, despite the best of intentions. Where loans do go bad and have to be written off, we work to recover those funds in an equitable manner. The Credit Control department has performed very strongly in this regard and a total of €807,337 was recovered during the year, 34% up on the recoveries in the prior year, which shows the commitment we have towards the recovery of our members money.

Financial Report (continued)

As can be seen from note 5 during the year we had to write off loans to a value of €612,595, which is up 62% on the prior year. However this only takes place after all efforts have been exhausted with the member to remediate the loan and no other options remain. All these loans would have been 100% provided well before any of the loans are written off.

The required bad debts provision fell during the year by 4% (€173,572) and would have fallen further except for the need to apply a prudent provision against the possibility of a hard Brexit. We would hope that this provision can be released in the future if a soft Brexit is experienced and the impact on the Irish economy is minimised.

Investments

Investment returns continue to suffer and despite an increase in the value of funds invested, our margin has fallen. We have been able to hold the rate of decline off somewhat by locking in higher rates as much as possible in prior years but the drop in investment income will continue and is likely to gather pace.

Our investment returns for the year were €1,230,342 on an investment book of €154,086,227 at year end, and we are now experiencing negative interest rates of -0.65% on current accounts and where we invest liquid funds, an element that needs to be maintained, we are lucky to receive 0%. The short to medium term outlook is negative with no indication yet as to when the cycle will turn.

Financial Performance

Mallow Credit Union has produced a surplus of €449,995 for the current financial year, as against €1,998,328 in the prior year. It should be noted however that the prior year includes a once off capital contribution of €1,221,231 from the ILCU received in recognition of the commitment made by Mallow Credit Union to Charleville and the impact that the influx of savings had on our reserves. As stated above we also made an additional provision in the accounts in the current year to provide against the impacts of a hard Brexit, should that occur.

Financial Report (continued)

This is a strong performance in the current environment as we make changes to improve the operating position of our credit union. We are focused on increasing services and products to our members as we strive to widen our income base and become the financial services provider of choice to our members.

The Board of Directors are proposing to our membership the following distribution of our surplus:

A dividend on shares of 0.025% €40,012

The Board are recommending a dividend of 0.025% on shares. This is in keeping with comparable rates for money on demand in other financial institutions, especially given that we are often charged negative interest rates for on call money. This will protect our reserves and allow us to invest in improvements and product innovations that will better service our membership.

A loan interest rebate of 2.5% €74,404

We are proposing a 2.5% loan interest rebate to our borrowing members in recognition of the important contribution they make to the financial performance of our credit union.

Transfer to the Regulatory Reserve

We are required by legislation to have in place as a minimum a reserve that is 10% of our total assets. It is good financial practice to exceed that limit in order to cope with any unforeseen events which could potentially erode that percentage. During the year, as savings levels grew, we needed to transfer funds to the Regulatory Reserve to maintain it above the minimum 10% level. During the year we transferred €407,450 to the reserve and it now stands at €20,612,175 or 10.5% of Total Assets.

Transfer to Other Reserves

Other reserves dropped by €167,132 as we transferred funds to the Regulatory Reserve but we still maintain a very strong level of other reserves at €4,288,534. Total Reserves are 13.2% of Total Assets.

Community Support Fund

Under Credit Union legislation we are required to get approval from the membership at our AGM to establish a special fund to be used by the credit union to support social, cultural, charitable and community development. Mallow Credit Union has always been a supporter of the various voluntary organisations that provide vital support to our communities. This is achieved through sponsorship and grants to the wide range of organisations that operate in our community and we are proposing that a fund of €45,000 be establish for the coming year to cater for the extensive area and organisations within our common bond.

Rule Change

This year we have a number of changes to the Standard Rules for credit unions regarding the Membership Officer and Committee and this will be discussed later on in the meeting.

I would like to thank you our members for your continued loyalty, support and patience as we go through this period of considerable change and development. I would like to thank our staff for the considerable and often unseen efforts they have put in to ensure that we continue to provide an independent financial service to our members.

Tomas O’Neill
CEO

Directors' Report

For the Financial Year Ended 30 September 2019

The directors present their annual report and the audited financial statements for the financial year ended 30 September 2019.

Principal activity

The principal activity of the business continues to be the operation of a credit union.

Authorisation

The credit union is authorised as follows:

- Insurance/reinsurance or ancillary insurance intermediary under the European Union (Insurance Distribution) Regulations, 2018.
- Investment Intermediaries (Restricted Activity Investment Product Intermediary) pursuant to Section 26 of the Investment Intermediaries Act, 1995 (as amended).
- Entitled under the European Union (Payment Services) Regulations 2018 to provide payment services.

Business review

The directors are satisfied with the results for the year and the year-end financial position of the credit union. The directors expect to develop and expand the credit union's current activities and they are confident of its ability to continue to operate successfully in the future.

Dividends and loan interest rebates

The surplus for the financial year is set out in the income and expenditure account on page 16. The directors are proposing a dividend in respect of the year ended 30 September 2019 of €40,012 (0.025%) (2018: €146,764 (0.10%)) and a loan interest rebate of €74,404 (2.50%) (2018: €72,370 (2.50%)).

Principal risks and uncertainties

The principal risks and uncertainties faced by the credit union are:

Credit risk

Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to the credit union, resulting in financial loss.

Lack of loan demand

Lending is the principle activity of the credit union and the credit union is reliant on it for generating income to cover costs and generate a surplus.

Market risk

Market risk is the risk that the value of an investment will decrease. This risk can arise from fluctuations in values of, or income from, assets or changes in interest rates.

Liquidity risk

Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed processes or systems of the credit union, any failure by persons connected with the credit union or from external events.

Directors' Report (continued)

For the financial year ended 30 September 2019

These risks are managed by the board of directors as follows:

Credit risk
In order to manage this risk, the board of directors regularly reviews and approves the credit union's loans policy. 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.

Lack of loan demand
The credit union provide lending products to its members and promote these products through various marketing initiatives.

Market risk
The board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

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.

Operational risk
The operational risk of the credit union is managed through the employment of suitably qualified staff to ensure appropriate processes, procedures and systems are implemented and are further supported with a robust reporting structure.

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 finance function. The books of account of the credit union are maintained at the credit union's premises at 135 Bank Place, Mallow Co. Cork.

Events after the end of the financial year

There have been no significant events affecting the credit union since the year end.

Auditors

In accordance with Section 115 of the Credit Union Act, 1997 (as amended), the auditors Grant Thornton offer themselves for re-election.

This report was approved by the board on 15 November 2019 and signed on its behalf by:

Chairperson of the Board of Directors: David Browne
Date: 15 November 2019

Member of the Board of Directors: Jeremiah Hogan
Date: 15 November 2019

Directors' Responsibilities Statement

For the financial year ended 30 September 2019

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and regulations. The directors are also responsible for preparing the other information included in the annual report. 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 period.

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;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reason for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the credit union will continue in business.

The directors are responsible for ensuring that the credit union keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the credit union, enable at any time the assets, liabilities, financial position and income and expenditure of the credit union to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Credit Union Act 1997 (as amended) and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the credit union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This statement was approved by the board on 15 November 2019 and signed on its behalf by:

Chairperson of the Board of Directors: David Browne
Date: 15 November 2019

Member of the Board of Directors: Jeremiah Hogan
Date: 15 November 2019

Board Oversight Committee's Responsibilities Statement

For the Financial Year Ended 30 September 2019

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 of Ireland in respect of which they are to have regard to in relation to the board of directors.

This statement was approved by the board oversight committee on 15 November 2019 and signed on its behalf by:

Chairperson of the Board Oversight Committee: Ciaran Treacy
Date: 15 November 2019

Independent Auditor's Report
to the members of Mallow Credit Union Limited

Opinion
We have audited the financial statements of Mallow Credit Union Limited, which comprise the income and expenditure account, the statement of other comprehensive income, the balance sheet, the statement of changes in reserves and the statement of cash flows for the financial year ended 30 September 2019, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law including the Credit Union Act, 1997 (as amended) and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

In our opinion, Mallow Credit Union Limited's financial statements:
- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the credit union's affairs as at 30 September 2019 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared so as to conform 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 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the credit union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 the 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
Other information comprises information included in the annual report, other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. 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 on the other information, 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.

Independent Auditor's Report (continued)

to the members of Mallow Credit Union Limited

Matters on which we are required to report 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, to the best of our knowledge and belief, were 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 of the credit union; and
- 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.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS 102, and for such internal control as they determine 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 the directors either intends to liquidate the credit union or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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 auditors' report that includes their 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.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will 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 their 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 they conclude that a material uncertainty exists, they are required to draw attention in the auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditors' 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 a true and fair view.

Independent Auditor's Report (continued)

to the members of Mallow Credit Union Limited

The auditor communicates 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 may be identified during the audit.

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

This report is made solely to the credit union's members, as a body, in accordance with section 120 of the Credit Union Act, 1997 (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 auditors' 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.

Denise O'Connell FCA
for and on behalf of
Grant Thornton
Chartered Accountants
& Statutory Audit Firm
Mill House, Henry Street, Limerick

Date: 15 November 2019

Income and expenditure account

For the financial year ended 30 September 2019

	Schedule	2019 €	2018 €
Income			
Interest on members' loans		2,818,468	2,748,300
Interest payable on members' deposits (note 23)		(44)	(433)
Other interest and similar income	1	1,230,342	1,283,404
Net interest income		**4,048,766**	**4,031,271**
Other income	2	197,945	1,497,007
Total income		**4,246,711**	**5,528,278**
Expenditure			
Employment costs		1,907,430	1,750,523
Other management expenses	3	2,110,000	2,259,609
Depreciation		147,600	142,134
Net impairment losses/(gains) on loans (note 5)		(368,314)	(622,316)
Total expenditure		**3,796,716**	**3,529,950**
Surplus for the financial year		**449,995**	**1,998,328**

The financial statements were approved and authorised for issue by the board on 15 November 2019 and signed on behalf of the credit union by:

CEO: Tomás O'Neill
Date: 15 November 2019

Member of the Board Oversight Committee: Ciaran Treacy
Date: 15 November 2019

Member of the Board of Directors: David Browne
Date: 15 November 2019

The notes on pages 21 to 35 form part of these financial statements.

Statement of other comprehensive income

For the financial year ended 30 September 2019

	2019	2018
	€	€
Surplus for the financial year	449,995	1,998,328
Other comprehensive income	–	–
Total comprehensive income for the financial year	**449,995**	**1,998,328**

The financial statements were approved and authorised for issue by the board on 15 November 2019 and signed on behalf of the credit union by:

CEO: Tomás O'Neill
Date: 15 November 2019

Member of the Board Oversight Committee: Ciaran Treacy
Date: 15 November 2019

Member of the Board of Directors: David Browne
Date: 15 November 2019

The notes on pages 21 to 35 form part of these financial statements.

Balance sheet

As at 30 September 2019

	Notes	2019	2018
Assets		€	€
Cash and balances at bank		2,916,137	3,315,838
Deposits and investments – cash equivalents	7	26,399,607	21,357,046
Deposits and investments – other	7	127,686,620	120,897,698
Loans	8	39,297,816	38,031,222
Provision for bad debts	9	(4,242,253)	(4,415,825)
Tangible fixed assets	10	3,507,710	3,618,049
Investments in associates	11	265,000	–
Debtors, prepayments and accrued income	12	467,629	1,887,866
Total assets		**196,298,266**	**184,691,894**
Liabilities			
Members' shares	13	169,396,219	157,868,929
Members' deposits	14	–	84,000
Other liabilities, creditors, accruals and charges	15	907,903	986,087
Other provisions	16	42,363	41,415
Total liabilities		**170,346,485**	**158,980,431**
Reserves			
Regulatory reserve	18	20,612,175	20,204,725
Operational risk reserve	18	1,051,072	1,051,072
Other reserves			
– Realised reserves	18	4,213,632	4,356,670
– Unrealised reserves	18	74,902	98,996
Total reserves		**25,951,781**	**25,711,463**
Total liabilities and reserves		**196,298,266**	**184,691,894**

The financial statements were approved and authorised for issue by the board on 15 November 2019 and signed on behalf of the credit union by:

CEO: Tomás O'Neill
Date: 15 November 2019

Member of the Board Oversight Committee: Ciaran Treacy
Date: 15 November 2019

Member of the Board of Directors: David Browne
Date: 15 November 2019

The notes on pages 21 to 35 form part of these financial statements.

Statement of changes in reserves

For the financial year ended 30 September 2019

	Regulatory reserve €	Operational risk reserve €	Realised reserves €	Unrealised reserves €	Total €
As at 1 October 2017	**17,200,226**	**651,072**	**6,177,398**	**68,091**	**24,096,787**
Surplus for the year	–	–	1,967,423	30,905	1,998,328
Dividends and loan interest rebates paid	–	–	(383,652)	–	(383,652)
Transfers between reserves	3,004,499	400,000	(3,404,499)	–	–
As at 1 October 2018	**20,204,725**	**1,051,072**	**4,356,670**	**98,996**	**25,711,463**
Surplus for the year	–	–	449,995	–	449,995
Dividends and loan interest rebates paid	–	–	(209,677)	–	(209,677)
Transfers between reserves	407,450	–	(383,356)	(24,094)	–
As at 30 September 2019	**20,612,175**	**1,051,072**	**4,213,632**	**74,902**	**25,951,781**

- The regulatory reserve of the credit union as a percentage of total assets as at 30 September 2019 was 10.50% (2018: 10.94%).
- The operational risk reserve of the credit union as a percentage of total assets as at 30 September 2019 was 0.54% (2018: 0.57%).

The notes on pages 21 to 35 form part of these financial statements.

Statement of cash flows

For the financial year ended 30 September 2019

	Notes	2019 €	2018 €
Opening cash and cash equivalents		**24,672,884**	**33,887,727**
Cash flows from operating activities			
Loans repaid	8	19,230,187	21,669,764
Loans granted	8	(21,109,376)	(22,114,574)
Loan interest		2,818,468	2,748,300
Deposit interest paid		(44)	(433)
Investment income		1,230,342	1,283,404
Bad debts recovered and recoveries		807,337	602,472
Other receipts		197,945	1,497,007
Dividends paid		(145,414)	(256,557)
Loan interest rebates paid		(64,263)	(127,095)
Operating expenses		(4,017,430)	(4,010,132)
Movement in other assets and liabilities		1,343,001	(1,056,488)
Net cash flows from operating activities		**290,753**	**235,668**
Cash flows from investing activities			
Fixed asset (purchases)/disposals		(37,261)	(569,117)
Purchase of loan book		–	(6,277,855)
Investments in associates		(265,000)	–
Net cash flow from other investing activities		(6,788,922)	(28,687,946)
Net cash flows from investing activities		**(7,091,183)**	**(35,534,918)**
Cash flows from financing activities			
Members' shares received	13	102,805,008	103,781,853
Members' shares withdrawn	13	(91,277,718)	(77,229,446)
Members' deposits withdrawn	14	(84,000)	(468,000)
Net cash flow from financing activities		**11,443,290**	**26,084,407**
Net (decrease)/increase in cash and cash equivalents		**4,642,860**	**(9,214,843)**
Closing cash and cash equivalents	6	**29,315,744**	**24,672,884**

The notes on pages 21 to 35 form part of these financial statements.

Notes to the financial statements

For the financial year ended 30 September 2019

1. Legal and regulatory framework

Mallow Credit Union Limited is registered with the Registry of Credit Unions and is regulated by the Central Bank of Ireland. The registered office of the credit union is located at 135 Bank Place, Mallow Co. Cork.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable Irish accounting standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Irish statute comprising of the Credit Union Act, 1997 (as amended). The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Euro (€) which is also the functional currency of the credit union.

The following principal accounting policies have been applied:

2.2 Statement of compliance

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

2.3 Going concern

After reviewing the credit union's projections, the directors have reasonable expectation that the credit union has adequate resources to continue in operational existence for the foreseeable future. The credit union therefore continues to adopt the going concern basis in preparing its financial statements.

2.4 Income

Interest on members' loans
Interest on members' loans is recognised on an accruals basis using the effective interest method.

Deposit and investment income
Investment income is recognised on an accruals basis using the effective interest method.

Other income
Other income is recognised on an accruals basis.

2.5 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.

2.6 Investments

<u>The specific investment products held by the credit union are accounted for as follows:</u>

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.

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

2. Accounting Policies (continued)

2.6 Investments (continued)

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 at fair value
Investments held for trading and investment in stock market shares (i.e. non-convertible preference shares and non-puttable ordinary shares or preference shares) are included in this category. Financial assets at fair value are classified as held for trading if they are acquired for sale in the short term. They are valued at fair value (market value) at the year-end date and all gains and losses are taken to the income and expenditure account.

The fair value of quoted investments is determined by reference to bid prices at the close of business on the balance sheet date. Where there is no active market these assets will be carried at cost less impairment.

2.7 Financial assets – loans

Loans 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.

Loans are derecognised when the right to receive cash flows from the asset has expired, usually when all amounts outstanding have been repaid by the member.

2.8 Provision for bad debts

The credit union assesses if there is objective evidence that any of its loans are impaired with due consideration of environmental factors. The loans are assessed collectively in groups that share similar credit risk characteristics. Individually significant loans are assessed on a loan by loan basis. In addition, if there is objective evidence that any individual loan is impaired, a specific loss will be recognised. Bad debt provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and the adequacy of same on a regular basis.

Any bad debts/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.

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The credit union adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the credit union. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the income and expenditure account during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Premises	2% straight line
Fixtures & fittings	20% straight line
Computer & office equipment	25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains' or 'other losses' in the income and expenditure account.

2.10 Impairment of assets

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income and expenditure account. If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the 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 Investments in associates

Investments in associates are accounted for at cost less impairment.

2.12 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 financial year ended 30 September 2019

2. Accounting policies (continued)

2.13 Financial liabilities – members' shares and members' deposits

Members' shares and members' deposits in Mallow Credit Union Limited are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently measured at amortised cost.

2.14 Other payables

Short term other liabilities, creditors, accruals and charges are measured at the transaction price.

2.15 Pension costs

The credit union operates a defined contribution pension scheme. The assets of this scheme are held separately from those of the credit union in independently administered funds. Employer contributions to the pension scheme are charged to the income and expenditure account in the period to which they relate.

2.16 Holiday pay

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.17 Derecognition of financial liabilities

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

2.18 Regulatory reserve

The Credit Union Act, 1997 (Regulatory Requirements) Regulations 2016 requires credit unions to establish and maintain a minimum regulatory reserve requirement of at least 10 per cent of the assets of the credit union. This reserve is to be perpetual in nature, freely available to absorb losses, realised financial reserves that are unrestricted and non-distributable.

2.19 Operational risk reserve

Section 45(5)(a) of the Credit Union Act, 1997 (as amended) requires each credit union to maintain an additional reserve that it has assessed is required for operational risk having regard to the nature, scale and complexity of the credit union. Credit unions are required to maintain a minimum operational risk reserve having due regard for the sophistication of the business model.

The directors have considered the requirements of the Act and have considered an approach to the calculation of the operational risk reserve. Mallow Credit Union Limited uses the Basic Indicator Approach as set out in the operational risk measurements techniques proposed under Basel II capital adequacy rules for banking institutions in calculating the Operational Risk Reserve. Therefore Mallow Credit Union Limited will hold an operational risk reserve which will at a minimum equal 15% of the average positive gross income for the previous three years. For any year in which there was a deficit, this will be excluded from the calculation.

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

2. Accounting policies (continued)

2.20 Other reserves

Other reserves are the accumulated surpluses to date that have not been declared as dividends returnable to members and reserves arising on transfers of engagements. The other reserves are subdivided into realised and unrealised. In accordance with the Central Bank guidance note for credit unions on matters relating to accounting for investments and distribution policy, investment income that has been recognised but will not be received within 12 months of the balance sheet date is classified as “unrealised” and is not distributable. A reclassification between unrealised and realised is made as investments come to within 12 months of maturity date. The directors have deemed it appropriate that interest on loans receivable at the balance sheet date is also classified as “unrealised” and is not distributable. All other income is classified as “realised”.

2.21 Distribution policy

Dividends and loan interest rebates are made from the current year’s surplus or reserves set aside for that purpose. The board’s proposed dividends and loan interest rebates to members each year is based on the distribution policy of the credit union.

The rate of dividends and loan interest rebates recommended by the board will reflect:

- the risk profile of the credit union, particularly in its loan and investments 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 loan interest rebates when members ratify such payments at the Annual General Meeting.

2.22 Taxation

The credit union is not subject to income tax or corporation tax on its activities.

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

3. Judgements in applying accounting policies and key source of estimation uncertainty

Preparation of the financial statements requires the directors to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Determination of depreciation, useful economic life and residual value of tangible 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. The net book value of tangible fixed assets subject to depreciation at the year end was €3,507,710 (2018: €3,618,049).

Provision for bad debts
Mallow Credit Union Limited's accounting policy for impairment of loans is set out in the 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. The provision for bad debts in the financial statements at the year end was €4,242,253 (2018: €4,415,825) representing 10.80% (2018: 11.61%) of the total gross loan book.

Investment in associates
The investment in associates represents Mallow 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, Mallow 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.

Operational risk reserve
The directors have considered the requirements of the Credit Union Act, 1997 (as amended) and have developed an approach to the calculation of the operational risk reserve. The operational risk reserve of the credit union at the year end was €1,051,072 (2018: €1,051,072).

Adoption of going concern basis for financial statements preparation
The directors have prepared projections and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the credit union's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the credit union was unable to continue as a going concern.

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

4 Key management personnel compensation

The directors of Mallow Credit Union Limited are all unpaid volunteers. The key management personnel compensation is as follows.

	2019 €	2018 €
Short term employee benefits paid to key management	338,072	333,042
Payments to pension schemes	20,630	24,254
Total key management personnel compensation	**358,702**	**357,296**

5. Net impairment losses/gains on loans to members

	2019 €	2018 €
Bad debts recovered	(658,006)	(429,644)
Impairment of loan interest reclassed as bad debt recoveries	(149,331)	(172,828)
Movement in bad debts provision during the year	(173,572)	(398,297)
Loans written off during the year	612,595	378,453
Net impairment losses/(gains) on loans	**(368,314)**	**(622,316)**

6. Cash and cash equivalents

	2019 €	2018 €
Cash and balances at bank	2,916,137	3,315,838
Deposits & investments (note 7)	154,086,227	142,254,744
Less: Deposit & investment amounts maturing after three months	(127,686,620)	(120,897,698)
Total cash and cash equivalents	**29,315,744**	**24,672,884**

7. Deposits and investments

	2019 €	2018 €
Deposits and investments – cash equivalents		
Accounts in authorised credit institutions	26,399,607	20,856,423
Other investments	–	500,623
Total deposits and investments – cash equivalents	**26,399,607**	**21,357,046**
Deposits and investments – other		
Accounts in authorised credit institutions	98,363,505	95,047,380
Irish and EEA state securities	1,837,579	1,865,176
Bank bonds	21,994,368	22,009,043
Central bank deposits	1,474,685	1,318,004
Other investments	4,016,483	658,095
Total deposits and investments – other	**127,686,620**	**120,897,698**
Total deposits and investments	**154,086,227**	**142,254,744**

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

8. Financial assets – loans to members

	2019	2018
	€	€
As at 1 October	38,031,222	31,687,010
Loans arising on purchase of loan book	–	6,277,855
Loans granted during the year	21,109,376	22,114,574
Loans repaid during the year	(19,230,187)	(21,669,764)
Gross loans and advances	**39,910,411**	**38,409,675**
Bad debts		
Loans written off during the year	(612,595)	(378,453)
As at 30 September	**39,297,816**	**38,031,222**

Loans are analysed as follows:

	2019	2018
Loans to members	38,636,071	36,545,437
Other loans	661,745	1,485,785
As at 30 September	**39,297,816**	**38,031,222**

9. Provision for bad debts

	2019	2018
	€	€
As at 1 October	4,415,825	4,814,122
Movement in bad debts provision during the year	(173,572)	(398,297)
As at 30 September	**4,242,253**	**4,415,825**

The provision for bad debts is analysed as follows:

	2019	2018
	€	€
Grouped assessed loans	4,242,253	4,415,825
Provision for bad debts	**4,242,253**	**4,415,825**

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

10. Tangible fixed assets

	Premises €	Fixtures & Fittings €	Computer & Office Equipment €	Total €
Cost				
1 October 2018	5,338,033	53,336	200,807	5,592,176
Additions	–	21,835	15,426	37,261
Disposals	–	(24,343)	(25,420)	(49,763)
At 30 September 2019	**5,338,033**	**50,828**	**190,813**	**5,579,674**
Depreciation				
1 October 2018	1,842,665	36,794	94,668	1,974,127
Charge for year	91,612	7,220	48,768	147,600
Disposals	–	(24,343)	(25,420)	(49,763)
At 30 September 2019	**1,934,277**	**19,671**	**118,016**	**2,071,964**
Net book value				
30 September 2019	**3,403,756**	**31,157**	**72,797**	**3,507,710**
30 September 2018	3,495,368	16,542	106,139	3,618,049

11. Investments in associates

	€
Cost	
At 1 October 2018	–
Additions in the year	265,000
At 30 September 2019	**265,000**
Accumulated impairment	
At 1 October 2018	–
Impairment loss	–
At 30 September 2019	–
Net book value	
30 September 2019	**265,000**
30 September 2018	–

Interests in associates

The credit union has interests in the following associate:

	Type of shares held	Proportion held (%)	Net Assets €	Profit or loss €
Associate				
Metacu Management Designated Activity Company	Redeemable A Ordinary	6.25%	–*	–*

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

11. Investments in associates (continued)

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

	Share of net assets €
At 1 October 2018	–
Investment during the year	265,000
Share of profit/(loss) for the financial year after tax	–*
Share of other comprehensive income	–*
At 30 September 2019	**265,000**

*Metacu Management Designated Activity Company commenced trading during 2019 and has not yet prepared its first year financial statements. Consequently the net assets or profit/loss of the company is not yet available.

12. Debtors, prepayments and accrued income

	2019 €	2018 €
Prepayments	142,727	87,052
Other debtors	250,000	1,717,569
Loan interest receivable	74,902	83,245
	467,629	**1,887,866**

13. Members' shares

	2019 €	2018 €
As at 1 October	157,868,929	131,316,522
Received during the year	102,805,008	103,781,853
Withdrawn during the year	(91,277,718)	(77,229,446)
As at 30 September	**169,396,219**	**157,868,929**

14. Members' deposits

	2019 €	2018 €
As at 1 October	84,000	552,000
Withdrawn during the year	(84,000)	(468,000)
As at 30 September	**–**	**84,000**

15. Other liabilities, creditors accruals and charges

	2019 €	2018 €
Accruals	752,757	661,121
PAYE/PRSI	36,902	31,757
DIRT	–	12
Other liabilities and creditors	118,244	293,197
	907,903	**986,087**

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

16. Other provisions

Holiday pay accrual	**2019**	**2018**
	€	**€**
At 1 October	41,415	35,444
Charged to the income and expenditure account	948	5,971
At 30 September	**42,363**	**41,415**

17. Financial instruments

17a. Financial instruments – measured at amortised cost

Financial assets	**2019**	**2018**
	€	**€**
Financial assets measured at amortised cost	196,415,180	183,760,655

Financial liabilities	**2019**	**2018**
	€	**€**
Financial liabilities measured at amortised cost	170,346,485	158,980,431

Financial assets measured at amortised cost comprise of cash and balances at bank, deposits and investments, loans, other debtors and investments in associates.

Financial liabilities measured at amortised cost comprise of members' shares, creditors and accruals and other provisions.

17b. Financial instruments – fair value measurements

FRS 102 requires fair value measurements to be disclosed by the source of inputs, using a three level hierarchy:

- Quoted prices for identical instruments in active market (level 1);
- Prices of recent transactions for identical instruments and valuation techniques using observable market data (level 2), and
- Valuation techniques using unobservable market data (level 3).

The table below sets out fair value measurements using the fair value hierarchy:

At 30 September 2019	**Total**	**Level 1**	**Level 2**	**Level 3**
	€	**€**	**€**	**€**
Bank bonds	400,000	–	400,000	–
Total	**400,000**	**–**	**400,000**	**–**

At 30 September 2018	**Total**	**Level 1**	**Level 2**	**Level 3**
	€	**€**	**€**	**€**
Bank bonds	400,000	–	400,000	–
Other investments	1,158,718	–	1,158,718	–
Total	**1,558,718**	**–**	**1,558,718**	**–**

There were no fair value adjustments recognised in the income and expenditure account for the year ended 30 September 2019 (2018: €nil).

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

18. Reserves

	Balance 01/10/18 €	Payment of dividends & loan interest rebates €	Appropriation of current year surplus €	Transfers between reserves €	Balance 30/09/19 €
Regulatory reserve	**20,204,725**	**–**	**–**	**407,450**	**20,612,175**
Operational risk reserve	**1,051,072**	**–**	**–**	**–**	**1,051,072**
Other reserves					
Realised					
Special reserve – proposed dividends and loan interest rebates	219,134	(209,677)	114,416	(9,457)	114,416
Future dividend reserve	200,000	–	–	–	200,000
Reserves arising on transfer of engagements	875,116	–	–	(875,116)	–
General reserve	3,062,420	–	335,579	501,217	3,899,216
Total realised reserves	**4,356,670**	**(209,677)**	**449,995**	**(383,356)**	**4,213,632**
Unrealised					
Interest on loans reserve	83,245	–	–	(8,343)	74,902
Investment income reserve	15,751	–	–	(15,751)	–
Total unrealised reserves	**98,996**	**–**	**–**	**(24,094)**	**74,902**
Total reserves	**25,711,463**	**(209,677)**	**449,995**	**–**	**25,951,781**

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

19. 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 percentages of the regulatory reserve (large exposure limit)
- restricts the loan duration of certain loans to specified limits (maturity limits)
- 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.

The carrying amount of the loans represents Mallow Credit Union Limited's maximum exposure to credit risk. The following 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.

	2019		2018	
	€	%	€	%
Loans not impaired				
Total loans not impaired, not past due	30,373,475	77.29%	27,411,292	72.08%
Impaired loans:				
Not past due	1,223,626	3.11%	1,317,312	3.46%
Up to 9 weeks past due	4,896,358	12.46%	5,937,705	15.61%
Between 10 and 18 weeks past due	790,361	2.01%	931,515	2.45%
Between 19 and 26 weeks past due	392,026	1.00%	460,074	1.21%
Between 27 and 39 weeks past due	344,856	0.88%	444,701	1.17%
Between 40 and 52 weeks past due	277,221	0.71%	314,279	0.83%
53 or more weeks past due	999,893	2.54%	1,214,344	3.19%
Total impaired loans	8,924,341	22.71%	10,619,930	27.92%
Total loans	**39,297,816**	**100.00%**	**38,031,222**	**100.00%**

20. Related party transactions

20a. Loans

	2019		2018	
	No. of Loans	€	No. of Loans	€
Loans advanced to related parties during the year	11	127,072	9	118,951
Total loans outstanding to related parties at the year end	23	264,697	22	261,779
Total provisions for loans outstanding to related parties		21,542		21,341

The related party loans stated above comprise of loans outstanding to directors and the management team (to include their family members or any business in which the directors or management team had a significant shareholding).

Total loans outstanding to related parties represents 0.67% of the total loans outstanding at 30 September 2019 (2018: 0.69%).

20b. Savings

The total amount of savings held by related parties at the year end was €775,595 (2018: €685,073).

Notes to the financial statements (continued)

For the financial year ended 30 September 2019

21. Additional financial instruments disclosures

21a. Financial risk management

Mallow Credit Union Limited manages its members' shares and loans so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from Mallow Credit Union Limited's activities are credit risk, market risk, liquidity risk and interest rate risk. The board of directors 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 the credit union, resulting in financial loss. In order to manage this risk the board of directors regularly reviews and approves Mallow Credit Union Limited's credit policy. 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.

Market risk: Market risk is the risk that the value of an investment will decrease. This risk can arise from fluctuations in values of, or income from, assets or changes in interest rates. The board of directors regularly reviews and approves the credit union's investment policy and funds are invested in compliance with this policy and regulatory guidance.

Liquidity risk: Liquidity risk is the risk that the credit union will not have sufficient cash resources to meet day to day running costs and repay members' savings when demanded. 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.

Interest rate risk: Mallow Credit Union Limited's main interest rate risk arises from adverse movements in interest rates receivable which would affect investment income. Mallow Credit Union Limited reviews any potential new investment product carefully to ensure that minimum funds are locked in low yielding long term investments yet at the same time maximising investment income receivable.

21b. Liquidity risk disclosures

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 regulatory requirements.

21c. Interest rate risk disclosures

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

	2019		2018	
	€	Average Interest Rate %	€	Average Interest Rate %
Gross loans	**39,297,816**	**7.74%**	**38,031,222**	**8.08%**

Any dividend payable is at the discretion of the directors and is therefore not a financial liability of the credit union until declared and approved at the AGM.

Notes to the financial statements (continued)
For the financial year ended 30 September 2019

22. Dividends and loan interest rebate

The following distributions were made during the year:

	2019 %	2019 €	2018 %	2018 €
Dividend on shares	0.10%	145,414	0.20%	256,557
Loan interest rebate	2.50%	64,263	5.00%	127,095

The directors propose the following distributions in respect of the year:

	2019 %	2019 €	2018 %	2018 €
Dividend on shares	0.025%	40,012	0.10%	146,764
Loan interest rebate	2.50%	74,404	2.50%	72,370

23. Rate of interest paid on members' deposit accounts

	2019 %	2019 €	2018 %	2018 €
Interest on deposits	0.125%	44	0.20%	433

24. Events after the end of the financial year

There have been no significant events affecting the credit union since the year end.

25. Insurance against fraud

The credit union has Insurance against fraud in the amount of €5,200,000 in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

26. Capital commitments

There were no capital commitments at 30 September 2019.

27. Contingent liabilities

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 has commenced a review to ascertain whether any top-up loans made to members might be impacted by these circumstances, and if so, to determine what actions may need to be taken. 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.

28. Comparative information

Comparative information has been reclassified where necessary to conform to current year presentation.

29. Approval of financial statements

The board of directors approved these financial statements for issue on 15 November 2019.

Schedules to the income and expenditure account

For the financial year ended 30 September 2019

The following Schedules do not form part of the Statutory Financial Statements which are the subject of the Independent Auditor's Report on pages 13 – 15.

Schedule 1 – Other Interest Income And Similar Income

	2019 €	2018 €
Investment income and gains received/receivable within 1 year	1,230,342	1,278,824
Investment income receivable outside of 1 year	–	4,580
Total per income and expenditure account	**1,230,342**	**1,283,404**

Schedule 2 – Other Income

	2019 €	2018 €
Rent receivable	60,000	60,000
Commissions and associated income	28,694	21,248
Business lodgements charges	24,336	23,739
ECCU rebate	75,726	149,611
Administration charges	9,189	21,178
ILCU capital contribution	–	1,221,231
Total per income and expenditure account	**197,945**	**1,497,007**

Schedule 3 – Other Management Expenses

	2019 €	2018 €
Rent and rates	60,498	67,841
Light, heating and cleaning	40,091	42,646
Print, stationery and office supplies	63,203	90,218
Postage and telephone	33,769	37,282
Promotion and development	79,788	93,244
AGM expenses	32,195	31,784
ECCU insurance	591,808	474,043
Professional fees	215,850	599,834
General Insurance	50,863	43,863
Repairs and computer maintenance	323,729	264,011
Travel expenses	44,388	23,405
Chapter expenses and convention costs	–	4,560
ILCU affiliations and SPS contribution	40,358	80,423
Audit fee	33,825	33,825
Legal fee	45,890	21,294
Miscellaneous expenses	4,005	1,506
Bank charges	75,212	75,985
Regulatory levies and charges	374,528	273,845
Total per income and expenditure account	**2,110,000**	**2,259,609**

Report of the Credit Committee

The Credit Committee was elected after last year's Annual General Meeting. Its duty is to approve loan applications in line with the Board's Loans Policy and with current regulations.

Following our annual inspection from the Central Bank the credit function of Mallow Credit Union was reviewed and re-organised.

Lending was centralised with a lending department established. This has resulted in a more streamlined lending process now in place in line with Central Bank expectations which will give a better service to our members with speedier decisions and a better quality of underwriting.

Having this department in place allows our credit union the possibility of moving into larger long term lending and we are currently in the process of securing permission from the Central Bank to make this happen.

In January of this year we appointed a new Head of Lending to oversee the lending function across our eight branches. We would like to welcome Kieran O'Callaghan to this position and to wish him every success.

Because of these positive changes, the centralisation of the underwriting process has resulted in a higher consistency of decision making and we are happy to report that in excess of 90% of all applications made were approved this year. We would like to thank you our members for your loyalty and co- operation when applying for your loans.

As a result of the financial crisis a number of years ago the landscape around the underwriting of loans has changed significantly.

More information is now required for each loan application as well as compulsory credit checks through the Central Credit Register where a persons credit history is held.

Good underwriting procedures create a strong and healthy loan book securing the viability of our credit union
Lending is one of the main pillars of our credit union and the income derived from this area contributes significantly to providing dividends, reserves, rebates and operating expenses.

In the year under review Mallow Credit Union granted €21,109,376 in loans. The total outstanding loan book at the 30th of September stood at €39,297,816 an increase of €1,266,594.

The activity on our loan book yielded a return in interest of €2,818,468 with our borrowing members contributing 66.3% of the total income of Mallow Credit Union. We thank you for your continued support and would encourage more members to consider their credit union first when thinking of borrowing.

Report of the Credit Committee (continued)

As a result of the various mergers and liquidation since 2016 we have had several different types and rates for our loans. We believe that this has caused confusion and following our reorganisation in October we have simplified our loan products for all new borrowers to just three types of loans:

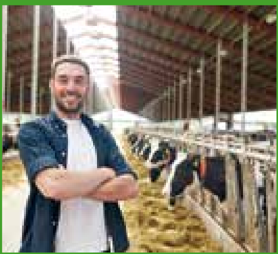
- Personal Loans 9.50% (APR 9.92%)
- Agricultural Loans 6.55% (APR 6.75%)
- Promotional Education Loans 6% (APR 6.17%)

This we believe will give more clarity to our members when they are considering a loan.

In addition because of our financial performance we are in position to give our borrowing members a 2.5% loan interest rebate which further reduces the cost of borrowing to you.

We would recommend that when borrowing you consider all of the facts before deciding. Your credit union loan offers insurance on your loan and savings, charges interest on the reducing balance only and there are no penalties for early redemption or paying extra on your loan repayments.

Credit Committee



Report of the Board Oversight Committee

The role of the Mallow Board Oversight Committee is to ensure that all actions and decisions taken by the Board of Directors relating to the affairs of the Credit Union are in compliance with the Credit Union rules and the relevant legislation. The Board Oversight Committee held their normal monthly meetings together with our required meetings with the Directors to discuss the strategic plan, policies and investment requirements. We also keep ourselves informed through C.U. Learning, conferences and other training opportunities.

2019 has been a challenging but rewarding year for us. We have had to:

- Update our organisational structure including the office layout
- Upgrade our IT system
- Upgrade and implement a new security system
- Set up and implement a new risk management system

In addition to the above we have had a very poor return from investments yielding less than 1% in many cases and forcing us to invest over a longer time frame. Also some banks are now charging us for short term money that has to be maintained for liquidity purposes. In spite of the above additional costs and reduced investment income we have been able to :-

- Pay a dividend of 0.025%
- Pay an interest rebate of 2.5%
- Make an extra reserve to compensate for possible Brexit contingencies

We confirm that to the best of our knowledge and information Mallow Credit Union is being operated according to the requirements of the financial regulator and the rules and regulations of the Credit Union Act 1997 (as amended) and as your representative we are happy to assure you that your money is safe.

We also want to thank you our members for continuing to borrow from our Credit Union and ensuring your repayments are made in a timely manner even in these challenging times for this is the life blood of our Credit Union.

The challenges facing us in the year ahead will be:

- To get the max return we can on our investments
- To grow our loan book to cater for all our members borrowing needs
- To continue to monitor and reduce operating costs
- To encourage our members to borrow from our Credit Union rather than from other sources.

Finally on behalf of the Board Oversight Committee I wish to thank the Board, Management and Staff for their co-operation during the year and to thank you the members for your continued support.

Ciaran Treacy
Chairperson of the Board Oversight Committee

Report of the Membership Committee

The Membership Committee is appointed by the Board of Directors following each AGM.

Its duty is to encourage potential members to join, to ensure that all prospective membership applications are completed correctly and that all those eligible to become members are admitted as members.

The criteria to be met for membership is as follows:

- A person that resides within the common bond of the credit union
- A person that is employed within the common bond of the credit union
- A person that attends school or college within the common bond of the credit union
- A person that resides with a family member who satisfies any of the above

The common bond/area is what determines the eligibility of a person to become a member of the credit union. The registered common bond of Mallow Credit Union includes the following areas:
A seven mile radius of Mallow town, the areas of Ballyclough, Castlemagner, Glantane, Mourneabbey, Killavullen, Castletownroche, Grenagh, Donoughmore, Dromahane, Millstreet, Derragh, Skagh, Coolclogh, Rosnalee, Banteer, Tincoora, Nad, Mountrivers, Kilberrihert, Rahalisk, Clondrohid, Coomlogane, Caherbarnagh, Cullen, Drishane, Keale, Rathcoole, Kilcorney, Crinaloo, Buttevant, Doneraile, Shanballymore, Liscarroll, Churchtown, Lisgriffin, Dromcollogher, Broadford, Feenagh, Milford, Tullylease, Kilmeedy, Feoghanagh, a four mile radius of Charleville town, Ballyhea, Newtownshandrum, Dromina, Ballyagran and Effin.

In order to open an account with us, an eligible person must provide proof of photo identification, PPS number and address.

These are requirements of the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 and 2013. The credit union is also required to verify and update each member's identification and address on a continual basis.

We apologise for any inconvenience caused when we request this information but these are regulatory requirements and the credit union has no discretion in the matter. Failure from our members to provide us with accurate and up to date proof of identification and address will mean that you will be unable to transact on your credit union account until such time as the documents are provided to the credit union.

We would like to thank all those members who have and continue to cooperate with us.

We would like to remind those members that have not yet redeemed their Savings Stamp books that you may still present books at any branch of the credit union so that their value may be lodged to your savings account. The Savings Stamp books do not need to be full in order to redeem them.

It is never too early to start saving and we would like to remind members that any account opened for a baby aged 3 months and under will have €30 lodged to it as a gift from the credit union. We would like to encourage a culture of savings among our young members.

During the year there were 1,332 accounts opened and there are now 28,260 active members in the credit union. There were 1,432 accounts closed during the year.

We would like to thank all those who assisted us in our work over the course of the year.

Membership Committee

Report of the Credit Control Committee

The Credit Control Committee is elected each year after the Annual General Meeting. Its task is to work with the Credit Controller and his department to ensure that all monies outstanding to Mallow Credit Union are collected where possible according to the terms of the individual credit agreements.

The Board of Directors approve annually the Credit Control Policy and it is the remit of the committee to ensure that this policy is adhered to in conjunction with regulations and guidelines from the Central Bank of Ireland. The committee meet regularly to review accounts and reports to the Board of Directors on a monthly basis.

Each branch co-ordinates with our credit control department to ensure early detection and intervention on loans that fall into arrears and we endeavour to engage with our members as early as possible. This level of co-operation is extremely important as we try to get the balance right between credit control procedures and local knowledge. We cannot emphasise enough the importance of contacting us as soon as possible if your circumstances have changed and you are finding it difficult with your repayments. We are here to help and you will find a sympathetic hearing and solution to your difficulties.

This is a summary of the main points relating to the financial year;

- Loans granted €21,109,376
- Loans repaid €19,230,187
- Interest received on loans €2,818,468
- Loans Written off €612,595
- Bad Debts recovered €807,337
- Doubtful Debts Recovered €355,714
- Total Loans Book 30/09/2019 €39,297,816
- Provision for Bad Debt Reserve €4,242,253

As we can see from the above figures it was a successful year in terms of loans granted to our members with over 90% of all loan applications being approved. In addition you our members honoured your agreements and repaid €19.2 million of your loans. Over the course of the year we wrote off €612,595 in loans, all of which had been fully provided for long before that point.

It should be noted that as part of regulations we are obliged to write off loans when they reach a certain point with regard to weeks in arrears. This does not mean that these loans are forgotten and we continue to work with the member to recover the monies due to the credit union and this year we recovered €807,337.

In addition we have a doubtful debts section which contains accounts that have been identified as being under stress and could potentially be written off. Our credit control staff work with these members in order to attempt to resolve their difficulties. Mallow Credit Union is committed to recovering loan amounts outstanding but equally we take seriously our responsibility to those members in difficulty and try to assist them where possible. This year we recovered €355,714 from our doubtful debt section.

Our total loans book at the 30th of September stood at €39.3 million and we have set aside a bad debt reserve of €4.2 million which is the equivalent of 10.80% of our loan book.

This year in light of uncertainty regarding Brexit the Board of Directors considered it prudent to allocate an additional bad debt provision to protect against any unforeseen circumstances that may occur.

We would like to thank all of our members who have shown such loyalty over the years in making this credit union the success it is and to those who make their repayments promptly and on time. Equally we thank those members in difficulty who have engaged with us and are working their way towards resolving their financial difficulties and to restoring their credit rating.

Credit Control Committee

Report of the Local Area Groups

The Local Area Groups continue to play a role in the promotion of the credit union's ethos and the development of products and services for our members. We achieve this by highlighting the importance of responsible financial practices and the shared benefits of embracing co-operative principles within the community.

Over the past 12 months we have worked closely with the Marketing & Business Development Officer and have engaged members through sponsorships, advertising and events, all of which have been shared across our social media channels, on our website and often in the local papers. Mallow Credit Union have sponsored numerous festivals and events including The Mallow Arts Festival, Racing Home for Easter Festival, Kildorrery Festival, St Joseph's Foundation's Spring Fair, Broadford Oskars & Mallow's 10 Mile Road Race. Clubs and schools also received sponsorship including Charleville GAA, Mallow & Cork County Handball Club, Newtownshandrum GAA, Patrician Academy, St Mary's Secondary School, CBS Charleville, Derinagree NS, Carriganima NS and more. The Credit Union is particularly proud to be involved with the Munster Maths and Science Fair, which has gone from strength to strength and engages with young people across our Common Bond and beyond. We have also held a stand at the Charleville Agricultural Show for the past 2 years to promote the credit union in Charleville and the Cultivate brand. The Cultivate brand was also promoted at a national scale with representatives present at this year's National Ploughing Championship which reflects our commitment to the agricultural and rural communities.

Two key events for the Local Area Groups are the School Quiz and Art competition. We had 40 teams compete in the School Quiz in 2019 and wish to thank the teachers and parents again for their time in preparing the teams. We had over 250 entries to the Art Competition. Artists representing Mallow Credit Union have traditionally done very well in the competition, with 2 of our representatives winning at National Level last year and are included in the 2020 ILCU calendar. As part of International Credit Union Day, the credit union hosted a free Will Advice Day which proved very successful and will be repeated in 2020. We would like to thank Nyhans Solicitors, Duggans Solicitors & O'Connor O'Dea, Binchy Solicitors for their time.

The Local Area Groups are committed to the new Strategic Business Plan, with renewed emphasis placed on Business Development in 2020. We also appreciate any input or suggestion from our members that could further enhance the services that are on offer.

Finally, I would like to thank everyone who assisted our committee in our work over the course of the year and wish everyone a very happy Christmas.

Local Area Group Committee

Amendments to Standard Rules Arising from the ILCU AGM 2019

There were four amendments to the Standard Rules for Credit Unions (Republic of Ireland) arising from League AGM 2019.

Resolution 21 from League AGM 2019 provided that:

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

Resolution 22 from League AGM 2019 provided that:

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 he is eligible for membership in accordance with rule 11; and
(ii) his 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

Resolution 23 from League AGM 2019 provided that:

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:……

Resolution 24 from League AGM 2019 provided that:

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;

Offices in:

Buttevant	Tel. 022 23427
Charleville	Tel. 063 50171
Dromcollogher	Tel. 063 83328
Mallow	Tel. 022 21121
Millstreet	Tel. 029 70764

Web: www.mallowcu.ie
Email: info@mallowcu.ie