

2020

ANNUAL REPORT 2020





Contents

Contents

Notice of Annual General Meeting	2
Agenda.....	3
Credit Union Information.....	4
Chairperson's Report	7
Report of the CEO.....	9
Report of the Board of Directors.....	11
Statement of Directors Responsibilities	13
Statement of Board Oversight Committee Responsibilities	13
Independent Auditor's Report.....	14
Financial Statements	16
Notes to the Financial Statements	21
Report of the Nomination Committee	38
Report of the Board Oversight Committee.....	39
Report of the Credit Committee	40
Report of the Credit Control Committee	41
Report of the Membership Committee.....	42
Member Car and Draw Winners 2019/20.....	44



Notice of Online Annual General Meeting

Dear Member,

Notice is hereby given that the Annual General Meeting of the Teachers' Union of Ireland Credit Union Limited will be held on Friday, 26th March 2021, commencing at 5pm.

In view of the COVID-19 pandemic and using the recently enacted Finance (Miscellaneous Provisions) Act 2020, the meeting will be held entirely online. Check in for registered members will begin at 4.30pm on 26th March 2021.

The Registration and Attendance Process

- To join the meeting online on the evening of the AGM, you must register in advance of the AGM by 5.30pm on Wednesday 24th March.
- To register please email agm@tuicu.ie. You will need to provide your Name / Email Address / Member Number to register.
- In advance of the AGM, you will receive a notification to the email address you specified when registering. This will contain a link that you can click to join the AGM on 26th March. It will also contain some other information that will be helpful to you while attending the AGM.
- You can also register to attend the AGM by writing to the Secretary of the credit union at No 8 The Exchange, Calmount Park, Ballymount, Dublin 12 D12 W354 by Wednesday, 24th March. The credit union will write to you enclosing the meeting link.
- While the AGM starts at 5pm on 26th March, members are asked to join the meeting from 4.30pm to help with the process of verifying members' identities and admitting them to the AGM.

Michael Daly
Secretary

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Agenda

The acceptance by the Board of Directors of the authorised representatives of members that are not natural persons.

- Ascertainment of a quorum
- Adoption of standing orders
- Appointment of tellers
- Minutes of AGM 2019*
- Report of the Chairperson
- Report of the CEO
- Presentation of Financial Statements
- Report of the Auditors
- Declaration of Dividend
- Report of Nomination Committee
- Elections – Auditor, Board Oversight Committee, Directors
- Report of Board Oversight Committee
- Report of Credit Committee
- Report of Credit Control Committee
- Report of Membership Committee
- Election results
- Other business
- Close of meeting

*Available to members attending the Online AGM.

All required interactions between attendees will be facilitated online.



Credit Union Information

Directors

Frank Mc Ginn (Chairperson)
Martina Reddin (Vice-chairperson)
Michael Daly (Secretary)
Michael Craig Resigned January 2020

Patrick Conway
Tim O'Meara Co-opted May 2020
Brendan Greene
Donal Digan
Geraldine Noonan
Marie Humphries Resigned November 2020
Joanne Malone Co-opted December 2020

Board Oversight Committee

Tony Barnett (Chairperson)
JJ Walsh (Secretary)
Tony Germaine

Chief Executive Officer

Paul Roche

Operations Manager

Sandra Murtagh

Internal Auditor

Moore
Ulysses House
Foley Street
Dublin 1

Registered Number

64CU

Registered Office

No 8 The Exchange
Calmount Park
Ballymount
Dublin 12

Independent Auditor

FMB Advisory Limited
4 Ormond Quay Upper
Dublin 7

Bankers

Allied Irish Bank Plc
7 - 12 Dame Street
Dublin 2

Solicitors

Taylor & Buchalter
Digital Office Centre
12 Camden Row
Dublin 8
D08 FP38



Standing Orders

1. VOTING

1. Each member shall be entitled to one vote irrespective of his/her shareholding, in accordance with section 82(2) of the Credit Union Act, 1997 (as amended). Since this year's AGM will be a virtual meeting, voting on motions and elections will be by electronic means. Each member will be given the opportunity to exercise their vote virtually during the meeting.

2. ELECTION PROCEDURE - ELECTRONIC VOTING

2. Following the announcement of nominations attendees will be given the opportunity to vote electronically "Yes" or "No" for each candidate. Those in attendance will be given thirty (30) seconds to record their vote. The mechanics of the virtual voting process will be explained in more detail at the AGM by the Chairperson. Elections shall be in the following order:

- a) nominations for auditor
- b) nominations for members of the board oversight committee
- c) nominations for directors.

The votes will be tallied electronically. When all elections have been completed and results become available the Chairperson will announce the results.

3 - 4 MOTIONS

3. Due to the specific difficulties we are facing in holding an Annual General Meeting this year due to Covid-19, the purpose of this year's AGM is to deal with the essential business of the credit union. This includes reporting to members on the financial status of the credit union, declare a dividend/interest rebate, and elect officers. Any other non-urgent matters will be dealt with at next year's AGM.

As such, there will be no motions from the floor due to the difficulties in managing them remotely.

Members will be invited to submit questions to the board via the "chat" button on the toolbar in the Zoom Webinar and the board will address these during the AGM.

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

5 - 9 MISCELLANEOUS

5. The Chairperson of the credit union shall be the Chairperson 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.

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

7. Matters not covered by the Agenda may be introduced under "Other Business" at the discretion of the Chairperson. At a virtual AGM in the current circumstances, this may not be practical, however, the option may be invoked if required.

8. The Chairperson shall have a second or casting vote in addition to his/her own vote on matters other than voting at elections where there is an equality of votes (Standard Rule 99(1)).

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

10. ADJOURNMENTS

10. Adjournments of the AGM shall take place only in accordance with section 81(1) and the provisions concerning notice, voting and quorum are also set out in section 81.

11-16 VIRTUAL MEETING ITEMS

11. All non-presenting participants will be muted and have their cameras switched off to allow the smooth running of the meeting.

12. A member shall only address the meeting when called upon by the Chairperson to do so, when invited to contribute.

13. All members are asked to utilise the "chat" button on the bottom of the toolbar in Zoom Webinar to ask questions.

14. All members are reminded to conduct themselves in a professional manner. Please refrain from sharing any explicit, violent, or inappropriate content.

15. Provision shall be made for the protection of the Chairperson from vilification (personal abuse).

16. All members are requested to show respect when they are asking or replying to questions during the meeting. This includes tone and content of the words used.

17. All members are asked to keep their mobile phone silent. The vibrate setting can also cause disruptions.

18. The AGM meeting will be recorded.



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- You own your car from day 1
- Flexible repayment options
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- Quick and easy online process
- No minimum share balance required
- Join today, Borrow tomorrow!

Loan Amount	APR	Monthly Repayment	Total amount repayable
€20,000 Over 5 years	7.5%	€398.39	€23,895.67

WARNING: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future. Loans are subject to approval. Terms and conditions apply. Teachers' Union of Ireland Credit Union is regulated by the Central Bank.



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Report of the Chairperson

It is my pleasure on behalf of the Board of Directors of the Teachers' Union of Ireland Credit Union to present the annual report for the year ending 30th September 2020, our 53rd year of operation.

This year, 2020, was a year of unrepresented challenges for Irish society with the health and economic uncertainty which Covid-19 has created. Our teaching members, during the first lockdown had to adapt to remote teaching, along with assessing state examination students, and then trying to cope with significant new back to school protocols.

The TUI credit union also experienced similar disturbance involving remote working with staff half-in and half-out on a rotational basis, and despite all this, the credit union succeeded in maintaining full financial services for our members. This was enabled by our excellent IT infrastructure and successful in-house training overseen by our CEO Paul Roche. The structural layout of our offices in Calmount Park was re-configured to facilitate Covid-19 compliant workstations, enabling our staff to return to a safe working environment when it was opportune.

In financial terms it was a challenging year for TUI credit union and indeed all credit unions, with negative deposit rates in banks, the difficulty in getting a meaningful return on our investments, the significant increase in member savings in parallel with the reduced demand for loans nationwide. But once again, I am glad to report that with prudent management we achieved a surplus of €700,000 which was up €120,000 on last year.

Total Assets reached very close to our strategic KPI target of €50m, putting us up to the next credit union size category as per the CBI rating. Our financial performance at the start of the year was on a par with last year, however, during the first lockdown, in common with most other credit unions, our loan demand dropped to around 75% of normal. The good news is that the last 3 months of the financial year saw quite a resurgence in loan demand, which resulted in yet another TUICU yearly record of issuing €13m in new loans for the year, up from €12m last year. This was a very significant performance, and our staff are to be complimented in managing this achievement under such difficult Covid-19 constraints. I must also compliment our loyal membership who supported TUICU by availing of our on-line and mobile app portals to transact their financial requirements.

Our **loan book has increased to €27m** indicating an annual growth in loans of 16.4% and our important **loans/assets ratio is an impressive 54.5%**. The credit union movement average is still in the order of 23.59%. However, savings have increased by over €5m to just over €41m despite the introduction of a €50k savings cap last year. The impact of this increase means we must set aside €100k for every €1m saved to maintain the 10% regulatory reserve. This increase in savings is an area our Directors have had to focus on and reluctantly we must impose a **lower cap of €30k on members savings**. This is known as a "soft cap" which means members with savings above this threshold can retain them in our credit union but will be unable to add further to the amount.

Dividend and Loan Interest Rebate

This year for the first time since our inception I regret we are unable to return a dividend or offer a loan interest rebate to our members. The Central Bank of Ireland (CBI) has confirmed that it expects all credit unions making a surplus to boost their reserves rather than pay dividends or offer loan interest rebates, given the levels of risk and uncertainty posed by the Covid-19 pandemic. The Board of TUICU has reluctantly agreed to go with the Regulator on this matter, following discussions with our auditors.

Services to Members

This year TUICU was the outright winner of the 2020 award in excellence in providing financial services within the education sector. This prestigious award was presented by The Public Sector Magazine, the journal for the public sector providers and decision makers. The credit union movement also retained the number one position for best customer service experience in Ireland for the 6th consecutive year. TUI Credit Union prides itself on offering a first-class service to our members by continuing to invest in digital channels to facilitate members busy schedules and by having trained staff available to help address members financial queries in a courteous and professional manner.

Thanks

This year saw the resignation of our Operations Manager Shirley Mulpeter after five and a half years' service to TUICU. Shirley helped to induct new staff members and oversaw their training by ensuring they were conversant with their roles. We thank Shirley for her dedicated contribution over this time and wish her every success in her future endeavors.

We also saw our Marketing Officer Valerie Donnelly leave, a casualty of the impact of Covid-19 which prevented Valerie visiting our schools and colleges and effectively restricting the role she was engaged to conduct. We thank Valerie for the impressive work she did on behalf of the credit union over the last 3 years.



Report of the Chairperson

New Operations Manager

We welcome Sandra Murtagh our new operations manager who joined us in September of this year. Sandra comes with a wealth of credit union experience having served her time in a large community credit union, working her way up to an equivalent position in that credit union. Sandra has settled in well and has impressed with her knowledge, experience and member friendly manner. We are lucky to have her services and we look forward to her making a significant contribution to our TUI credit union.

Thanks also goes to our Projects Officer Mary McDonald who took over from Shirley for a few months. During that early Covid-19 impacted period, Mary made a wonderful contribution in helping to maintain services, organizing staff work rosters and rotations and being supportive by way of office organisation.

Acknowledgements

On behalf of the board of directors, I thank you our members for your loyalty and support during this difficult year. A special thanks to our hard working and dedicated CEO Paul Roche who has dealt with the many trials and tribulations this Covid-19 pandemic has sent. Paul has overseen the staff changes required and ensured that the member services were maintained at an efficient level. Paul also set up the remote portal and ensured that board and committee meetings were possible each month.

A big thanks goes to our dedicated and diligent staff who had to cope with the upheaval to their working environment but co-operated well to ensure the business of the credit union was conducted in a competent and courteous manner.

A special thanks to our board of directors, Board Oversight Committee and volunteers who had to adjust to the new “normal” of remote board and committee meetings via Microsoft Teams. Attendance and participation at these monthly meetings was impressive. The members of the Board also contributed to our revised Strategic Plan 2020 – 2024. Following the Covid-19 pandemic we prudently revised this Strategic Plan by adjusting our key performance indicators (KPIs) to take account of low loan demand and possible difficulty with loan repayments.

In January, Michael Craig stepped down from the board having served for several years. Michael was a member of several committees and was a leading contributor in the important task of Strategic Planning. Michael’s wise deliberations were valued and will be missed.

We welcomed Tim O’Meara to the Board in June as a replacement for Michael. Tim as a Past-President of TUI brings his vast experience and knowledge to our credit union and is already making a valuable contribution at board level.

Lastly, a big thank you to Marie Humphries who has stepped down from the Board. Marie was also a stalwart member of the Credit Control Committee and was its secretary for some years. Marie’s knowledge and counsel during her tenure was valued and appreciated.

Mile Buiochas.

Frank Mc Ginn
Chairperson TUI Credit Union



Presentation from TUI Credit Union to ILCU Foundation (December 2019)



Report of the CEO

I am delighted and privileged to present to you the annual report for 2020. This past year will live long in the memory and it has brought unprecedented challenges not least in how we all have needed to adapt to new work practices. At TUI credit union we adapted accordingly with all board and committee meetings moving online while staffing levels were adjusted to facilitate remote working and office-based activity. At all times service to our members was maintained throughout.

Financial results

The surplus for 2020 increased to €700,439 from €576,208 in 2019. The growth surplus is attributed entirely to the increased income from member loans highlighting the importance of borrowing for the well-being of the credit union itself. Investment income continued to fall and this trend will accelerate in an environment of negative interest rate returns. Our cost base increased by €216,000 reflecting increased salary costs and the need to set aside a greater provision for potential loan impairments.

Member savings grew exponentially during the year increasing by €5.2m to €41.6m from €36.3m in 2019. This is a trend experienced throughout the Irish economy with household savings reaching record levels. Unfortunately, this savings increase has resulted in a weakening of our reserve base at year-end. However, the credit union still reports a healthy 15.9% reserve ratio with the minimum requirement being 10%. As alluded to by the chairperson in his report the credit union has taken the difficult decision to reduce the savings cap from €50,000 to €30,000 with effect from March 1st. The board will continue to monitor the savings impact on our membership.

2020 was another positive year for loan demand within the credit union with the loan book increasing by a further 16.4%. The credit union now boasts an enviable loan-to-asset ratio of 54.4% while the credit union movement ratio has fallen to 23.59%. **This year the TUI credit union recorded the fourth highest loan growth for any affiliated credit union within the Irish League of Credit Unions.**

Operations

During the year TUI credit union was privileged to be honoured as the overall winner of the *“Excellence in Providing Financial Services within the Education Sector”* award by the Public Sector magazine. This award is a reflection of the professional care the credit union has afforded its members in recent years through the work of a dedicated staff, who go to great lengths to ensure that the members feel they are listened to and that they feel safe in the knowledge they are dealing with a friendly financial institution. The credit union is proud of its record in financial delivery and of its key raison d’être ‘Not for profit – but for service’.

As the complexity of living during Covid-19 becomes more challenging the credit union has remained operational and available to members in every way. Transacting with the credit union remains seamless through our extensive digital platforms allowing members to address all their financial needs on-the-go and from the comfort of their home. This is no doubt reflected in a 70% increase in mobile activity last year.

The credit union continues at pace with its enhanced digital offering to its members and recently launched a new member onboarding facility through the mobile app which allows new members to complete the joining process effortlessly from their smart device.

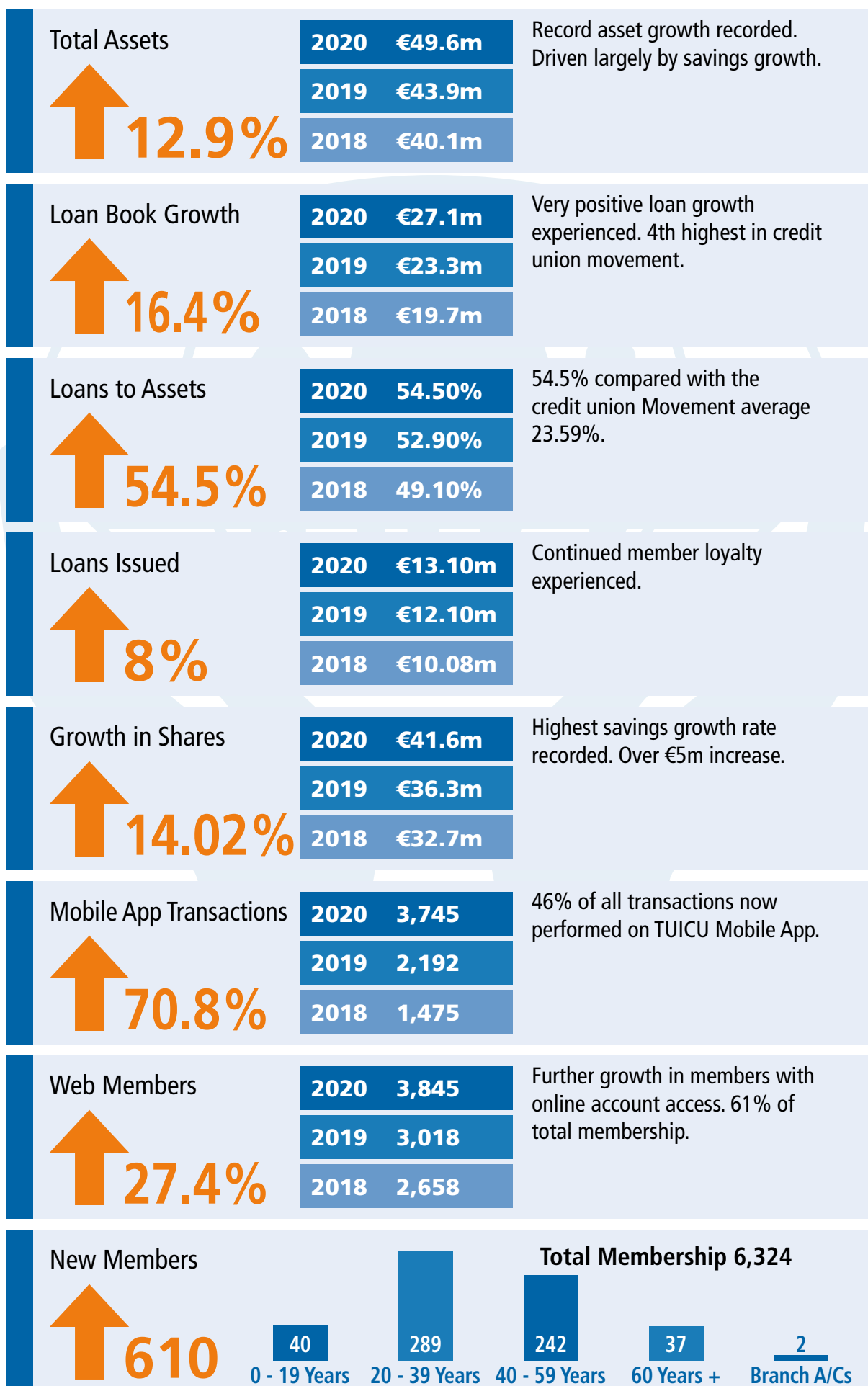
Thank you

Staff personnel Shirley Mulpeter, Madeleine Tilley, and Valerie Donnelly have moved on from the credit union during the year and on behalf of the board and myself I wish to thank them for their sterling service and commitment to the ethos and work of the TUI credit union. I wish to welcome Sandra Murtagh who took up the role of Operations Manager in September and a special thank you to Maria, Ann-Marie, Sandie, Mary, Ivana, Jack and Kasia for their efforts throughout a very difficult year. I would like to thank the members of the board, the board oversight committee and volunteers for their support throughout the year.

Finally, I wish to commend the role the credit union members have played throughout this difficult and challenging time. To you our loyal members a sincere thanks for your unstinted trust in making the TUI credit union your chosen financial institution. Stay safe.

Paul Roche
Chief Executive Officer

STRONG PERFORMANCE IN 2020





Report of the Board of Directors

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

Principal Activity and Review of Business

On review of the credit union's financial results the following key performance indicators were identified:

	2020	2019
Members Savings movement %	+14.02%	+10.84%
Gross Loan movement %	+16.37%	+18.03%
Regulatory Reserve % of total assets	11.00%	11.00%

The credit union continued to attract additional members' savings during the financial year with member shares having increased from the prior year. Lending activity has been impacted during the financial year by the Covid-19 pandemic but despite this the gross loan book has increased by 16.37% from the prior period as a result of strong member demand from June to September 2020. The credit union continues to maintain regulatory reserves in excess of the regulatory minimum of 10%.

Results for the year and State of Affairs at 30 September 2020

The income and expenditure account and the balance sheet for the year ended 30 September 2020 are set out on pages 16 and 17.

Principal Risks and Uncertainties

The credit union, as with many other financial institutions, continues to face uncertainties arising from the general economic conditions. The board are actively monitoring the effects of these conditions on the daily operations of the credit union.

The principal areas currently requiring risk management include:

- Credit risk: The risk of financial loss arising from a borrower, issuer, guarantor or counterparty that may fail to meet its obligations in accordance with agreed terms. In order to manage this risk the Board approves the credit union's lending policy and all changes to it. All loan applications are assessed with reference to the lending policy in force at the time. Subsequently, loans are regularly reviewed for any factors that may indicate impairment. The Board approves the credit union's Credit Control and Provisioning policies which monitor the procedures for the collection of loans in arrears and also the basis for impairment on loans.
- Liquidity risk: The risk that a credit union will not be able to fund its current and future expected and unexpected cash outflows as they fall due without incurring significant losses. This may occur even where the credit union is solvent. The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its obligations as they fall due. The objective of the liquidity policy is to smooth the timing between maturing assets and liabilities and to provide a degree of protection against any unexpected developments that may arise.
- Capital risk: Capital is required to act as a cushion to absorb losses arising from business operations and to allow a credit union to remain solvent under challenging conditions. Capital risk arises mainly as a result of the quality or quantity of capital available, the sensitivity of the credit union exposures to external shocks, the level of capital planning and the capital management process. Capital risk could potentially impair a credit union's ability to meet its obligations in an adverse situation. The board manage this risk by ensuring that sufficient reserves are set aside each year to absorb any potential losses.
- Operational risk: The risk of loss (financial or otherwise) resulting from inadequate or failed internal processes or systems of the credit union; any failure by persons connected with the credit union; legal risk (including exposure to fines, penalties or damages as well as associated legal costs); or external events; but does not include reputational risk. Examples of operational risks include hardware or software failures, cyber risk, inadequate business continuity plans, misuse of confidential information, data entry errors and natural disasters.



Report of the Board of Directors *cont'd*

- Interest rate risk: The interest rate risk arises from differences between the interest rate exposures on loans and investments receivable, as offset by the cost of capital, which is typically that of distributions to members payable in the form of dividends and interest rebates. The credit union considers rates of interest receivable when deciding on the appropriation of income and its returns to members. The Board monitors such policy in line with the Credit Union Act, 1997 (as amended) and guidance notes issued by the Central Bank of Ireland.
- Strategy/business model risk: This refers to the risk which credit unions face if they cannot compete effectively or operate a viable business model. Strategy/business model risk also includes the inherent risk in the credit union's strategy. The board have developed and approved a detailed strategic plan to formulate the short term direction of the credit union's operations.
- Covid-19: The credit union, along with financial institutions and other entities in the marketplace and in the wider national and worldwide economy, faces significant short-term exposure to the economic effects of Covid-19 which has emerged as a worldwide viral pandemic in early 2020. The specific conditions associated with restrictions on the movement of people in the Republic of Ireland have resulted in both a decrease in loan demand and an increase in member savings levels in the period March to June 2020 when compared to prior periods. The directors confirm that loans issue levels recovered very strongly in July 2020 and this demand has been sustained through to the financial year end. While it is acknowledged that future projected movements in the loan book are uncertain given the current changing environment of restrictions associated with the pandemic, the directors have confirmed their expectation that further growth in the loan book will be achieved in future periods. The board of directors and management team have taken steps, which include the provision of temporary loan repayment agreement facilities to the relatively small number of identified impacted members and continuing to closely monitor overhead expenditure levels, to both ensure that the credit union continues to be in a position to provide a full suite of services to its membership, as has been the case during the period of the pandemic, and to limit any short-term impact on the credit union of the risks associated with the current exceptional circumstances. In addition, the directors continue to actively review overall members saving levels in order to ensure the maintenance of reserve levels with the credit union, which continue to be significantly in excess of minimum regulatory levels.

Dividends

The directors recommend payment of a dividend of €0 (0%) for the year, (2019 - 0.25%) and an interest rebate of €0 (0%) for the year. (2019 - 10.00%)

Internal Audit Function

In accordance with Section 76K of the Credit Union Act, 1997 (as amended) the board have appointed an internal audit function to provide for independent internal oversight and to evaluate and improve the effectiveness of the credit union's risk management, internal controls and governance process.

Accounting Records

The directors believe that they comply with the requirements of Section 108 of the Credit Union Act, 1997 (as amended) with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the credit union are maintained at the credit union's premises at No 8 The Exchange, Calmount Park, Ballymount, Dublin 12.

Approved by the Board on : 29/10/2020

Frank McGinn
Member of the Board
of Directors

Michael Daly
Member of the Board
of Directors



Statement of Directors' Responsibilities

For the year ended 30 September 2020

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 the affairs of the credit union and of the income and expenditure of the credit union for that year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 keeping proper accounting records which disclose with reasonable accuracy the financial position of the credit union and which enables them to ensure that the financial statements comply with the Credit Union Act, 1997 (as amended). 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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the credit union's auditor in connection with preparing the auditor's report) of which the credit union's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the credit union's auditor is aware of that information.

On behalf of the credit union :

Frank McGinn
Member of the Board
of Directors

Michael Daly
Member of the Board
of Directors



Statement of Board Oversight Committee's Responsibilities

For the year ended 30 September 2020

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 IVA and any regulations made for the purposes of Part IV or Part IVA of the Credit Union Act, 1997 (as amended) and any other matter prescribed by the Bank in respect of which they are to have regard to in relation to the board.

Tony Barnett
Member of Board Oversight Committee



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

Opinion

We have audited the Financial Statements of Teachers' Union of Ireland Credit Union Limited for the year ended 30 September 2020 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Reserves, the Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies set out on pages 21 - 24. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the credit union as at 30 September 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Credit Union Act, 1997 (as amended).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described below in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the credit union in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



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

Opinion on other matters prescribed by the Credit Union Act 1997, (as amended).

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper accounting records have been kept by the credit union, and
- the financial statements are in agreement with the accounting records.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set on page 13, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the credit union's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the credit union or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at

http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

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

Our report is made solely to the credit union's members, as a body, in accordance with Section 120 of the Credit Union Act, 1997 (as amended). Our audit work has been undertaken so that we might state to the credit union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the credit union and the credit union's members, as a body, for our audit work, for this report, or for the opinions we have formed.

FMB Advisory Limited
4 Ormond Quay Upper
Dublin 7
Chartered Accountants
Statutory Audit Firm

Date: 04/11/2020



Income and Expenditure Account

For the Financial Year Ended 30 September 2020

	Schedule	2020 €	2019 €
INCOME			
Interest on loans	1	1,719,493	1,498,494
Other interest income and similar income	2	167,581	180,356
Net Interest Income		1,887,074	1,678,850
Other income	3	25,458	8,182
Other gains	4	163,998	49,199
TOTAL INCOME		2,076,530	1,736,231
EXPENDITURE			
Salaries		366,229	285,388
Other management expenses	5	743,068	729,561
Depreciation		95,019	89,079
Bad debts provision		181,961	44,701
Bad debts recovered		(57,215)	(53,358)
Bad debts written off		47,029	64,652
TOTAL EXPENDITURE		1,376,091	1,160,023
EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR		700,439	576,208
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		700,439	576,208

Frank McGinn
Member of Board of Directors

Tony Barnett
Member of Board Oversight
Committee

Paul Roche
Chief Executive Officer



Balance Sheet

For the Financial Year Ended 30 September 2020

	Note	2020 €	2019 €
ASSETS			
Cash and cash equivalents	6	3,888,441	4,376,697
Investments	7	18,153,060	15,651,553
Loans	8	27,066,333	23,258,036
Less provision for bad debts	11	(605,729)	(423,768)
Tangible fixed assets	12	913,657	917,446
Debtors, prepayments and accrued income	13	213,323	178,168
TOTAL ASSETS		49,629,085	43,958,132
LIABILITIES			
Members' shares	14	41,178,668	36,116,782
Members' cash accounts	15	399,410	216,380
Members' draw account		20,235	23,923
Other liabilities, creditors, accruals and charges	16	129,674	164,598
TOTAL LIABILITIES		41,727,987	36,521,683
RESERVES			
Regulatory reserve	18	5,459,199	4,835,395
Operational risk reserve	18	400,089	305,306
Other reserves			
- Realised reserves	18	2,035,646	2,289,624
- Unrealised reserves	18	6,164	6,124
TOTAL RESERVES		7,901,098	7,436,449
		49,629,085	43,958,132

Frank McGinn
Member of Board of Directors

Tony Barnett
Member of Board Oversight
Committee

Paul Roche
Chief Executive Officer



Statement of Changes in Reserves

For the Financial Year Ended 30 September 2020

	Regulatory Reserve	Operational Risk Reserve	Undistributed Surplus	General Reserve	Dividend Reserve	Special Reserve	Total Reserves
	€	€	€	€	€	€	€
Opening balance at 1 October 2018							
Total comprehensive income	4,616,615	270,000	1,153,333	580,837	450,000	6,124	7,076,909
Dividend paid			576,208				576,208
Interest rebate paid			(91,746)				(91,746)
Transfer between reserves			(124,922)				(124,922)
	218,780	35,306	(203,215)	(50,871)	-	-	-
Closing balance at 30 September 2019							
Total comprehensive income	4,835,395	305,306	1,309,658	529,966	450,000	6,124	7,436,449
Dividend paid			700,439				700,439
Interest rebate paid			(86,370)				(86,370)
Transfer between reserves			(149,460)				(149,460)
	623,804	94,783	(667,716)	(50,871)	-	40	40
Closing balance at 30 September 2020							
	5,459,199	400,089	1,106,551	479,095	450,000	6,164	7,901,098

The balance on the regulatory reserve represents 11.00% of total assets as at 30 September 2020 (11.00% as at 30 September 2019).

Frank McGinn
Member of Board of Directors

Tony Barnett
Member of Board Oversight Committee

Paul Roche
Chief Executive Officer



Cash Flow Statement

For the Financial Year Ended 30 September 2020

	Note	2020 €	2019 €
Opening cash and cash equivalents		4,376,697	3,174,313
Cash flows from operating activities			
Loans repaid		9,207,381	8,485,384
Loans granted		(13,062,707)	(12,103,192)
Loan interest received		1,730,625	1,505,702
Investments interest received		144,168	175,208
Bad debts recovered		57,215	53,358
Dividends paid		(86,370)	(91,746)
Interest rebate paid		(149,460)	(124,922)
Operating expenses		(1,109,297)	(1,014,949)
Net cash flows from operating activities		<u>(3,268,445)</u>	<u>(3,115,157)</u>
Cash flows from investing activities			
Fixed assets purchased		(91,230)	(10,528)
Net cash flow from investments		(2,501,507)	840,090
Other gains		163,998	49,199
Net cash flows from investing activities		<u>(2,428,739)</u>	<u>878,761</u>
Cash flows from financing activities			
Members' shares received		13,174,754	12,456,251
Members' cash account paid in		1,200,373	1,040,244
Members' shares withdrawn		(8,112,828)	(8,924,559)
Members' cash account withdrawn		<u>(1,017,343)</u>	<u>(983,855)</u>
Net cash flows from financing activities		<u>5,244,956</u>	<u>3,588,081</u>
Other			
Other receipts		25,458	8,182
Decrease/(Increase) in prepayments		(22,874)	(23,523)
(Increase)/Decrease in other liabilities		<u>(38,612)</u>	<u>(133,960)</u>
		<u>(36,028)</u>	<u>(149,301)</u>
Closing cash and cash equivalents	6	<u><u>3,888,441</u></u>	<u><u>4,376,697</u></u>

Frank McGinn
Member of Board of Directors

Tony Barnett
Member of Board Oversight
Committee

Paul Roche
Chief Executive Officer

It's Back!

Our Special Home Improvement
Loan is available at a
rate of 5.99% APR *

THINKING OF RENOVATING?

We've got the flexible home
improvement loan for you



**SPECIAL PROMOTIONAL
LOAN RATE**
5.84%
(5.99% APR)

Minimum loan amount €20,000. Maximum term of loan 10 years.
*Terms and conditions apply.

Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future. The cost of your monthly repayments may increase. Loans are subject to approval. Terms and conditions apply. Teachers' Union of Ireland Credit Union is regulated by the Central Bank of Ireland.

Are you thinking of some home
improvements this year?
Apply online today

Loan Amount	APR	Monthly Repayment	Total amount repayable
€30,000 Over 10 years	5.99%	€330.60	€39,660.06

WARNING: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future. Loans are subject to approval. Terms and conditions apply. Teachers' Union of Ireland Credit Union is regulated by the Central Bank.

*Ts&Cs Apply

Teachers' Union of Ireland Credit Union

No.8 The Exchange, Calmount Park, Dublin 12 Telephone: 01-4266060

Teachers' Union of Ireland Credit Union is regulated by Central Bank of Ireland





Accounting Policies

For the Year Ended 30 September 2020

Statement of Compliance

The financial statements of the credit union for the year ended 30 September 2020 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Credit Union Act 1997 (as amended) and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council.

Basis of Preparation

The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the credit union's financial statements.

1. Going Concern

The financial statements are prepared on the going concern basis. The directors believe this is appropriate as the credit union:

- is consistently generating annual surpluses;
- is maintaining appropriate levels of liquidity in excess of minimum legislative requirements;
- and
- has reserve levels which are significantly above the minimum requirements of the Central Bank.

2. Income Recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the credit union and the revenue can be reliably measured. Income is measured at the fair value of the consideration received. The following criteria must also be met before revenue is recognised:

Interest on Members' Loans

Interest on loans to members is recognised using the effective interest method and is calculated and accrued on a daily basis.

Investment Income

The credit union uses the effective interest method to recognise investment income.

Other Income

Other income such as entrance fees and investment or other commissions arise in connection to specific transactions. Income relating to individual transactions is recognised when the transaction is completed.

3. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and loans and advances to banks (i.e. cash deposited with banks) with maturity of less than or equal to three months.

4. Basic Financial Assets

Basic financial assets are initially measured at the transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method. Basic financial instruments include the following:

Loans to Members

Loans to members are financial assets with fixed or determinable payments. Loans are recognised when cash is advanced to members and measured at amortised cost using the effective interest method.

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



Accounting Policies *cont'd*

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

Held to Maturity Investments

Investments designated on initial recognition as held-to-maturity are investments that the credit union intends, and is able to, hold to maturity. These are carried at amortised cost using the effective interest method. The fair value of some investment products will change during their life, but they will have a fixed maturity value at some future date. When designated as held-to-maturity, any change in the fair value during the term of the investment is ignored, with the credit union only accounting for interest received. Gains and losses are recognised in income when the investments are derecognised or impaired, as well as through the amortisation process. Investments intended to be held for an undefined period are not included in this classification.

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. In accordance with the direction of the Central Bank the amounts are shown as current assets and are not subject to impairment reviews.

5. De-recognition of Financial Assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the credit union transfer to another party substantially all the risks and rewards of ownership of the financial asset, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated party.

In the case of loans to members, loans are derecognised when the right to receive cash flows from the loans have expired, usually when all amounts outstanding have been repaid by the member.

6. 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.

7. Other Payables

Other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Other payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

8. Tangible Fixed Assets

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



Accounting Policies *cont'd*

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

Premises	-	4% Straight Line
Premises improvements	-	6% Straight Line
Computer equipment	-	25% Straight Line
Fixtures & fittings	-	25% Straight Line
Office equipment	-	25% Straight Line

Gains or losses arising on the disposal of an asset are determined as the difference between the sale proceeds and the carrying value of the asset, and are recognised in the Income and Expenditure account.

At each reporting end date, the credit union reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the credit union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Income and Expenditure account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Income and Expenditure account.

9. Employee Benefits

Pension Costs

The credit union operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the credit union in an independently administered fund. The pension charge represents contributions payable by the credit union to the scheme.

Other Employee Benefits

The costs of short-term employee benefits, including holiday pay, are recognised as a liability and as an expense (unless those costs are required to be recognised as part of the cost of fixed assets) over the period they are earned.

10. Impairment of Members Loans

The credit union assesses, at each balance sheet date, if there is objective evidence that any of its loans to members are impaired. 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, during the course of the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised.

Bad debts/impairment losses are recognised in the Income and Expenditure Account, as the difference between the carrying value of the loan and the net present value of the expected cash flows.



Accounting Policies *cont'd*

11. Financial Liabilities - Members' Shares and Deposits

Members' shareholdings and deposits are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently measured at the nominal amount.

12. De-recognition of Financial Liabilities

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

13. Dividends and Other Returns to Members

Dividends are made from current year's surplus or a dividend reserve set aside for that purpose. The board's proposed distribution to members each year is based on the dividend and loan interest rebate policy of the credit union.

The rate of dividend and loan interest rebate recommended by the board will reflect:

- the risk profile of the credit union, particularly in its loan and investment portfolios;
 - the board's desire to maintain a stable rather than a volatile rate of dividend each year; and
 - members' legitimate dividend and loan interest rebate expectations;
- all dominated by prudence and the need to sustain the long-term welfare of the credit union.

For this reason the Board will seek to build up its reserves to absorb unexpected shocks and still remain above minimum regulatory requirements.

Final dividends and other returns to members are accounted for as a liability after they are approved by the members in general meeting.

14. Taxation

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

15. Reserves

Retained earnings are the accumulated surpluses to date that have not been declared as dividends returnable to members. The retained earnings 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.

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% 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. This reserve is similar in nature and replaces the Statutory Reserve which was a requirement of previous legislation.

Operational Risk Reserve

Section 45(5)(a) of the 1997 Act 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 definition of operational risk is the risk of losses stemming from inadequate or failed internal processes, people and systems or from external events. The directors have considered the requirements of the Act and have considered an approach to calculation of the operational risk reserve based on indicative guidance issued by the Central Bank.

TUICU

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**Special
Education Loan
5.99% APR**

In 2020 TUICU assisted its members in their goals of attending 3rd level education



TUICU 2018 Scholarship Recipient, Ronan Buckley, a 21-year-old hurler from Kilkenny.

"I really couldn't believe it... It's just one of those things - you think you'll never get picked. But you never know; it's like the lotto, it could be you!"



#TUICUMembers

In addition TUICU also supports its members through the annual Scholarship and Bursary awards

Congratulations to our 2020 Scholarship Winners

- Elizabeth Doyle, Co Wexford
- Jack Homan, Dublin

Loan Amount	APR	Monthly Repayment	Total amount repayable
€20,000 Over 5 years	5.99%	€385.14	€23,102.25

Warning: If you do not meet the repayment on your loan your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future. Loans are subject to approval. Terms & Conditions apply. Teachers Union of Ireland Credit Union is regulated by The Central Bank of Ireland.





Notes to the Financial Statements

1. General Information

Teachers' Union of Ireland Credit Union Limited is a credit union incorporated under the Credit Union Act 1997 (as amended) in the Republic of Ireland. Teachers' Union of Ireland Credit Union Limited is registered with the Registrar of Credit Unions and is regulated by the Central Bank of Ireland. The financial statements have been presented in Euro (€) which is also the functional currency of the credit union.

2. Use of Estimates and Judgements

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Directors to exercise judgement in applying the credit union's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements are disclosed below:

Bad debts/Impairment losses on loans to members

The credit union's accounting policy for impairment of financial assets is set out in accounting policies on pages 21-24 of the financial statements. The estimation of loan losses is inherently uncertain and depends upon many factors, including loan loss trends, credit risk characteristics in loan classes, local and international economic climates, conditions in various sectors of the economy to which the credit union is exposed, and, other external factors such as legal and regulatory requirements. Credit risk is identified, assessed and measured through the use of rating and scoring tools with emphasis on weeks in arrears and other observable credit risk metrics as identified by the credit union. The ratings influence the management of individual loans. The credit rating triggers the impairment assessment and if relevant the raising of specific provisions on individual loans where there is doubt about their recoverability.

Loan loss provisioning is monitored by the credit union, and the credit union assesses and approves its provisions and provision adequacy on a quarterly basis. Key assumptions underpinning the credit union's estimates of collective provisions for loans with similar credit risk characteristics, and, Incurred But Not Reported provisions ("IBNR") are based on the historical experiences of the credit union allied to the credit union's judgement of relevant conditions in the wider technological, market, economic or legal environment in which the credit union currently operates which impact on current lending activity and loan underwriting. If a loan is impaired, the impairment loss is the difference between the carrying amount of the loan and the present value of the expected cash flows discounted at the asset's original effective interest rate taking account of pledged shares and other security as appropriate. Assumptions are back tested with the benefit of experience. After a period of time, when it is concluded that there is no real prospect of recovery of loans/part of loans which have been subjected to a specific provision, the credit union writes off that amount of the loan deemed irrecoverable against the specific provision held against the loan.

Impairment of buildings

The credit union's accounting policy on tangible fixed assets is set out in accounting policies on pages 21-24 of the financial statements. As described in the accounting policy the credit union is required to assess at each reporting date whether there is any indication that an asset may be impaired. If an impairment is identified, the credit union is required to estimate the recoverable amount of the asset. If there is no indication of impairment, it is not necessary to estimate the recoverable amount.

The recoverable amount of an asset is the higher of its fair value less costs associated with sale and its value in use. In assessing whether the credit union's property is impaired, its current market valuation is considered as being equivalent to its fair value. Where the property's market valuation is identified as being below its carrying value, this amounts to a key indicator of the existence of impairment and the credit union is therefore required to undertake a value in use calculation on its property assets. Value in use is the present value of the future cash flows expected to be derived from the Credit Union's property. This present value calculation involves the undertaking of the following steps:

- a) Estimating the future cash inflows and outflows to be derived from continuing use of property and from its ultimate disposal, where appropriate; and
- (b) Applying the appropriate discount factor to those future cashflows.

The future cash inflows and outflows required for the value in use calculation are taken from financial projections prepared by management and approved by the board of directors. The discount factor applied in the value in use calculation is an assessment of the time value of money applicable to the credit union and will take account of previous guidance received from the Central Bank.

3. Employees

Number of employees

The average monthly numbers of employees during the year were:

	2020	2019
	Number	Number
Administration	8	7
	<u>8</u>	<u>7</u>

	2020	2019
	€	€
Employment costs		
Wages and salaries	366,229	285,388
Pension costs	21,696	27,577
	<u>387,925</u>	<u>312,965</u>

3.1. Key Management Personnel Compensation

The Directors of Teachers' Union of Ireland Credit Union Limited are all unpaid volunteers. The key management team for Teachers' Union of Ireland Credit Union Limited would include the directors, the credit union manager and other senior staff members. The number of key management for the financial year to 30 September 2020 amount to 12 (2019 - 11).

	2020	2019
	€	€
Short term employee benefits paid to key management	147,904	133,664
Payments to defined contribution pension schemes	13,942	15,588
	<u>161,846</u>	<u>149,252</u>

4. Pension Costs

Pension costs amounted to €21,696 (2019 - €27,577).

5. Analysis of Investment Income

	2020	2019
	€	€
Received during the year	65,519	101,807
Receivable within 12 months	102,062	78,549
Other investment income	-	-
	<u>167,581</u>	<u>180,356</u>

6. Cash & Cash Equivalents

	2020	2019
	€	€
Cash and bank balances	1,744,306	707,582
Short term deposits	2,144,135	3,669,115
	<u>3,888,441</u>	<u>4,376,697</u>

Short term deposits are deposits with maturity of less than or equal to three months. All other deposits are included in Investments in the Balance sheet and disclosed in note 7.

7. Investments

2020**2019****€****€**

Investments are classified as follows:

Deposits and accounts in authorised credit institutions	8,250,000	10,550,000
Minimum reserve account	1,660,261	226,204
Government bonds	3,630,415	4,376,158
Investment bonds	4,612,384	499,191
	<u>18,153,060</u>	<u>15,651,553</u>

The market valuation of government and investment bonds as at 30 September 2020 amounts to €8,662,342. The directors have confirmed that they are satisfied that all fixed term investments will be held to maturity and therefore the recognition of an impairment is not required.

Under the heading “Deposits and accounts in authorised credit institutions”, the credit union holds investments in credit linked note products amounting to €1 million at 30 September 2020 (€1 million at 30 September 2019). The credit union’s investment advisors have confirmed that these investments products are not listed or traded on an active market and therefore they are recognised at original cost less impairment in the financial statements in accordance with the credit union’s accounting policy. No credit events or defaults have been identified on these products in the current or previous financial period which require the recognition of an impairment. Additional information with respect to these investment products is included in Note 22 to the financial statements.

The categories of counterparties with whom the investments are held is as follows: -

Institutional ratings

2020**2019****€****€**

Aa3	-	700,000
A1	5,693,668	2,600,000
A2	2,176,622	2,841,917
A3	4,169,351	3,149,191
Baa1	4,603,118	4,103,913
Baa2	1,510,609	500,000
Baa3	2,143,827	1,756,532
	<u>20,297,195</u>	<u>15,651,553</u>

8. Loans to Members

2020**2019****€****€**

Opening Balance at 1 October	23,258,036	19,704,880
Loans granted	13,062,707	12,103,192
Loans repaid	(9,207,381)	(8,485,384)
Loans written off	(47,029)	(64,652)
Gross Loan Balance at 30 September	<u>27,066,333</u>	<u>23,258,036</u>

Impairment allowances

Individual loans	(372,012)	(282,890)
Groups of loans	(233,717)	(140,878)
Loan provision	(605,729)	(423,768)
Net loans as at 30 September	<u>26,460,604</u>	<u>22,834,268</u>

9. Analysis of Gross Loans Outstanding

	2020		2019	
	No.	€	No.	€
Less than one year	393	749,184	329	613,542
Greater than 1 year and less than 3 years	811	5,687,249	751	4,841,391
Greater than 3 years and less than 5 years	766	11,019,963	811	11,817,393
Greater than 5 years and less than 10 years	230	8,362,440	126	4,873,283
Greater than 10 years and less than 25 years	12	1,247,497	12	1,112,427
Greater than 25 years	-	-	-	-
Total Gross Loans	2,212	27,066,333	2,029	23,258,036

10. Credit Risk Disclosures

At 30 September 2020, the credit union had 27 mortgage loans outstanding from members on which first charges on properties were held. All remaining loans to members are unsecured, except that there are restrictions on the extent to which borrowers may withdraw their savings whilst loans are outstanding. There are maximum amounts set down under legislation in terms of what amount a member can borrow from a credit union.

The carrying amount of the loans to members represents the credit union's maximum exposure to credit risk. The following table provides information on the credit quality of loan repayments. Where loans are not impaired it is expected that the amounts repayable will be received in full.

	2020		2019	
	€	%	€	%
Gross Loans Not Impaired	24,520,125	90.59%	21,113,676	90.78%
Gross Loans Impaired				
Up to 9 weeks past due	2,072,360	7.66%	1,828,964	7.86%
Between 10 and 18 weeks past due	166,366	0.61%	164,655	0.71%
Between 19 and 26 weeks past due	78,669	0.29%	57,688	0.25%
Between 27 and 39 weeks past due	115,102	0.43%	71,589	0.31%
Between 40 and 52 weeks past due	11,432	0.04%	11,456	0.05%
53 or more weeks past due	102,279	0.38%	10,008	0.04%
	2,546,208	9.41%	2,144,360	9.22%
Total Gross Loans	27,066,333	100.00%	23,258,036	100.00%
Impairment Allowance				
Individual loans	(372,012)		(282,890)	
Collectively assessed loans	(233,717)		(140,878)	
Loan provision	(605,729)		(423,768)	
Net loans as at 30 September	26,460,604		22,834,268	

Factors that are considered in determining whether loans are impaired are discussed in Note 2, dealing with estimates.



ONLINE PAYMENTS

Using your debit card

Make a payment into your account, or another member's account, any time using your debit card.

11. Loan Provision Account for Impairment Losses

	2020	2019
	€	€
Opening balance 1 October	423,768	379,067
Net movement during the year	228,990	109,353
Decrease as a result of loan write offs previously provided for	(47,029)	(64,652)
Closing provision balance 30 September	<u>605,729</u>	<u>423,768</u>

12. Tangible Fixed Assets

	Premises €	Premises Improvements €	Computer equipment €	Office equipment €	Fixtures & fittings €	Total €
Cost						
At 1 October 2019	1,271,789	-	103,953	41,137	41,299	1,458,178
Additions	-	60,928	23,439	2,417	4,446	91,230
At 30 September 2020	<u>1,271,789</u>	<u>60,928</u>	<u>127,392</u>	<u>43,554</u>	<u>45,745</u>	<u>1,549,408</u>
Depreciation						
At 1 October 2019	406,823	-	69,905	29,559	34,445	540,732
Charge for the year	50,871	3,585	28,102	6,700	5,761	95,019
At 30 September 2020	<u>457,694</u>	<u>3,585</u>	<u>98,007</u>	<u>36,259</u>	<u>40,206</u>	<u>635,751</u>
Net book values						
At 30 September 2020	814,095	57,343	29,385	7,295	5,539	913,657
At 30 September 2019	<u>864,966</u>	<u>-</u>	<u>34,048</u>	<u>11,578</u>	<u>6,854</u>	<u>917,446</u>

An independent valuation of the credit union's premises was carried out by Broe Auctioneers on 15 October 2020. In accordance with Financial Reporting Standard 102 "Impairment of Assets" the directors carried out a value in use calculation at the year end, applying a discount factor of 4.25%, and this concluded that no write down of the carrying value of fixed assets is required in the financial statements.

13. Prepayments and Accrued Income

	2020	2019
	€	€
Prepayments	80,655	57,781
Accrued income	102,062	78,649
Member Loan interest receivable	30,606	41,738
	<u>213,323</u>	<u>178,168</u>

14. Members' Shares

	2020	2019
	€	€
Opening Balance at 1 October	36,116,782	32,585,090
Shares paid in	13,174,754	12,456,251
Shares withdrawn	(8,112,828)	(8,924,559)
Other movements	(40)	-
Closing Balance at 30 September	<u>41,178,668</u>	<u>36,116,782</u>

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

	€	€
Unattached Shares	35,402,132	31,177,156
Attached Shares	<u>5,776,536</u>	<u>4,939,626</u>
	<u>41,178,668</u>	<u>36,116,782</u>

15. Members' Cash Accounts

	2020	2019
	€	€
Opening balance 1 October	216,380	159,991
Received during the year	1,200,373	1,040,244
Paid out during the year	<u>(1,017,343)</u>	<u>(983,855)</u>
Closing balance 30 September	<u>399,410</u>	<u>216,380</u>

Cash accounts are repayable on demand.

16. Other Liabilities and Charges

	2020	2019
	€	€
PAYE/PRSI control account	10,093	6,191
Accruals	<u>119,581</u>	<u>158,407</u>
	<u>129,674</u>	<u>164,598</u>

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17. Additional Financial Instruments Disclosures

1. Financial risk management

Teachers' Union of Ireland Credit Union Limited manages its members' shares and loans to members so that it earns income from the margin between interest receivable and interest payable. The main financial risks arising from the credit union's activities are credit risk, liquidity risk and interest rate risk. The board reviews and agrees policies for managing each of these risks, which are summarised below.

Credit risk: Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to Teachers' Union of Ireland Credit Union Limited, resulting in financial loss to the credit union. In order to manage this risk the board approves the credit union's lending policy, and all changes to it. All loan applications are assessed with reference to the lending policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed. The board have considered the impact of the Covid-19 pandemic on the credit union's membership and loan book in conjunction with their review of the lending policy during the financial year.

Liquidity risk: The credit union's policy is to maintain sufficient funds in liquid form at all times to ensure that it can meet its liabilities as they fall due. The credit union adheres on an ongoing basis to the minimum liquidity ratio and minimum short term liquidity ratio as set out in the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016.

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

Interest rate risk: The credit union's main interest rate risk arises from differences between the interest rate exposures on the receivables and payables that form an integral part of a credit union's operations. The credit union considers rates of interest receivable on investments and members' loans when deciding on the dividend rate payable on shares and on any loan interest rebate.

Capital Risk - The credit union maintains sufficient reserves to buffer against losses on members' loan and investments. The current regulatory reserve is in excess of the minimum level set down by the Central Bank of Ireland, and stands at 11.00% of the total assets of the credit union at the balance sheet date.

2. Interest rate risk disclosures

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

	2020 Average Amount €	2020 Interest Rate	2019 Average Amount €	2019 Interest Rate
Financial Assets				
Loans to members	<u>27,066,333</u>	<u>7.06%</u>	<u>23,258,036</u>	<u>7.33%</u>

The 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.

3. Liquidity risk disclosures

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

4. Fair value of financial instruments

Teachers' Union of Ireland Credit Union Limited does not hold any financial instruments at fair value.

18. Total Reserves

	Balance 01/10/19 €	Dividend and loan interest rebate paid €	Appropriation of current year surplus €	Transfers between reserves €	Balance 30/09/20 €
Total Regulatory Reserve	4,835,395		-	623,804	5,459,199
Operational Risk Reserve	305,306		-	94,783	400,089
Other Realised Reserves					
Undistributed Surplus	1,309,658	(235,830)	700,439	(667,716)	1,106,551
General reserve	529,966		-	(50,871)	479,095
Dividend reserve	450,000		-	-	450,000
Total realised reserves	<u>7,430,325</u>	<u>(235,830)</u>	<u>700,439</u>	<u>-</u>	<u>7,894,934</u>
Unrealised Reserves					
Special reserve	6,124		40	-	6,164
Total unrealised reserves	<u>6,124</u>		<u>40</u>	<u>-</u>	<u>6,164</u>
Total reserves	<u>7,436,449</u>	<u>(235,830)</u>	<u>700,479</u>	<u>-</u>	<u>7,901,098</u>

The credit union is required to maintain a regulatory reserve that supports the credit union's operations, provides a base for future growth and protects against the risk of unforeseen losses. The credit union needs to maintain sufficient reserves to ensure continuity and to protect members' savings. The Central Bank expects that credit unions whose total regulatory reserves are currently in excess of 10 per cent of total assets will continue to maintain reserves at existing levels on the basis that these continue to reflect the board of directors' assessment of the appropriate level of reserves for the credit union.

The balance on the regulatory reserve represents 11.00% of total assets as at 30 September 2020 (11.00% as at 30 September 2019).

The board of directors and the management team have undertaken a review of the credit union's risk register and risk management procedures in order to determine the adequacy of the operational risk reserve. This review consisted of a consideration of each operational risk area, the various control procedures, outsourcing agreements and insurances in place to mitigate risk and the resultant remaining residual risk. An estimated costing to the credit union has been attached to each identified area of residual risk in computing the required operational risk reserve.

The balance on the operational risk reserve represents 0.81% of total assets as at 30 September 2020.

The special reserve represents the share balances of members no longer active in the credit union. They are held in special reserve until such time as they are claimed or can be legally taken to general reserve.

The board of directors have continued to maintain a general reserve to offset any potential impairment in the carrying value of the credit union's premises.

19. Dividends, Loan Interest Rebate and Other Returns to Members

The directors recommend the following distributions:

	2020		2019	
	Rate %	€	Rate %	€
Dividend on shares	-%	-	0.25%	85,145
Loan interest rebate	-%	-	10.00%	150,570

In accordance with FRS102 “Events after the End of the Reporting Period”, dividends and returns to members are accounted for in the financial statements after they are approved by the members in general meeting.

The returns to members paid in the current and prior year periods were as follows:

	2020	2019
	€	€
Dividend paid during the year	86,370	91,746
Dividend rate	0.25%	0.25%
Loan interest rebate paid during the year	149,460	124,922
Loan interest rebate rate	10.00%	10.00%

20. Rate of Interest Charged on Members' Loans

The credit union currently charge interest on outstanding loan balances to members, as follows:

Secured Loan - APR rate of	4.90%
Green eCar Loan - APR rate of	5.50%
Educational Loan - APR rate of	5.99%
Car Loan - APR rate of	7.50%
Personal loan - APR rate of	8.59%
Home Loan - APR rate of	3.83%
Christmas loan - APR rate of	5.00%
Home Improvement Loan - APR rate of	5.99%

21. Post Balance Sheet Events

There are no material events after the Balance Sheet date to disclose.

22. Contingent Liabilities

Interest earned and accrued to date on term deposit accounts, bank bonds and other accounts in authorised institutions is guaranteed only if the account is held to maturity and no default events occur. In the unlikely event of early encashment or of a default event, there may exist early settlement penalties, loss of capital and loss of interest. The board of directors have confirmed that these investments are intended to be held until their maturity dates and that they are not aware of any default event occurring.

As stated in Note 7 to the financial statements, the credit union holds an investment in a Credit Linked Note type investment at the financial year end. Credit Linked Note type investments have a conditional capital protection at maturity. The initial amount invested will be received on maturity providing there has not been a credit event in any of the banking institutions and no default in certain indices that are party to the individual products. In the unlikely event that such a credit event or default were to occur, the credit union could be subject to a reduction in the level of return or a potential loss of capital invested. At the financial year end, the directors are not aware of a credit event or default in any of the bank institutions or indices party to this product having occurred and as a result no impairment have been recognised in the financial statements.

The Registry of Credit Unions informed credit unions in the Republic of Ireland on 17 September 2018 that it had become aware of a potential matter that may impact certain credit unions in respect of accrued interest outstanding on loans where additional credit is extended to a member by way of a top-up-loan. The Registry of Credit Unions has requested information from credit unions in this context to assess the potential impact of this matter. A process to establish the potential impact, if any of this matter on Teachers' Union of Ireland Credit Union Limited is on-going. This process is not yet complete and therefore, the existence of any liability and any reliable estimate amount of any liability associated with this matter, while possible, remains uncertain along with the timing of same. Consequently, no provision has been made in the financial statements to 30th September 2020 for any amount that may become payable by Teachers' Union of Ireland Credit Union Limited.

23. Capital Commitments

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

24. Insurance Against Fraud

The credit union has insurance against fraud in the amount of €2,600,000 in compliance with Section 47 of the Credit Union Act, 1997 (as amended).

25. Related Party Transactions

The Credit Union has identified the following transactions which are required to be disclosed under the terms of FRS102 'Related Party Disclosures'.

The following details relate to officers and related party accounts with the credit union. Related parties include the board of directors and the management team of the credit union, their family members or any business in which the director or management team had a significant shareholding.

	No. of loans	2020 €	2019 €
Total savings held by related parties		301,063	366,136
Total loans outstanding by related parties	10	130,717	82,121
% of gross loan book		0.48%	0.35%
Loans advanced to related parties during the year	9	54,813	47,180
Total provisions for loan outstanding to related parties at year end		-	-
Total provision charge during the year for loans outstanding to related parties		-	-

26. Going Concern

The financial statements have been prepared on the going concern basis which assumes that the credit union will continue in operational existence for the foreseeable future with no intention to significantly curtail its activities in the next 12-month period.

During the first quarter of 2020, the Covid-19 virus spread initially from Asia to Europe and has subsequently been confirmed as a worldwide pandemic. The initial economic effect of this has been a worldwide slowdown in economic activity and the loss of jobs across many businesses. The Republic of Ireland and the majority of worldwide economies, governments have placed restrictions on "non-essential" business activities in measures designed to restrict the movement of people and to slow down the spread of the virus which has resulted in many businesses temporarily closing.

The directors confirm that Teachers' Union of Ireland Credit Union Limited continued to fully operate and actively engage in the provision of services to its members during the financial year. While the credit union experienced a fall in the level of loans issued to members in the period April to June 2020, as a result of restrictions associated with the Covid-19 pandemic, the directors have confirmed that activity levels have improved from July 2020 onwards with the loan book achieving overall growth when compared to the prior period. The credit union generated a surplus of €700,439 for the financial year and its reserve to total assets level at 30 September 2020 amount to 15.92%, significantly in excess of the 10% legal limit.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

27. Authorisation and Approval of Financial Statements

The board of directors authorised and approved these financial statements for issue on 29/10/2020.



Schedules

Schedule 1. Interest on Loans

	2020	2019
	€	€
Loan interest received	1,730,625	1,505,702
Loan interest receivable	(11,132)	(7,208)
Total per Income and Expenditure Account	<u>1,719,493</u>	<u>1,498,494</u>

Schedule 2. Other Interest Income and Similar Income

	2020	2019
	€	€
Investment income	167,581	180,356
Total per Income and Expenditure Account	<u>167,581</u>	<u>180,356</u>

Schedule 3. Other Income

	2020	2019
	€	€
Entrance fees	458	461
E.C.C.U. rebate	-	7,721
Investment commission	25,000	-
Total per Income and Expenditure Account	<u>25,458</u>	<u>8,182</u>

Schedule 4. Other Gains

	2020	2019
	€	€
Gains on Investments	163,998	49,199
Total per Income and Expenditure Account	<u>163,998</u>	<u>49,199</u>



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ONLINE
TODAY**





Schedules

Schedule 5. Other Management Expenses

	2020	2019
	€	€
Staff pension costs	21,696	27,577
Training costs	12,393	13,654
E.C.C.U. Insurance	173,739	159,135
Death grants	30,000	24,000
Rates	6,992	6,931
General insurance	19,229	16,499
Light, heat and cleaning	12,956	8,889
Covid 19 related costs	6,439	-
Repairs and maintenance	16,185	7,355
Advertising and promotions	53,975	76,326
Donations and bursary awards	12,750	14,800
Postage and printing	36,391	27,331
Computer costs	65,289	50,790
Telephone	8,536	6,998
Convention fees	2,826	8,474
A.G.M expenses	15,950	12,462
Director expenses	9,874	19,842
Board Oversight Committee expenses	521	2,308
Staff expenses	5,579	5,336
Volunteer expenses	859	3,605
Legal Costs	10,415	11,559
Other Professional Fees	59,441	54,250
Risk, internal audit & compliance	40,407	42,815
Audit	17,506	16,554
Bank interest and charges	2,434	2,145
Sepa bank charges	25,678	27,101
General expenses	11,881	9,437
Affiliation fees	5,251	3,969
SPS Fund contribution	6,711	3,072
Regulatory levy	51,165	66,347
Total per Income and Expenditure Account	<u>743,068</u>	<u>729,561</u>

Schedule 6. Other Losses

	2020	2019
	€	€
Total per Income and Expenditure Account	<u>-</u>	<u>-</u>



Report of the Nominations Committee

The Nomination Committee consisting of at least three board members is appointed by the board following the AGM to comply with the regulation to ensure there are suitable potential candidates to stand for election as directors of the TUI credit union when vacancies arise.

The role of the Committee is to identify candidates, accept written nominations and to propose candidates in respect of vacancies.

During the recruitment process the committee managed the Fitness and Probity review of each of the candidates in line with the current legal and Central Bank requirements.

The committee ensure that our succession planning, nominations and volunteer policies are in place, are updated and valid.

The committee complete a skills gap analysis and recommend suitable training programmes, ensuring the mandatory anti-money laundering, ethics and data protection (GDPR) courses are completed by Directors and Volunteers.

TUI credit union have an additional requirement that directors complete 15 hours continuous professional development (CPD) each year.

Directors standing down:

In January of this year, **Michael Craig** stepped down from the board having served for several years and being a leading contributor to our strategic planning.

In November **Marie Humphries** stepped down from the board. Marie was a stalwart member of the Credit Control Committee and was its secretary for a few years.

We thank Michael and Marie for their dedication and commitment to TUI credit union.

Co-options:

We welcomed **Tim O'Meara** to the board in June as a replacement for Michael. Tim as a Past-President of TUI brings his vast experience and knowledge to our credit union.

Dr Joanne Malone has joined the board in December and her proven business acumen will enhance the governance of the credit union going forward.

Volunteers:

The committee thank our volunteers for the important contribution they make to the on-going success of our credit union, and on behalf of the Board, I would like to thank them for their time, dedication and commitment.

Members wishing to volunteer can apply in writing. See our website for further details.

Appreciation:

The members of the nomination committee would like to express their thanks and appreciation to our Risk and Compliance Officer **Sandie O'Leary** who was an immense help to the committee and gave valuable advice and assistance. Our CEO **Paul Roche** was always at hand to assist and advise and we thank him for this.

Frank Mc Ginn – Chairman of the Nomination Committee.

Tina Reddin and Geraldine Noonan - Members of the committee.

Notice of Election

Board of Directors

Candidate	Term of Office
Brendan Greene	3 Years
Joanne Malone	3 Years
Tim O'Meara	3 Years
Tina Reddin	3 Years

Board Oversight Committee

Candidate	Term of Office
Tony Barnett	3 Years

Auditor

FMB Advisory is being nominated as Auditor for the year 2020/2021.

Candidate	Term
FMB Advisory Limited	1 Year



Report of the Board Oversight Committee

The Credit Union Act 1997 (as amended) ("the Act") requires the appointment of a Board Oversight Committee to assess whether the board of directors has operated in accordance with part IV and IV (A) of the Act and with any regulations made for the purposes of Part IV or IV (A) of the Act and any other matter prescribed by the Central Bank in respect of which they are to have regard to in relation to the board of directors.

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

In accordance with the Act, the Board Oversight Committee held monthly committee meetings, observed each board meeting and various sub-committee meetings and conducted four appraisals of the board of directors throughout the year.

This year Board Oversight Committee officers have completed CPD in the areas of ethics, anti-money laundering, data protection, compliance, risk management and GDPR legislation despite the ongoing pandemic.

The Board Oversight Committee is pleased to report that the board of directors has operated in accordance with Part IV, Part IVA and all other related matters prescribed by the Central Bank.

We would like to commend the board on their dedication and their ability to adapt despite not being able to meet in person. The board met diligently several times a month online during the spring and summer and continues to meet regularly to ensure that the credit union will remain available to aid and support its members.

We would like to thank the chairperson of the board, the directors, as well as the management, risk and compliance officer and staff for their assistance in enabling the Board Oversight Committee to carry out its duties.

Tony Germaine, JJ Walsh (Secretary), Tony Barnett.

Investing in digital channels



We have invested extensively in our digital channels to improve member experience and service

2020 highlights

- Value of member online transactions increased to €5.6m
- 55% of all transactions completed via mobile app
- 84% increase in mobile activations
- 61% members online
- Over 53,000 member logins
- €2.5m transacted via mobile app
- 77% of loan applications are now made online totalling €9.6m
- 84% loan documentation signed online



Report of the Credit Committee

This is the credit committee's report for the financial year ended 30th September 2020.

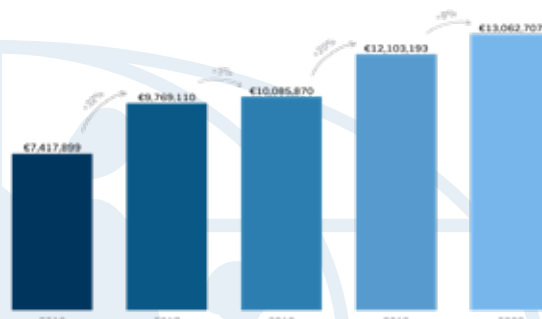
The function of the Credit Committee is to oversee all loan applications and to ensure that they are dealt with in a transparent, fair and timely manner. In addition, the committee confirms that all loan requests comply with the TUI credit union lending policy.

Every application is evaluated with a view to the member's ability to repay the loan and to meet all obligations to other financial institutions. Each loan application is treated on its own merit and in the upmost confidence.

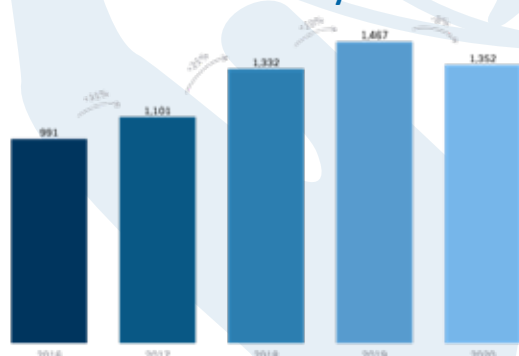
The staff of TUI credit union are available to discuss with its members any question(s) they may have regarding their loan application.

During 2020 the credit union issued 1,352 loans with a total value of €13.06m which is an increase of €960,000 or 8% on 2019. We would like to thank our loyal members who made 2020 a record year for loan issues. This is remarkable when considering the challenges our members faced in their day to day roles.

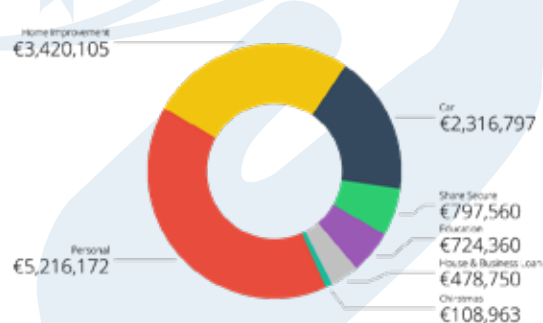
Loans Issued by Year



Loans Issued by No



Value of Loans Issued 2020



The committee would like to thank the CEO of the TUICU, Paul Roche and his staff for all their help and co-operation throughout the year.

Michael Craig and Michael Daly (Joint Chairpersons)

Committee Members: Martina Kennedy, Andy Whelan and Paddy Mc Dermott.



Report of the Credit Control Committee

The function of the Credit Control Committee is to monitor the loan portfolio and to ensure that loans to members are repaid in accordance with the terms of the credit agreements entered into and signed by them. Failure to adhere to the credit agreement will result in arrears building up and possible damage to the member's credit rating with the credit union and with the Irish Credit Bureau and Central Credit Register resulting in difficulties obtaining credit in the future.

The committee meets monthly with the manager and credit control officer to review loan arrears, take corrective measures where required and make recommendations to the board of directors. Some members of the TUI credit union experience financial difficulties. Such members are encouraged to contact the credit union as soon as difficulties arise, as early communication will facilitate a mutually satisfactory agreement being reached.

When a problem arises with repayments or when arrears occur the board policy is:-

- All arrears are monitored and reviewed weekly
- Members are contacted promptly by letter, email, phone
- Monthly reports are presented to the board
- The necessary remedial action is taken to regulate the account. This action may include a referral to the credit union's solicitor.

Charged off accounts

Six loans have been charged-off this year, a total of €47,029. These amounts will be pursued by all means at our disposal including the use of legal action and/or debt collection agents where necessary. This year, recoveries of previously charged-off loans amounted to €57,215. By way of comparison, loans charged-off during the previous year amounted to €64,652 while recoveries amounted to €53,358.

Rescheduled loans

We are pleased to announce this year that there have been no rescheduled loans. As in previous years we would continue to advise all members to contact the office immediately if they are experiencing any financial difficulties. They can be assured that they will be treated in a dignified, compassionate and confidential manner.

Covid-19

Due to the economic impact of Covid-19 a small number of our members were unable to make their loan repayments. In line with Central Bank guidelines TUICU facilitated a temporary pause on such repayments. This pause was initially for a three-month period but in some cases, it extended to six months. In this financial year 24 members availed of this temporary Covid-19 arrangement.

Finally, the committee wish to thank the CEO Mr Paul Roche and staff for their assistance and co-operation especially Ann-Marie Keane, who has responsibility in this area and carries it out with efficiency and courtesy.

Committee members: Padraic Gallagher, Joan Kavanagh, Marie Humphries (resigned December 2020), Ed Mullarkey, Austin Stewart, Frank McGinn and Pat Conway.



Report of the Membership Committee

The Membership Committee is an Operational Management Committee reporting to the board of directors.

At the 30th September 2020 membership reached 6,324 at Teachers' Union of Ireland Credit Union Limited. This is an increase in Membership of 6.25% from the year prior. During the year 605 new members joined the credit union. Great appreciation must go to our Area Representatives who were actively promoting the credit union throughout the country until the onset of Covid-19.

Membership is open to all persons within our common bond

- Members and retired members of the Teachers' Union of Ireland
- Members and retired members of the Irish Federation of University Teachers (IFUT)
- Non-teaching staff of second/third level colleges/schools (Special Needs Assistants etc.)
- Administration staff of the sixteen Education Training Boards
- Student teachers undertaking PME in Post-Primary Education
- Employees of the Teachers' Union of Ireland and TUI Credit Union
- Family members of all of the above

In January 2021 we were delighted to launch our automated onboarding which allows members to join effortlessly through the credit union's mobile app. The new onboarding solution is extremely efficient, reduces the time to open an account and provides a safe and reliable way to become a member. The app uses advanced biometric facial verification to capture and verify members identity ensuring becoming a member is quicker than ever.

Documentation to open new accounts is as follows:

1 Proof of identification- valid driver licence or passport	2 Proof of address- utility bill, bank statement or government letter (must be dated within the last 3 months)	3 Proof of PPS Number- payslip, medical card or revenue / social welfare document
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Bursaries

TUI credit union proudly supports its members' educational pursuits and once again the Scholarship Awards proved very popular with the sum of €6,750 being dispersed to the successful applicants this year.

Members Draw

This year TUI credit union paid out a total prize fund of €113,598 to 48 lucky winners. To be included in all draws costs just €5 per month and is completely self-funded by members' subscriptions. Applications for inclusion in the draw can be found on our website, through the member online area or by contacting the office. Best of luck to you all.

Committee Members: Ivana Dolak, Sandra Murtagh, Maria Byas and Mary McDonald





GOODBYE DEBT!



Say goodbye to multiple
debt repayments each month.

Allow us to refinance all your debt into
one easy manageable loan repayment with
our Special Debt Consolidation Loan

Loan Amount	APR	Monthly Repayment	Total amount repayable
€20,000 Over 5 years	8.59%	€408.07	€24,475.10

WARNING: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future. Loans are subject to approval. Terms and conditions apply. Teachers' Union of Ireland Credit Union is regulated by the Central Bank.



Monthly Members Draw

DRAW WINNERS 2019-2020	
Month	Winners
October-19	Fergal McCarthy, Marie Fogarty, Margaret King
November-19	Connie Lane, William Fitzpatrick, Lorcan Murphy
December-19	Declan McKeown, Darrell O'Brien, Caoimhe Cassidy, David Higgins, Patrick McBride, Ann Deeney Walker, Clodagh O'Donnell, Michael Challoner, Barry O'Higgins, Richard Davis, Michael Daly, Glenn Mehta, Declan Connor
January-20	Emily Doyle, Lorraine Finnegan, Kathleen Rahilly
February-20	Anne Fitzgerald, Farrah Bogle, Catriona Tang
March-20	Seamus Martin, Paul Sharpe, Mary Cummins
April-20	Fiona Hennessy, Donagh O'Sullivan, Brid O'Neill, Mary O'Brien
May-20	Theresa McMullin, Olive Halpin, Bernadette Reilly,
June-20	Fiona Carolan, Declan McKeown, Michael Challoner
July-20	Cora Connolly, Matthew Diskin, David Treanor
August-20	Christopher Cleary, David Treanor, Fiachra Fitzpatrick
September-20	Fiona Redmond, Michael White, Edel Cleary, Michael Tobin

COST TO PARTICIPATE IS JUST

€5

PER MONTH

WHICH WILL BE DEDUCTED FROM YOUR ACCOUNT ON A MONTHLY BASIS

Opening balance at 1st October 2019	€23,923
Member deductions	€109,910
Car draw prizes*	(€52,098)
Monthly cash prizes	(€61,500)
Closing balances at 30th September 2020	€20,235

*Cars supplied by Mooney's Hyundai, 12 Long Mile Rd, Walkinstown, Dublin, D12 YKX4



List of Deceased Members

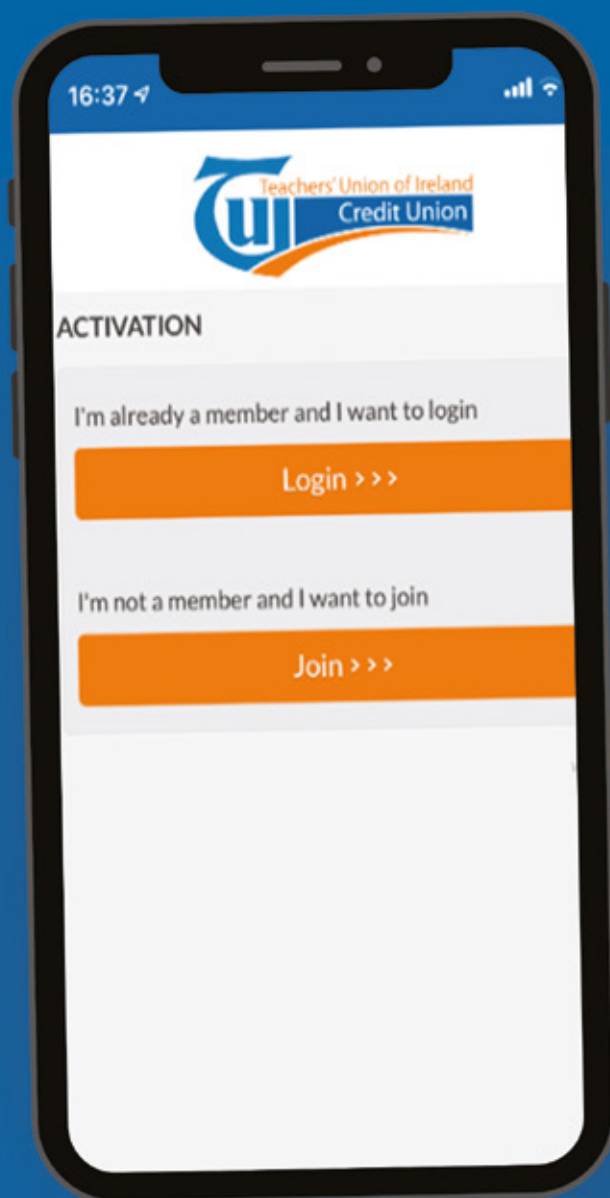
David Byrne
Gerard Connolly
Brian Mulcahy
Patrick Brennan
David Caffrey
Breda Noonan
William Gavin
Mary Farrell

Anthony Hackett
Thomas McGee
John McQueen
Alan Cutts
Brendan Dunne
Una Dunne
Julette Murphy
Mary Nolan

Maura Meade
Winifred Dolan
Joseph Boylan
Kieran Heavin
Pat Cashell
Stephanie Leahy
Susanna Condon
Kenneth Quinlivan

Joseph Kennedy
Maurice Cody
Kevin O'Brien
Tom Crotty
Bernadette Ruane
Angela O'Doherty
Donal O'Sullivan

Ar dheis Dé go raibh a n-anamacha



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of TUICU through our
brand new app!
Simply download the
app and select "Join"



A CREDIT UNION FOR TEACHERS

OUTRIGHT WINNERS

Financial Services
Education Sector

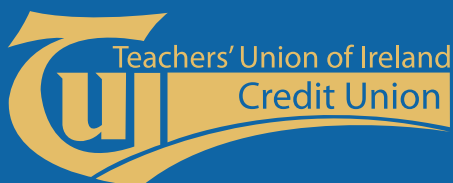


Excellence in Business Awards

Teachers' Union of Ireland
Credit Union Excellence
in Providing Financial
Services Education Sector
Award



Public Sector Award Winners



WINS!



Teachers' Union Of Ireland Credit Union (TUICU) Wins 2020 Award
Excellence In Providing Financial Services Within The Education Sector



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Calmount Park,
Ballymount,
Dublin 12
D12 W354
01-4266060
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www.tuicu.ie

Teachers' Union of Ireland Credit Union is regulated by the Central Bank of Ireland.