

Annual General Meeting

2012

Blunden Drive, Ayrfield,
Dublin 13

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www.ayrfieldcreditunion.ie



Ayrfield Credit Union LTD.

Serving the Community for over 30 Years



32nd Annual General Meeting Ayrfield Credit Union Ltd

Ayrfield Credit Union
Tuesday 18th December 2012, 8.00 P.M.

CREDIT UNION PRAYER

LORD,

*Make me an instrument of your PEACE,
Where there is hatred let me sow LOVE,
Where there is injury PARDON,
Where there is doubt FAITH,
Where there is despair HOPE,
Where there is darkness LIGHT,
And where there is sadness JOY.*

O DIVINE MASTER,

*Grant that I may not so much seek,
To be consoled as to CONSOLE,
To be understood as to UNDERSTAND,
To be loved as to LOVE,
For it is in GIVING that we receive,
It is in PARDONING that we are pardoned,
And it is in DYING that we are born to
ETERNAL LIFE.*

Ayrfield Credit Union LTD.

Blunden Drive, Ayrfield, Dublin 13
Telephone: 867 0509 Fax: 867 2251
Email: ayrfieldcu@iol.ie www.ayrfieldcreditunion.ie

– Office Opening Hours –

Tuesday and Wednesday 10am – 12pm
Thursday 4.00pm – 8.00pm
Friday 10am – 12pm and 4.00pm – 8.00pm.

DIRECTORS

Thomas Crudden - *Chairperson*

Michelle Herron - *Secretary*

William Galgey - *Treasurer*

Kathleen Dunne, Anthony Ryan, Charles Brennan, Joseph Phelan,
Angela Mlsek, and Peter Kivlehan

Beatrice Murphy - *Office Administrator*

Patricia O'Brien - *Assistant Administrator*

Staff

Alice O'Brien
Deirdre Clarke
Gloria Kennedy
Carol Timmons
Emer Hickey

Supervisory

Laura Gallagher
Christina Hallinan
Vivian Pigott

Credit Control

Brendan Robinson
Rowena Higgins

AGENDA

1. Acceptance by the Board of Directors of the authorized representatives of members that are not natural persons
2. Ascertain that a quorum is present
3. Adoption of Standing Orders
4. Reading & Approval (or correction) of Minutes of AGM 2011
5. Report of Board of Directors
6. Report of the Treasurer, consideration of accounts and approval of the Treasurers Honorarium
7. Report of the Auditor
8. Report of Supervisory Committee
9. Declaration of Dividend and Rebate of interest (If any)
10. Report of the Insurance Officer
11. Report of Credit Committee
12. Report of Credit Control Committee
13. Report of the Membership Committee
14. Report of the Education Committee
15. Approval of Rule Amendments
16. Appointment of Tellers
17. Report of the Nominating Committee
18. Elections:
 - a. Auditor for 2012-2013
 - b. Fill vacancies on the Supervisory Committee
 - c. Fill vacancies on the Board of Directors
19. I.L.C.U. Foundation Contribution
20. Any other business
21. Announcement of Election Results
22. Adjournment or close of meeting.

NOTICE OF ELECTIONS

1. Elections will be held to fill 6 vacancies on the Board of Directors, 1 vacancy on the Supervisory Committee and also the position of Auditor.
2. Nominations for the position of Director or Supervisor must be in writing on the official Nomination form which is available from the office. All nomination forms must be signed by the nominee, a proposer and a seconder. All of whom must be members of Ayrfield Credit Union Limited. The nominee must be 18 years of age or over.
3. Nominations for the position of Auditor must be in writing on the official Nomination forms which are available from the Credit Union Office. All nominations must be signed by the Nominee, a proposer and a seconder, the proposer and seconder being members of Ayrfield Credit Union Limited. The nominee must be a public auditor.
4. All Nomination Forms should reach the registered offices of Ayrfield Credit Union Limited, not later than **5.00 p.m. on Friday 14th December 2012**

AMENDMENTS TO STANDARD RULES

Rule 22

That this Annual General Meeting agrees to amend Rule 22 of the Standard Rules for Credit Unions (Republic of Ireland) by the deletion of "when the credit union has been unable to contact the member for a period of three years" with "when there has been no member initiated transaction on the account for a period of three years" and substitute the word "ordinary" for "registered" where appearing in line 3 so as to read as follows:

Rule 22. Dormant accounts

The credit union may deal with shares and deposits accounts as hereinafter provided when there has been no member initiated transaction on the account for a period of three years and when no reply has been received within thirty days from the member to a notice sent, by ordinary post, to him/her at his/her last known address, of intent by the credit union to close the account(s). Such share and deposit accounts shall then be transferred to the reserve account. Dividends and interest shall continue to be payable in such accounts.

CHAIRMANS REPORT AGM 2012

On behalf of the Board of Directors of Ayrfield Credit Union I welcome you to the 32nd Annual General Meeting. The current economic situation in this country is well documented and the challenges facing all of us are shared by the Credit Union family. It has been another difficult year for the nation and our Credit Union continues to suffer the effects of the recession and the austerity of the restrictions imposed on us all.

The year ended September 2012 has seen a slow-down in demand for loans. However, we have seen a small increase towards year end. Due to stringent lending criteria imposed upon Credit Unions by the Central Bank regulators this has impacted on our capacity to grant loans. Our interest rate remains competitive and our balance sheet reflects Ayrfield Credit Union's strong position in the community. Ayrfield Credit Union remains committed to each and every member.

Current assets are in excess of €20m. Total loans issued during the year amounted to €3.6m with the total of outstanding loans to members €8.45m. Total shares at year end are €15.66m. Investments currently amount to €10.44m.

Reflecting the economy at large some of our members are having difficulties in meeting their loan repayments. We have therefore provided €1.13m. to cover bad and doubtful debts. As in other years we continue to appeal to members to make every effort to fulfil their commitments to the Credit Union. Our aim is to obtain full repayment of outstanding debts and in this regard we have augmented our board and staff to cope with mounting arrears. The question of arrears will be dealt with in the Credit Control report.

We continue to see new controls and requirements enforced by the Central Bank which entail attendance of staff and volunteers at training courses and this will continue to be an on-going feature of Credit Union activities. These measures involve additional running costs but we have endeavoured to keep all costs as low as possible as outlined in the management expenses.

On a brighter note we once again have a surplus for the year and this enables us to provide for a dividend of 1% and an interest rebate of 5%. I would encourage you to read the annual report in full detail as it highlights the strength of our Credit Union. We remain a secure financial co-operative serving the best interests of our members which is rare in the current climate. This is your local Credit Union and I would encourage you to be actively involved by putting yourselves forward for election.

On behalf of the Board I would like to extend our deepest sympathies to the families of those members who passed away in the past year:-

William Tobin, Patrick Holgate, Annie Balmaine, Thomas Collins, Rebecca Hutchinson, Collette O'Grady, Kathleen Barrett, Mary O'Rourke, Charlotte Hannigan, Patrick Mac-Gauley, Margaret O'Reilly, Sheila Byrne, James Byrne, Mary Daly, Mary Cavanagh and Bridget Kelly.

I would like to extend my thanks to all members of Ayrfield Credit Union without whom we would not be in the position we are. I also want to pay particular thanks to Beatrice and the staff for their continued excellent work, my colleagues on the volunteer Board of Directors and Supervisory Committee who have all made a great contribution throughout the year. Finally on behalf of the members, staff and Board of Directors I wish to pay tribute to Bill Galgey for his devotion and relentless work in Ayrfield Credit Union.

TREASURERS REPORT 2012

Once again it is my privilege to place before you the Financial Statements of Ayrfield Credit Union for the year ended 30th September 2012.

At the outset I wish to acknowledge the hard work and professionalism of our administrator and staff in dealing with the many complexities and demands placed on them during the year.

I am exceedingly grateful for the time and effort expended by them in serving the members to the best of their ability.

Details of income received and expenses incurred over the last twelve months are given in the Financial Report. You will be pleased to note that having accounted for all our liabilities and provided for transfers to reserves we had a surplus of €437,299 which enables us to recommend a dividend of 1% and an interest rebate of 5%. This is I hope you will agree is a fair accomplishment in these challenging times.

As a measure of the trust you the members have in our credit union you will be glad to note that we have maintained our share holding at €15.6m. In contrast however our loan demand has fallen resulting in a reduction in our loan portfolio from €9.6m to €8.2m. Consequently the return from interest received on members loans has dropped by €131,442. However this drop in income has been offset by an increase in interest on investments of €241,597.

The Statutory and Additional Regulatory Reserves comply with the Financial Regulators directive to maintain these reserves at a minimum of 10% of assets.

I wish to take this opportunity to thank my fellow Directors for their continued advice and support.

William Galgey
Treasurer

REPORT OF THE SUPERVISORY COMMITTEE

Under The Credit Union Act, 1997 (as amended) the Supervisory Committee has the general duty of overseeing the performance of the Board of Directors in their function of operation, management, direction, funds and records of the Credit Union.

The Committee consists of Laura Gallagher Chairman, Christina Hallinan Secretary and Vivian Pigott (co-opted in April). During the year Christina Hallinan resigned from the Supervisory. The Supervisory Committee, Board and members wish to thank Christina for the years of valued work on behalf of the members.

The Committee has the responsibility to ensure the safety and soundness of the member's assets by minimising the risk of loss. Regular checks to ensure compliance with legislation, rules, regulatory guidance notes, policy and procedures, systems and internal controls are carried out. By doing this we help to ensure the Credit Union is properly managed and books and records are maintained in the member's interest.

The Committee carried out the following functions:

Attended at all Board meetings, Verification of Bank Accounts, Teller Spot-Checks, Review of the Loans Granted, Reviewed Investments, Monitored the Pearls Reports for movement and performance, Checked a sample of Dormant Accounts, Verification of member accounts, Board Compliance of Regulatory Mandates, Review of Minimum Competency Requirements, Review of the Credit Control Policy and Review of Nominal Accounts. The Committee have made some recommendations to the Board.

The Committee are satisfied that despite the continuance of the most challenging times in Credit Union history we are happy to report the Board have at all times acted in your best interest. The Board have made significant policy changes to the overall structure of the Credit Union. The Board have been most prudent in their handling of the members funds and we are pleased with the overall year-end results.

We take this opportunity on your behalf to thank the Board, Staff and Volunteers for all their hard work.

Finally, we wish all our members a very Happy Christmas and look forward to your continued support of Ayrfield Credit Union.

Laura Gallagher
Chairperson

Vivian Pigott
Secretary

INSURANCE REPORT

The insurance cover organised by the Credit Union is a key benefit for members in that members get free life insurance cover on savings and loans. The Life Savings Insurance cover limit is now €20,000.00.

When you save in our Credit Union every euro you save

Before 55 years of age	provides you with €1 of insurance
From age 55 to age 60	provision is 75c
From age 60 to age 65	provision is 50c
From age 65 to age 70	provision is 25c

Over the past 12 months we had 16 deceased members in respect of whom Insurance Claims totalling €56,328.08 were paid out by E.C.C.U. Assurance Company. The amount of loans repaid was €11,083.28. Savings were increased by €45,244.80. Twelve of the deceased members qualified for Death Benefit Insurance an additional €24,000.00.

Automatic Loan Cover Limit – Death Cover:

All members between the ages of 16 and 85 are automatically insured for loan balances up to €8,000 regardless of the member's state of health. Members under 16 are only insurable up to €2,000.

Automatic Share Cover :

All members' shares up to a limit of €8,000 are insured regardless of the member's state of health.

DEATH BENEFIT INSURANCE

In addition to Loan Protection/Life Savings Insurance we are offering a special Death Benefit Insurance which is designed to give you and your family added security and relief from financial worry at the time of bereavement. For €2000 cover, the cost per annum is €10.00 per adult and €2.00 for children under 16.

We strongly recommend that those of you who are not covered by this scheme would favourably considering investing the small annual sum required to help to defray funeral expenses. The appropriate premium of €10.00 (adult) or €2.00 (child) is deducted from shares on an annual basis.

The balance in the D.B.I. fund at 30/09/2011 was €93,027.69. Subscriptions for the year ended 30/09/2012 amounted to €25,666.00, plus interest received €926.87, a total of €26,592.87, making a grand total of €119,620.56.

Claims were paid out in respect of 12 deceased members in the sum of €24,000 leaving a balance of €95,620.56 in the fund at year end.

CREDIT COMMITTEE REPORT

The members of the committee are, Kathleen Dunne, Joseph Phelan and Carol Keogh.

The committee meets on a weekly basis to adjudicate on loan applications. The total number of loans granted was 2053 amounting to €3,604,972. Loans for car purchase, house improvements, holidays and Christmas expenses accounted for over 60% of the total.

ANALYSIS OF LOANS GRANTED

Year ended 30th September 2012

DESCRIPTION	No	Value
Back to School Expenses	13	8,460.00
Bills	89	106,744.00
Business Loans	5	45,000.00
Car/Motor bike purchase	159	600,189.34
Car repairs	104	83,492.00
Car tax/insurance	87	91,346.00
Celebrations	57	37,060.00
Christmas expenses	350	314,518.00
Clear other loans	21	76,443.83
College fees	24	39,000.33
Communion/confirmation expenses	22	16,200.00
Deposits for housing	10	32,700.00
Education	51	56,616.00
Equipment for work	2	3,150.00
Funeral expenses	18	25,820.00
Holidays	407	530,807.00
Home Improvements	472	1,224,838.50
House/Premises insurance	5	17,500.00
Legal Fees	14	22,150.00
Medical/Dental expenses	39	53,330.00
Miscellaneous	49	59,807.00
Weddings	2056	3,604,972.00

AYRFIELD CREDIT UNION LIMITED

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

MURNANE & ASSOCIATES

Chartered Accountants and Registered Auditors
27 Longford Terrace, Monkstown, Co. Dublin
Tel: (01) 280 4366

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Directors' Report

The directors present their report and audited financial statements for the year ended 30 September 2012.

1. Principal Activity

The principal activities of the Credit Union involve the taking of members' shares/savings and lending on these funds to members in accordance with legislation and criteria determined by the Irish League of Credit Unions and the Credit Union itself.

2. Statement of Directors' Responsibilities

The Credit Union Act, 1997 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:

1. Select suitable accounting policies (as laid out on page 15) and apply them consistently;
2. Make judgements and estimates that are reasonable and prudent;
3. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Credit Union will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Credit Union and which enable them to ensure that the financial statements comply with the Credit Union Act, 1997.

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.

3. Statement of Supervisory Committee's Responsibilities

The Credit Union Act, 1997 requires the appointment of a Supervisory Committee which will oversee Directors in the performance of their functions, examine books and documents of the Credit Union and verify a sample of members' balances.

(Sections 59 - 62 of the Credit Union Act, 1997)

4. Results for the year and state of affairs at 30 September 2012

The surplus for the year is €408,446 of which along with last years undistributed surplus of €247,069, is dealt with as follows: dividend paid to members amounting to €161,691, leaving €40,845 to transfer to Statutory Reserve, and having transferred €15,680 to the Undistributable Investment Income Reserve, leaving €437,299 as an Undistributed Surplus out of which a proposed dividend of 1% may be provided for, together with a proposed loan interest rebate of 5%.

The balance sheet on page 6 shows reserves of €2,659,794 at 30 September 2012.

On behalf of the Credit Union:

Member of the Board of Directors: Thomas Crudden

Member of Supervisory Committee: Laura Gallagher

Treasurer: William Galgey

5 December 2012

Independent Auditors' Report

To the members of AYRFIELD CREDIT UNION LIMITED

We have audited the financial statements of Ayrfield Credit Union Limited for the year ended 30 September 2012 which comprise the Income and Expenditure Account, Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 15 and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland.

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and Irish Accounting Standards are set out in the Directors' Report (Item 2 - Statement of Directors' Responsibilities).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board in Ireland and the United Kingdom.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Credit Union Act, 1997. We also report to you whether in our opinion proper accounting records have been kept by the Credit Union, and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the Credit Union's Balance Sheet and its Income and Expenditure account are in agreement with the books of account.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Chairmans Report, Directors' Report, Credit Committee's Report, Report of the Treasurer, Credit Control Annual Report, Death Benefit Insurance and Supervisory Committee Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting

policies are appropriate to the Credit Union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give us reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularities or error. In forming our opinion we have also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Credit Union's affairs at 30 September 2012 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the Credit Union Act, 1997.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Credit Union. The financial statements are in agreement with the books of account.

In our opinion, the information given in the directors' report on page 10 is consistent with the financial statements.

MURNANE & ASSOCIATES

Chartered Accountants and Registered Auditors

27 Longford Terrace, Monkstown, Co. Dublin

5 December 2012

Income and Expenditure Account

		year ended 30 September 2012 €	year ended 30 September 2011 €
Income	Schedules/ Notes		
Interest on members loans		872,668	1,004,110
Other interest receivable and similar income	Schedule 1	392,905	151,308
		1,265,573	1,155,418
Other income	Schedule 2	179	213
		1,265,752	1,155,631
Overheads			
Wages and salaries		177,914	169,179
Other management expenses	Schedule 3	247,597	228,995
Depreciation		28,864	28,874
Increase in bad debts provision		130,000	171,229
Bad debts written off		286,290	253,313
Bad debts recovered		(13,359)	(9,215)
		857,306	842,375
Excess of income over expenditure for the year		408,446	313,256
Appropriation of surplus			
Add:			
Undistributable surplus from prior year		247,069	37,828
Surplus for the year		408,446	313,256
Dividend paid	4	(161,691)	(37,829)
Total		493,824	313,255
Less:			
Transfer to statutory reserve		(40,845)	(31,326)
Transfer to undistributable investment income reserve		(15,680)	(34,860)
		(56,525)	(66,186)
Undistributed Surplus		437,299	247,069
On behalf of the Credit Union:			
Treasurer:	William Galgey		
Member of the Supervisory Committee:	Laura Gallagher		
Member of the Board of Directors:	Thomas Crudden		

Balance Sheet

		30 September 2012 €	30 September 2011 €
	Notes		
Assets			
Cash and bank balances		788,388	674,644
Deposits and investments		10,489,306	8,981,805
Loans to members		8,453,273	9,612,757
Less: Provision for bad and doubtful debts		(1,250,000)	(1,120,000)
Tangible fixed assets	3	292,433	317,672
Prepayments		17,062	23,401
Total Assets		<u>18,790,462</u>	<u>18,490,279</u>
Liabilities			
Other liabilities, accruals and charges	5	25,173	31,744
Members' Resources			
Members' shares	6	15,668,196	15,610,789
Undistributable investment income reserve	8	156,328	140,648
Statutory reserve	8	1,765,271	1,724,426
Dividend Reserve	8	175,000	175,000
General reserve	8	200,628	200,628
Additional regulatory reserve	8	266,946	266,946
DBI Reserve	8	95,621	93,028
Undistributed surplus		437,299	247,069
Total Liabilities		<u>18,790,462</u>	<u>18,490,278</u>

On behalf of the Credit Union:

Treasurer: William Galgey
 Member of the Supervisory Committee: Laura Gallagher
 Member of the Board of Directors: Thomas Crudden

Notes to the Financial Statements

1. Accounting Policies**1.1. Accounting convention**

The financial statements are prepared under the historical cost convention.

1.2. Income recognition

Interest on members' loans is recognised when payment is received as specified in Section 110 (1)(I) of the Credit Union Act, 1997. Deposit income is recognised on an accruals basis.

1.3. Tangible fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated in order to write off the cost of fixed assets over their estimated expected useful lives by equal annual instalments.

The useful lives of fixed assets, by reference to which depreciation is calculated, is as follows:-

Premises	50 years
Furniture & equipment	8 years
Computer equipment	5 years

1.4. Investments

Investments are stated at one of the following valuation methods:

- (a) Accrued value where the guaranteed maturity value exceeds the accrued value.
- (b) Cost where market value is lower than cost but cost is guaranteed.
- (c) Net realisable value where lower than cost and cost is not guaranteed.

2. Cash Flow Statement

	year ended 30 September 2012 €	year ended 30 September 2011 €
Opening cash and investments	9,656,449	9,124,118
Receipts		
Members' shares	3,300,577	3,007,258
Members' loans repaid	4,478,167	5,069,000
Members' loan interest received	872,668	1,004,110
Investment interest received	392,905	151,308
Bad debts recovered	13,359	9,215
Other receipts	179	213
Decrease/(increase) in prepayments	6,339	(1,005)
	9,064,194	9,240,099
Disbursements		
Members' shares withdrawn	3,402,267	4,115,368
Members' loans granted	3,604,972	4,165,050
Operating expenses	425,514	398,233
Fixed assets purchased	3,625	11,000
Decrease/(increase) in other liabilities and accruals	6,571	18,117
	7,442,949	8,707,768
Closing cash and investments	11,277,694	9,656,449

3. Tangible Fixed assets

	Premises	Furniture & Equipment	Computer Equipment
	€	€	€
Cost			
At 1 October 2011	431,958	186,413	196,673
Additions	-	50	3,575
At 30 September 2012	431,958	186,463	200,248
Depreciation			
At 1 October 2011	145,113	173,058	179,201
Charge for the year	8,639	4,541	15,684
At 30 September 2012	153,752	177,599	194,885
Net book values			
At 30 September 2011	286,845	13,355	17,472
At 30 September 2012	278,206	8,864	5,363

4. Proposed Dividend and Loan Interest rebate

30 September 2012
€

30 September 2011
€

The Directors recommend the following distributions:

Dividends on shares at 1% (2011 : 1%)	157,638	156,108
Loan Interest Rebate @ 5%	43,633	-
	201,271	156,108

Under FRS21 the proposed amounts do not appear in the financial statements except by way of note.

5 Other liabilities, accruals and charges	30 September 2012	30 September 2011
	€	€
PAYE/PRSI	10,162	10,372
Audit & accountancy	7,320	6,500
Other creditors and accruals	7,691	14,872
	<u>25,173</u>	<u>31,744</u>

6. Members Share Accounts	€	€
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Regular share accounts	<u>15,668,196</u>	<u>15,610,789</u>
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7. Related Party Transactions	€	€
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The following are the related party transactions with directors and officers, which require disclosure under Financial Reporting Standard No.24:-

Loan Balances	<u>50,722</u>	<u>77,409</u>
Share Balances	<u>252,494</u>	<u>296,367</u>

Loans of €11,500 were granted to directors and officers during the year.

The following balances relate to the relatives of directors and officers

Loan Balances	<u>44,528</u>
Share Balances	<u>147,677</u>

Loans of €7,700 were granted to the relatives of directors and officers during the year.

8. Reserves	30 September 2012 €	30 September 2011 €
Undistributable Investment Income Reserve		
Balance at 1 October 2011	140,648	105,788
Transfer from Income and Expenditure Account	15,680	34,860
Balance at 30 September 2012	156,328	140,648
Statutory Reserve		
Balance at 1 October 2011	1,724,426	1,693,100
Transfer from Income and Expenditure Account	40,845	31,326
Balance at 30 September 2012	1,765,271	1,724,426
Dividend Reserve		
Balance at 1 October 2011	175,000	-
Transfer from General Reserve	-	175,000
Balance at 30 September 2012	175,000	175,000
General Reserve		
Balance at 1 October 2011	200,628	375,628
Transfer to Dividend Reserve	-	(175,000)
Balance at 30 September 2012	200,628	200,628
Additional Regulatory Reserve		
Balance at 1 October 2011 and 30 September 2012	266,946	266,946
Death Benefit Insurance Reserve		
Balance at 1 October 2011	93,028	95,282
Net contributions	2,593	(2,254)
Balance at 30 September 2012	95,621	93,028
Total Reserves	2,659,794	2,600,676

9. Honorarium to Treasurer

The Directors recommend that the Treasurer be paid an honorarium of €4,221 for the year ended 30 September 2012.

10. Insurance Against Fraud

The Credit Union has insurance against fraud in the amount of €1,900,000 in compliance with Section 47 of the Credit Union Act, 1997.

11. Rates of Interest Charged on Members Loans	30 September 2012 %	30 September 2011 %
Monthly	.825	.825
Annually	9.90	9.90
Apr	10.40	10.40

The Apr as stated above is the gross Apr i.e. before adjustment for any loan interest rebate.

12. Approval of financial statements

The financial statements were approved by the directors on 5 December 2012.

	year ended 30 September 2012 €	year ended 30 September 2011 €
Schedule 1 -		
Other Interest Receivable and Similar Income		
Investment income received	314,362	87,689
Investment income receivable within 12 months	31,663	10,721
Other investment income	46,880	52,898
	<u>392,905</u>	<u>151,308</u>
Schedule 2 -		
Other Income		
Fees	<u>179</u>	<u>213</u>

	year ended 30 September 2012 €	year ended 30 September 2011 €
Schedule 3 -		
Other Management Expenses		
LP/LS insurance	81,044	75,304
Audit and accountancy	12,064	10,070
Affiliation fees	15,671	20,459
Treasurer's honorarium	4,221	1,000
Rent, rates, light and heat	24,099	24,211
I.L.C.U. convention	2,296	2,479
Postage, stationery and diskettes	11,330	12,574
Service contracts	19,340	20,100
Repairs and maintenance	5,936	3,445
Annual dinner	1,578	635
AGM expenses	2,871	4,188
General insurance	8,590	8,969
Telephone	4,739	4,984
Travelling	2,802	2,171
Professional fees	19,650	9,773
Bank charges	6,780	9,715
Security	7,628	7,012
Education, training and publicity	4,870	5,132
Miscellaneous	5,902	4,159
Donations	6,186	2,615
	<u>247,597</u>	<u>228,995</u>

AYRFIELD CREDIT UNION LIMITED

Christmas and Holiday Arrangements

Monday 24th December 2012

Closed

Tuesday 25th December 2012

Closed

Wednesday 26th December 2012

Closed

Thursday 27th December 2012

Closed

Friday 28th December 2012

Open 10 a.m. – 4 p.m.

Monday 31st December 2012

Closed

Tuesday 1st January 2013

Closed

Wednesday 2nd January 2013

Open 10 a.m. – 12 Noon

Thursday 3rd January 2013

Open 4 p.m. – 8 p.m.

Friday 4th January 2013

Open 10 a.m. – 12 noon and 4 p.m. – 8 p.m.

Normal hours of business will be resumed on Tuesday 8th January 2013

OTHER SERVICES

The following services are available to all our members:

- | | |
|--------------------------------|--|
| 1. Saving Accounts | 6. V.H.I. and Quinn Healthcare discount |
| 2. Loan Accounts | 7. Website with Login facilities to your account |
| 3. Standing Order Repayments | 8. PayPoint (Bill Pay Facilities) |
| 4. Laser/Debit Card Repayments | 9. Phone-a-Loan |
| 5. Share & Loan Insurance | |