

CHAIRMAN'S REPORT

For the year ended 30th September 2020

I am delighted to welcome you here, to our AGM and to present to you, the members, the Chairman's report for the year ended September 2020. This is a unique AGM in the strangest of times, and therefore we have had to organise this meeting online. We look forward to better times when we can once again meet face to face.

You will see in our balance sheet that your credit union continues to be in a strong position. We have once again produced a small surplus, and our reserves are strong. However, the return from our considerable investments remains at an historically low rate and is predicted to remain low for the foreseeable future. Therefore, the main source of income for your credit union is, and will be, from our loan book.

Considerable effort continued to be put into promoting, maintaining and growing the loan book over the last year. This resulted in continued growth in the early part of the year. But COVID disrupted our plans. The take up of loans dried up for a while and has been slow since. This has resulted in an overall drop of 2.97% in the loan book over the year. While this might be disappointing in a normal year, it is a significant achievement under the present circumstances. With the vaccine being rolled out, we look forward to a resurgent economy and a return to healthy growth. However, this may take some time. The Board will monitor the situation carefully and if necessary, will take action to protect members' interests.

The Board wishes to take this opportunity to congratulate the Manager and our excellent staff in coping with the unprecedented situation we faced during the year. They managed to continuously provide full service to our members by their dedication and flexibility and indeed managed to improve our online services during the year.

This year the Board are once again not proposing a dividend or rebate. Instead, we are again increasing our reserves as the financial climate continues to be uncertain and investment returns remain low. This will ensure that your credit union will remain in a secure position.

Other difficult decisions have also been taken by the Board. Because the Central Bank requires 10% of all shares to be put into reserves, the Board has taken action to limit the balance on share accounts to €20k for adult members.

At last year's AGM the Board warned that it might be necessary to reduce the DBI benefit. The time has come to make this difficult decision due to the cost of the premium at a time when the credit union is developing a small surplus. From 1st April 2021, the DBI benefit will be reduced to €1,000. It is only fair to mention that it may be necessary in coming years to eliminate DBI benefit altogether. Members will be informed if this is to happen. From 1st June the Life Saving Insurance will be reduced to €3,000. It is important to emphasise that loan balances will continue to be insured. These decisions will result in a combined savings of €106k.

The Carrigaline office has been closed on Mondays but will continue to open on Saturdays. This means that Crosshaven-Carrigaline Credit Union has offices open five -and-a-half days a week. Services are also available online and by phone.

I would like to take this opportunity to thank our very diligent and hardworking Risk Officer, Keith Winters, our Compliance Officer, Thora Mac Mahon and our Board Oversight Committee, whose

advice and supervision is very much appreciated by the Board and who help us in so many ways to carry out our duties.

Looking to the future, because of the continued prudent management of the Credit Union by the present and past Board of Directors, as mentioned above, the Credit Union continues to be in a strong position and we look forward to a return to sustained growth once normal times return.

We wish all our members the best in the coming year. On behalf of the Board, I wish to extend our sympathies to the families and friends of members who died during the year.

Thank you

Seán Roberts
Chairman