



Portadown
CREDIT UNION

2022

ANNUAL REPORT AND ACCOUNTS





Registration number CU59

Portadown Credit Union Limited

Directors' report and financial statements

for the year ended 30 September 2022

**Portadown Credit Union Limited****Credit Union Information**

Directors	Eamonn Fleming Bryan McLaughlin Bernadette McGinnell Ciaran Preshur Bryan Murphy Iasmina Vale William Hutchinson	President Vice President Treasurer Assistant Treasurer Resigned October 2022 Appointed November 2021
Secretary	Geraldine Lawless	
Internal Auditors	PGM Chartered Accountants	
Company number	CU59	
Registered office	26 Market Street Portadown Craigavon Co. Armagh BT62 3LD	
Auditors	Cleaver Black Suite 5, Ormeau House 91-97 Ormeau Road Belfast BT7 1SH	
Business address	26 Market Street Portadown Craigavon Co. Armagh BT62 3LD	



Portadown Credit Union Limited

Credit Union Information

Bankers

Bank of Ireland
13 Market Street
Lurgan, Craigavon
BT66 6AR

First Trust Bank
18-20 Scotch Street
Dungannon
BT70 1AZ

Danske Bank
45-48 High Street
Portadown
BT62 1LB

Solicitors

R. M. Cullen & Son
16-22 Edward Street
Portadown
BT62 3NA



NOTICE OF ANNUAL GENERAL MEETING

*Annual General Meeting
Portadown Credit Union Ltd
26 Market Street, Portadown
On Tuesday 29th November 2022
At 7pm*

AGENDA

- **Ascertainment that a quorum is present.**
- **Adoption of standing orders.**
- **Approval of the minutes of the last annual general meeting.**
- **President's Address.**
- **Report of Directors.**
- **Report of the Treasurer and consideration of accounts.**
- **Report of the Auditor.**
- **Declaration of Dividend and Interest Rebate.**
- **Report of the Credit Committee.**
- **Report of the Credit Control Committee.**
- **Report of the Membership Officer.**
- **Report of the Marketing Committee.**
- **Report of the Insurance Committee.**
- **Report of the Nominating Committee.**
- **Election of Auditor.**
- **Election of Directors.**
- **Rule Amendments.**
- **Any other business.**
- **Announcement of election results.**
- **Close of meeting.**

Nominations for the position of Directors shall be in writing signed by a Proposer and Secunder, who shall be members of the Credit Union and also by the Nominee so as to indicate his/her consent and shall be sent by hand or post so as to reach the registered Office of the Credit Union at least three days before the date of the Annual General Meeting. All such Nominees must be members of the Credit Union and of full legal age.

PRESIDENT'S ADDRESS

This is my final opportunity as president of Portadown Credit Union to report to you, the members and therefore owners of this wonderful co-operative organisation. As the world around us continues to evolve, with technology at the fore so must we continue to adapt both the way we operate and our accessibility options. The need for an online platform was highlighted by the depredations of the Covid pandemic and we are now in the process of providing a full online service for all our members. This being said, we the management, staff and volunteers of Portadown Credit Union, want to reassure our members that this will in no way effect our community ethos by which we have pledged to operate since our inception, and we have no doubt that continuing to provide our usual face to face facilities will remain at the heart and forefront of the services we offer.

Regretfully this year we also had to take the decision to close our Tullylish branch in Gilford. Whilst we know this came as a disappointment to our Gilford members, unfortunately the branch was not being utilised enough to justify the considerable overheads. We would like to remind our Gilford members that they are very welcome in our Portadown office and their accounts can also be accessed online, or discussed via telephone with our staff. We would also like to again place on record our immense thanks to Catherine Arlow for her long service to Tullylish and its members.

During this year there have been several significant changes within our personnel. Our compliance officer, Rachel Lavery, decided to move on to pastures new, in which we wish her every success. Our new management team of Paula Larkin (Manager) and Siobhan Lennon (Assistant Manager) continue to lead our staff, with the help of Aisling McConville (Office Supervisor), we have also made several new appointments in the roles of teller, loan officer and credit controller. Within our board of directors, we have recently accepted the resignation of Iasmina Vale, due to a possible conflict of interest and we thank her for her time and contribution to Portadown Credit Union.

For a variety of reasons we decided, during this year, to dispense with the services of the Wellington organisation. We appointed two new providers to cover our needs. Fintec Ltd takes responsibility for our computer hardware needs while Progress deals with the core service. The changeover took place at the beginning of September. There is, obviously, a period of training and bedding in. We have every confidence that this will be eminently successful as we approach a full on-line facility. The app has been upgraded leading to a good response in that it is very user friendly.

The present situation regarding inflation and the spiralling cost of living is bound to have an effect on all things financial. Your board of directors, management and staff will be keeping this in mind as we strive to deal in a sensitive way, with the needs and requirements of our members.



May I end this address by thanking my fellow directors and other volunteers as well as our hard working management and staff for all their efforts during this difficult period. I thank also our internal auditors PGM Chartered Accountants and our external auditors Cleaver Black. May I also sincerely thank you the members for your continuing support and loyalty.

A handwritten signature in black ink, appearing to read 'T. E. Fleming'.

T Eamonn Fleming.

**Portadown Credit Union Limited****Directors' report
for the year ended 30 September 2022**

The directors have pleasure in submitting their annual report together with the audited financial statements of the Credit Union for the year ended 30 September 2022.

Principal activity

During the year the principal activities were the promotion of thrift amongst members through the accumulation of savings and the making available of credit to members at a reasonable rate of interest.

Business review and future developments

During the year the main activities of the Credit Union remained unchanged and the directors anticipate that any future developments will be related to these activities.

Results for the year

The income and expenditure account is set out on page 6. The directors propose a dividend of 0.5% amounting to £155,036 (2021: £136,120) and an interest rebate of 25% amounting to £314,346 (2021: £253,265).

Directors' responsibilities

The Credit Unions (Northern Ireland) Order 1985, and any amendments thereto 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 these 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 at any time the financial position of the credit union and to enable them to ensure that the financial statements are prepared in accordance with applicable law in Northern Ireland and UK Generally Accepted Accounting Practice, including the standards issued by the Financial Reporting Council, and in particular FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". They are responsible for safeguarding the assets of the Credit Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Portadown Credit Union Limited

**Directors' report
for the year ended 30 September 2022**

Statement of disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- So far as that director is aware, there is no relevant audit information of which the Credit Union's auditors are unaware; and
- They have taken all the steps that they ought to have taken as directors in order to be aware of any information needed by the Credit Union's auditors in connection with preparing their report and to establish that the Credit Union's auditors are aware of that information.

Auditors

In accordance with the Credit Unions (Northern Ireland) Order 1985 (as amended), a resolution proposing that Cleaver Black be reappointed as auditors of the credit union will be put to the Annual General Meeting.

This report was approved by the Board on 21 November 2022 and signed on its behalf by

Bryan McLaughlin
Director

Eamonn Fleming
Director

Bernadette McGinnell
Treasurer



TREASURER'S REPORT

The financial report for the year ended 30th September 2022.

This report is for the purpose only of providing an overview of the financial results for the year. A full set of the audited accounts can be found in the AGM booklet which is available to view on www.portadowncu.com.

Members' shares amount to £31,039,920, a decrease of £823,939 on 2021 figures. Minor deposits now stand at £1,481,458.

I am pleased to report that we have managed to produce a strong set of results for the financial year ended 30th September 2022.

This year the bad debt write-off amounted to £70,581. The amount of bad debt recovered during the year was £30,079.05 and this is due of the extensive work being carried out by our diligent Credit Control team.

The directors are delighted to be recommending a dividend of 0.50% and a loan interest rebate of 25%.

We have launched our new Website and Mobile App, available on Google Play and the App Store, making it easier for you to manage your money 'on the go'. All you need to do is download the Mobile App to securely check your balances, transfer funds between your own accounts, pay your bills once set up and upload documents to help you secure a loan.

As our income is comprised of the interest received from Members' loans and to maintain the current level of benefits such as Dividend and Interest Rebate, we would encourage more of our members to use our credit union for their borrowing needs and promote our services to family and friends.

At Portadown Credit Union we understand that sudden unforeseen changes in circumstances can affect a member's ability to repay their loan especially in today's unpredictable financial climate. Contact our team immediately by phone and speak to a member of staff, in person or online should you experience any difficulty repaying your loan.

Finally, I would like to thank you, the members of Portadown Credit Union, for your continued loyal support. I would also like to acknowledge the hard work of my colleagues on the Board of Directors and various Committees who freely give up their time and expertise. I wish to take this opportunity to thank the Management Team and Staff for their continuous hard work and assistance during the year.

Signed

Bernadette McGinnell
Treasurer

**Portadown Credit Union Limited****Independent auditors' report to the members of Portadown Credit Union Limited****Opinion**

We have audited the financial statements of Portadown Credit Union Limited for the year ended 30 September 2022, 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 a summary of significant accounting policies. The financial reporting framework that has been applied in their presentation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements in all material aspects:

- give a true and fair view of the state of the Credit Union's affairs as at 30th September 2021 and of its income and expenditure and cash flows 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, issued by the Financial Reporting Council; and
- have been prepared in accordance with the requirements of the Credit Unions (Northern Ireland) Order 1985

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described 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 the financial statements in the UK, including the FRC's Ethical Standard, 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.

Conclusion relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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



Portadown Credit Union Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Credit Unions (Northern Ireland) Order 1985 requires us to report to you if, in our opinion:

- proper books of account have not been kept by the Credit Union in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the Credit Union in accordance with the requirements of the legislation;
- the income and expenditure account to which our report relates, and the balance sheet are not in agreement with the books of account of the Credit Union;
- we have not obtained all the information and explanations which we considered were necessary for the purposes of our audit.

Responsibilities of the directors

As explained more fully in the Directors' Responsibilities Statement, 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 the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Credit Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Credit Union or to cease operations, or have 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 (UK) 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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- 1 The nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies;
- 2 Results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- 3 Any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:



- 4 Identifying, evaluating and complying with laws and regulations and whether they were aware of any cases of noncompliance;
- 5 Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
- 6 The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- 7 The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the group operates in, focusing on provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- 1 Enquiring of management and external legal counsel concerning actual and potential litigation and claims;
- 2 Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- 3 Reading minutes of meetings of those charged with governance and reviewing regulatory correspondence;
- 4 Obtaining an understanding of the provisions and held discussions with management to understand the basis of recognition or non-recognition of tax provisions;
- 5 In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries; assessing whether the judgements made in making accounting estimates are indicative of potential bias; and evaluating the business rationale of any significant transactions that are outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Credit Union's members, as a body, in accordance with Article 47 of the Credit Unions (Northern Ireland) Order 1985. 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.



**Cleaver Black (Statutory Auditors)
Chartered Accountants and
Registered Auditors
Suite 5, Ormeau House
91-97 Ormeau Road
Belfast
BT7 1SH**

21 November 2022



Portadown Credit Union Limited

Income and expenditure account for the year ended 30 September 2022

	Notes	2022 £	2021 £
Interest from loans to members	4	1,276,777	1,266,326
Other interest income and similar income	5	217,440	189,965
Other interest payable on minors' deposits	6	(14,583)	(18,378)
Net interest income		1,479,634	1,437,913
Other Income	8	13,628	100,744
Employment Costs	9b	(310,569)	(296,349)
Depreciation	13	(51,880)	(49,231)
Other management expenses (schedule 1)		(509,661)	(627,784)
Net (losses) on loans to members	14c	(27,556)	(147,707)
Surplus for the financial year before taxation		593,596	417,586
Taxation	10	(16,314)	(11,093)
Surplus for the financial year after taxation		577,282	406,493
Other comprehensive income		-	-
Total comprehensive income		577,282	406,493

The financial statements were approved by the Board on 15 November 2022 and signed on its behalf by

Eamonn Fleming
Director

Bernadette McGinnell
Treasurer

Bryan McLaughlin
Director

Portadown Credit Union Limited
Balance sheet
as at 30 September 2022

	Notes	2022 £	2021 £
ASSETS			
Cash and balances at bank	11	1,184,363	580,496
Deposits and investments	12	23,113,165	24,803,354
Tangible assets	13	1,582,021	1,548,001
Loans to members - Gross	14	10,924,933	10,521,480
Provisions against loans to members	14	(439,746)	(452,692)
Prepayments and accrued income	15	220,484	156,415
Total Assets		36,585,220	37,157,054
LIABILITIES			
Members' shares	16	(31,039,920)	(31,863,859)
Minors' deposits	17	(1,481,458)	(1,428,970)
Other payables	18	(149,631)	(114,761)
Net current liabilities		(32,671,009)	(33,407,590)
ASSETS LESS LIABILITIES		3,914,211	3,749,464
Capital employed			
General reserve		3,434,000	3,334,000
Unappropriated surplus		480,211	415,464
TOTAL RESERVES		3,914,211	3,749,464

The financial statements were approved by the Board on 21 November 2022 and signed on its behalf by

Eamonn Fleming
Director

Bernadette McGinnell
Treasurer

Bryan McLaughlin
Director

Portadown Credit Union Limited

Statement of Changes in Reserves
for the year ended 30 September 2022

	General Reserve £	Unappropriated Surplus £	Total Reserves £
Opening balance at 1 October 2020	3,334,000	141,996	3,475,996
Total comprehensive income for the year	-	406,493	406,493
Dividends and interest rebate paid during the year (note 7)	-	(133,025)	(133,025)
Transfer between reserves	-	-	-
Closing balance at 30 September 2021	<u>3,334,000</u>	<u>415,464</u>	<u>3,749,464</u>
Opening balance at 1 October 2021	3,334,000	415,464	3,749,464
Total comprehensive income for the year	-	577,282	577,282
Dividends and interest rebate paid during the year (note 7)	-	(412,535)	(412,535)
Transfer between reserves	100,000	(100,000)	-
Closing balance at 30 September 2022	<u>3,434,000</u>	<u>480,211</u>	<u>3,914,211</u>

- (1) The general reserve of the Credit Union as a percentage of total assets as at 30 September 2022 was 9.39% (2021: 8.97%). The transfer to general reserve for the year was £100,000 (2021: £Nil).
- (2) The Unappropriated surplus is the accumulated surpluses to date that have not been declared as dividends or loan interest rebate returnable to members or set aside in the General Reserve.



Portadown Credit Union Limited

Cash Flow Statement
for the year ended 30 September 2022

		2022 £	2021 £
Cash Flows from operating activities			
Loans repaid by members	14	4,831,147	5,200,385
Loans granted to members	14	(5,305,182)	(4,881,111)
Loan interest received	4	1,268,362	1,274,485
Interest paid on minors' deposits	6	(15,968)	(13,486)
Investment income received		174,300	212,531
Other income received	8	13,628	19,346
Bad debts recovered	14	30,079	21,837
Dividends and interest rebate paid	7	(412,535)	(133,025)
Other operating expenses paid to include employment costs		(801,708)	(927,878)
Corporation tax paid		(11,093)	(15,948)
Net cash flows from operating activities		(228,970)	757,137
Cash Flows from investing activities			
Purchase of property, plant and equipment	13	(85,900)	(4,800)
Sale of Property	13	-	268,629
Net movement in investments		1,690,189	(2,529,788)
Net cash flows from investing activities		1,604,289	(2,265,959)
Cash flows from financing activities			
Members' shares received	16/17	6,556,584	8,841,791
Members' shares withdrawn	16/17	(7,328,036)	(7,847,840)
Net cash flows from financing activities		(771,452)	993,954
Net increase / (decrease) in cash and cash equivalents		603,867	(514,868)
Cash and cash equivalents at beginning of year		580,496	1,095,364
Cash and cash equivalents at end of year		1,184,363	580,496

**Portadown Credit Union Limited****Notes to the financial statements
for the year ended 30 September 2022****1 Legal and regulatory framework**

Portadown Credit Union Ltd is established under the Credit Unions (Northern Ireland) Order 1985. The Credit Union is registered with the Department for the Economy, authorised by the Prudential Regulation Authority ("PRA"), and regulated by the Financial Conduct Authority (FCA). The principal place of business is 26 Market Street Portadown.

2 Accounting policies**2.1. Statement of compliance and basis of preparation**

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

The financial statements have been prepared on the historical cost basis.

2.2. Currency

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

2.3. Going Concern

The financial statements are prepared on the going concern basis. The directors of Portadown Credit Union Ltd believe this is appropriate as the Credit Union:

- (i) is generating annual surpluses;
- (ii) maintains an appropriate level of liquidity;
- (iii) has reserves that are above the minimum requirements of the PRA.

2.4. IncomeInterest 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 currently only has investments that are valued at amortised cost, and use the effective interest method to recognise income.

Other income

Other income such as commissions receivable on insurance products in connection with specific transactions. Income relating to individual transactions is recognised when the transaction is completed.

**Portadown Credit Union Limited****Notes to the financial statements
for the year ended 30 September 2022****2.5. Interest on minors' deposits**

Interest on minors' deposits is recognised using the effective interest method.

2.6. Dividends on shares and loan interest rebates

Dividends are made from current year's surplus or the unappropriated surpluses 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:

- (i) the risk profile of the Credit Union, particularly in its loan and investment portfolios;
- (ii) the Board's desire to maintain a stable rather than a volatile rate of dividend each year; and
- (iii) 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 the minimum regulatory requirements.

The Credit Union accounts for dividends and rebates of loan interest when members ratify such payments at the Annual General Meeting.

2.7. Taxation

Corporation tax is provided for on taxable interest from investments and non-mutual income. All other income of the Credit Union is exempt from Corporation Tax.

2.8. Cash and cash equivalents

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

2.9. Basic financial assets

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

Loans to members

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

Investments held at amortised cost

Investments comprise cash deposits which are initially measured at the amount deposited and are subsequently measured at amortised cost using the effective interest method.

**Portadown Credit Union Limited****Notes to the financial statements
for the year ended 30 September 2022****2.10. 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.

2.11. Impairment of financial assets

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

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

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

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

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

2.12. 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 transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or if some significant risks or rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 amount outstanding have been repaid by the member. Portadown Credit Union Ltd does not transfer loans to third parties.



Portadown Credit Union Limited

Notes to the financial statements for the year ended 30 September 2022

2.13. Basic financial liabilities

Basic financial liabilities are initially recognised at the transaction price, including the transaction costs, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities are subsequently carried at amortised cost using the effective interest method.

Financial liabilities members' shares and deposits

Members' shares and deposits are redeemable and therefore are classified as financial liabilities. They are initially recognised at the amount of cash deposited and subsequently minors' deposits are measured at amortised cost.

Other payables

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

2.14. De-recognition of financial liabilities

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

2.15. 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.

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

Land and buildings	straight line over 40 years
Computer equipment	straight line over 3 years
Fixtures, fittings and equipment	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the Income and Expenditure account.

**Portadown Credit Union Limited****Notes to the financial statements
for the year ended 30 September 2022****2.16. Impairment of tangible fixed assets**

At each reporting 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 assets belong.

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.

2.17. Employee benefitsPensions

The pension costs charged in the financial statements represent the contribution payable by the credit union during the year.

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.

2.18. ReservesGeneral reserve

The Credit Union is required to maintain and establish a minimum General Reserve of at least 5% on the first £10m of assets and 8% on the next £40m of assets of the Credit Union in accordance with the PRA.

Unappropriated surplus

The unappropriated surplus is the accumulated surpluses to date that have not been declared as dividends or loan interest rebate returnable to members or set aside to the General Reserve.

**Portadown Credit Union Limited****Notes to the financial statements
for the year ended 30 September 2022**

.....continued

3 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 Portadown Credit Union Ltd'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:

Impairment losses on loans to members

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 the emphasis on weeks in arrears and other observable credit risk metrics. The ratings influence the management of individual loans. The credit rating triggers the impairment assessment and if relevant the raising of specific provisions on individual loans where there is doubt about their recoverability. Loan loss provisioning is monitored by the Credit Union, and the Credit union assess and approves its provisions meet the minimum requirements contained within the PRA Credit Union Rule Book. 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 historical experiences of the Credit Union's allied to the Credit Union's judgement of relevant conditions in the wider technological, market, economic or legal environment in which the Credit Union operates. 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.



Portadown Credit Union Limited

Notes to the financial statements
for the year ended 30 September 2022

.....continued

4	Interest on members' loans	2022	2021
		£	£
	Closing accrued loan interest receivable	60,315	51,900
	Loan interest received in year	1,268,362	1,274,485
	Opening accrued loan interest receivable	(51,900)	(51,900)
	Total Interest	<u>1,276,777</u>	<u>1,274,485</u>
 5	 Other interest income and similar income	 2022	 2021
		£	£
	Closing accrued investment interest receivable	135,707	92,567
	Interest received in year	174,300	212,531
	Opening accrued investment interest receivable	(92,567)	(115,133)
	Total Investment income	<u>217,440</u>	<u>189,965</u>
 6	 Interest payable		
	The interest expense for the Credit Union comprises of interest payable on deposits from minors, and was as follows for the current year and prior year:		
		2022	2021
		£	£
	Interest payable for the year	14,583	18,378

Portadown Credit Union Limited
**Notes to the financial statements
for the year ended 30 September 2022**

.....continued

7 Dividends and Loan Interest Rebate

The dividend and any loan interest rebate are formally proposed by the directors after the year end and are confirmed at an AGM of the members. As a result the proposed dividend for the current year does not represent a liability at the Balance Sheet date and the dividend included in the Statement of Reserves in the current relates to dividends paid to members for the prior year.

The dividends and loan interest rebate for the current year and prior year periods were as follows:

	2022	2021
	£	£
<u>Appropriations paid during year</u>		
Dividend paid during the year	159,411	29,561
Interest rebate paid during the year	253,124	103,464
	<u>412,535</u>	<u>133,025</u>
<u>Appropriations proposed, but not recognised</u>		
Dividend 0.5% (2021: 0.5%)	155,036	159,411
Interest rebate 25% (2021: 20%)	314,346	253,124
	<u>469,382</u>	<u>412,535</u>

8 Other Income

	2022	2021
	£	£
Entrance fees	469	446
Affiliation fees	10,837	10,590
Forfeited shares	75	75
Gain on disposal of Fixed Assets	-	81,398
Grants received	2,247	6,432
Axa Insurance commission	-	1,803
	<u>13,628</u>	<u>100,744</u>

9 Employees and employment costs
9a. Number of employees

	2022	2021
The average number of employees	12	12

9b. Employment costs

	2022	2021
	£	£
Wages and salaries	280,514	264,180
Social security costs	20,460	22,353
Pension costs	9,595	9,816
	<u>310,569</u>	<u>296,349</u>



Portadown Credit Union Limited

Notes to the financial statements
for the year ended 30 September 2022

.....continued

9c. Key management personnel

The remuneration of key management personnel was as follows:

	2022 £	2021 £
Short term employee benefits	128,120	133,917
Pension costs	3,925	3,750
	<u>132,045</u>	<u>137,667</u>

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

10 Taxation

	2022 £	2021 £
Corporation tax charge in respect of current year - 19% tax rate	16,314	11,093
Corporation tax adjustment re Prior Year	-	-
	<u>16,314</u>	<u>11,093</u>

Reduction in corporation tax liability in year in the amount of £25,000 (2021: £25,000) as a result of qualifying for Community Investment Tax Relief.

11 Cash and cash equivalents

	2022 £	2021 £
Cash and balances at bank	1,184,363	580,496
	<u>1,184,363</u>	<u>580,496</u>

12 Deposits and investments

	2022 £	2021 £
Charity Bank Deposits maturing > 1 year	1,783,537	1,771,565
Bank Deposits	21,329,628	23,031,789
	<u>23,113,165</u>	<u>24,803,354</u>

Deposits with banks at the current and prior year Balance Sheet were all measured at amortised cost as appropriate.



Portadown Credit Union Limited

Notes to the financial statements
for the year ended 30 September 2022

.....continued

13	Tangible fixed assets	Land and buildings freehold £	Computer equipment £	Fixtures, fittings and equipment £	Total £
	Cost				
	At 1 October 2021	1,606,751	234,723	141,010	1,982,484
	Additions	34,000	51,900	-	85,900
	Disposals	-	-	-	-
	Impairment	-	-	-	-
	At 30 September 2022	1,640,751	286,623	141,010	2,068,384
	Depreciation				
	At 1 October 2021	87,307	220,094	127,082	434,483
	Charge for the year	40,935	7,463	3,482	51,880
	Eliminated on disposal	-	-	-	-
	At 30 September 2022	128,242	227,557	130,564	486,363
	Net book values				
	At 30 September 2022	1,512,509	59,066	10,446	1,582,021
	At 30 September 2021	1,519,444	14,629	13,928	1,548,001
14	Loans to members - financial assets				
14a.	Loans to members			2022 £	2021 £
	As at 1st October			10,521,479	10,990,297
	Advanced during the year			5,305,182	4,881,111
	Repaid during the year			(4,831,147)	(5,200,385)
	Loans written off			(70,581)	(149,544)
	Gross loans to members			10,924,933	10,521,479
	Loan provision			439,746	452,692
14b.	Credit risk disclosures				
	Portadown Credit Union Ltd does not offer mortgages and as a result all loans to members are unsecured, except that there are restrictions on the extent to which the borrowers may withdraw their savings whilst the loans are outstanding. There are maximum amounts set down by the PRA in terms of what a member can borrow from the Credit Union.				
14c.	Net recoveries or losses recognised for the year			2022 £	2021 £
	Bad debts recovered			30,079	21,837
	Movement in loan provisions during the year			12,946	(20,000)
	Loans written off			(70,581)	(149,544)
	Net recoveries on loans to members recognised for the year			(27,556)	(147,707)



Portadown Credit Union Limited

Notes to the financial statements
for the year ended 30 September 2022

.....continued

14d.	Analysis of Gross Loans outstanding	2022		2021	
		No of loans	£	No of loans	£
	Less than 1 year	428	351,306	93	64,669
	1 to 5 years	1,860	9,579,456	2,121	8,887,414
	5 to 10 years	55	933,335	158	1,378,646
	Greater than 10 Years	3	60,836	12	190,750
		2,346	10,924,933	2,384	10,521,479

15	Prepayments and accrued income	2022	2021
		£	£
	Prepayments	24,080	11,566
	Other Debtors	382	382
	Accrued income investments	135,707	92,567
	Accrued loan interest income	60,315	51,900
		220,484	156,415

16	Members' Shares - financial liabilities	2022	2021
		£	£
	As at 1st October	31,863,858	30,935,971
	Received during the year	6,290,365	8,553,320
	Repaid during the year	(7,114,303)	(7,625,433)
	As at 30th September	31,039,920	31,863,858

17	Minors' Deposit - financial liabilities	2022	2021
		£	£
	As at 1st October	1,428,971	1,362,904
	Received during the year	266,219	288,474
	Repaid during the year	(213,733)	(222,407)
	As at 30th September	1,481,457	1,428,971

Minors' deposits are repayable on demand.

18	Other payables	2022	2021
		£	£
	Payroll taxes	4,831	5,025
	Corporation tax	16,010	11,093
	Accruals	80,200	40,618
	Other creditors	48,590	58,025
		149,631	114,761

**Portadown Credit Union Limited****Notes to the financial statements
for the year ended 30 September 2022**

.....continued

19 Additional financial risk disclosures**19a. Financial risk management**

Portadown Credit Union Ltd is a provider of personal and business loans and also provides savings products to its members. The Credit Union invests excess funds with a view to ensuring that the return from members' loans and investments is adequate to meet the overheads of the Credit Union and provide a reasonable return to members on shares and deposits. The Credit Union has a risk register in place to help directors manage the various risks arising from its activities to include the issuing of loans to members and investing the excess funds of the Credit Union.

The main financial risks arising from Portadown Credit Union's activities are credit risk, liquidity risk, market risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Credit Risk

Credit risk is the risk that a borrower will default on their contractual obligations relating to repayments to Portadown Credit Union Ltd, resulting in a financial loss to the Credit Union. In order to manage this risk the Board approves the Credit Union's credit policy, and all changes to it. All loan applications are assessed with reference to the credit policy in force at the time. Subsequently loans are regularly reviewed for any factors that may indicate that the likelihood of repayment has changed.

The Credit Union's investments are also exposed to credit risk and the Credit Union mitigates the risk by only placing investments with financial institutions where the counterparties have strong credit ratings and using investment products authorised by the PRA.

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 as set out by the PRA rulebook.

Market risk

Market risk is generally comprised of interest rate risk, currency risk and other price risk. Portadown Credit Union Ltd conducts all its transactions in sterling 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 the Credit Union's operations. The Credit Union considers rates of interest rates receivable on investments and members' loans when deciding the dividend rate payable on shares and on any loan interest rebate.



Portadown Credit Union Limited

Notes to the financial statements
for the year ended 30 September 2022

.....continued

19b. Liquidity risk disclosures

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

19c. Fair value of instruments

Portadown Credit Union Ltd does not hold any financial instruments at fair value

19d. Capital

The Credit Union maintains sufficient reserves to buffer the Credit Union against any losses on its members' loans and also its investments. The current General Reserve stands at 10% of the total assets of the Credit Union at the Balance Sheet Date

20 Post Balance Sheet Events

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

21 Contingent liabilities

Portadown Credit Union Ltd had no contingent liabilities at the current or prior Balance Sheet date.

22 Capital commitments

There are no capital commitments at the balance sheet date.

23 Insurance against fraud

The Credit Union has insurance against fraud in compliance with the PRA rulebook.

24 Related party transactions

During the year loans were advanced to directors and staff members of the Credit Union (to include their family members or any business in which the directors or staff had a significant shareholding) in the amount of £20,000 (2021: £23,608). The loans outstanding from these parties at 30th September 2022 were £49,172 (2021: £65,820). These loans amounted to 0.5% of total gross loans due at 30th September 2022 (2021: 0.6%).

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

The directors and staff members share balances stood at £81,126 at 30th September 2022 (2021: £71,686).

25 APB Ethical Standards

In common with many other credit unions of our size and nature we use our auditors to assist in preparing our financial statements and submit our tax return.

26 Approval of Financial Statements

The financial statements were approved, and authorised for issue, by the board on 21 November 2022.



Portadown Credit Union Limited

Schedule to the Financial Statements
for the year ended 30 September 2022

Schedule 1 - Other management expenses

	2022 £	2021 £
Rates	15,487	16,728
Insurance	20,337	20,107
Light and heat	26,613	36,343
Repairs and maintenance	9,523	10,874
Loan and share insurance	143,345	192,424
Share Protection Scheme	(138,096)	(101,880)
Death Benefit Insurance	190,170	210,273
Staff training and uniforms	1,461	1,856
Annual meeting expenses	3,642	7,725
Directors expenses	-	582
Printing, postage and stationary	14,421	17,434
Advertising	7,988	6,833
Telephone	16,694	14,641
Computer costs	110,354	124,048
Legal and professional	17,946	3,491
Convention and chapter expenses	208	377
Audit	21,316	20,097
Bank charges	18,370	18,111
Household & Cleaning	5,009	4,683
CU Compliance & Advisory	6,998	6,743
Staff travel	306	265
General expenses	2,158	4,612
Donations	3,070	50
Affiliation Fees	12,341	11,367
	<u>509,661</u>	<u>627,784</u>



CREDIT COMMITTEE REPORT

The main purpose of the Credit Union is to help members achieve financial independence through regular saving. Our loan service underpins this by providing a means by which members can satisfy their day-to-day financial needs without dipping into their hard-earned savings. Whilst the Credit Union does earn a small amount of interest from banks through the placement of surplus funds in a range of deposit accounts, the income from lending is its only significant source of revenue. The Credit Committee is responsible for exercising oversight of this loan service on behalf of the Board. The current committee has a membership of three volunteers.

I am pleased to report that during the year the Credit Union issued 2,457 loans, to a value of £5.31m. The Credit Committee authorised 316 of these loans, to a value of £1,647,116.25. Both the number of loans and the overall volume is showing an increase on last year's figures.

We are entering our new financial year with a great deal of uncertainty. The cost-of-living crisis will undoubtedly impact on both our lending capabilities and our members ability to repay. Portadown Credit Union continues to provide an ethical lending facility for our members, utilising credit reference agencies, robust policies and procedures and our unique knowledge of our members to enable prudent decision making. We remain confident our members will support us through this difficult time, while we strive to make our services more accessible with the adoption of a full online loan platform.

I would like to take this opportunity to sincerely thank our members for their continued loyalty and our hard-working staff and volunteers for their dedication throughout the year. Although the next year may prove to be challenging, we are optimistic we can move forward and grow with the continued unwavering support of our members.

Bryan Murphy
Credit Committee Officer

CREDIT CONTROL COMMITTEE REPORT

The Board of Directors appoint a Credit Control Committee annually, its role is to liaise with and assist the Credit Control staff; this is achieved through regular meetings, the outcome of these and subsequent figures are reported to the Board monthly.

The Credit Control Committee, alongside the Credit Control Team, monitor those accounts which fall into arrears. Members can fall into arrears for various reasons, illness, loss of employment, bereavement etc. As expected, Covid 19 has continued to affect our members – additional unpaid time off work, redundancies in a number of local sectors; reducing household income and therefore loan repayment ability. We urge all members to contact the office as soon as possible to discuss any repayment difficulties they may be experiencing. All discussions will be treated in a private and confidential manner. The Credit Control Team will endeavour to assist as quickly as possible, whether this involves a temporary arrangement under ongoing review or, in some circumstances, we may be able to renegotiate terms and repayments. If a member's loan account is persistently in arrears, this can have a negative impact on their credit rating; something we wish to avoid where possible.

For those who do not make contact when they encounter difficulties, the Credit Control Team monitors accounts on a daily basis. With our recent move to our new software system, this has provided us with the ability to contact members via text message, which is quick and cost effective. We also continue to make phone calls, send letters, and have in-person meetings with members, with the escalation to legal avenues when necessary.

When a debt is thought to be irretrievable, or over 52 weeks in arrears, the Board of Directors are left with no other choice but to Write this debt off. This year a total of £70,581.40 was written off. The credit control team, however, continue to liaise with such accounts and this financial year a total sum of £30,079.05 was retrieved.

As we begin a new financial year, we are acutely aware of the cost of living crisis that continues to unfold, particularly with rising energy and food costs. This will undoubtedly have a knock-on effect for our members and indeed for us all. We would like to remind members that, should this be affecting their ability to repay their loan, they should contact us as soon as possible. We are here to help and are working for our community.

**Bryan McLaughlin
Credit Control Officer**

MEMBERSHIP COMMITTEE REPORT

The priority of our committee is to encourage potential new members to join our Credit Union and to ensure that all applicants are eligible for membership.

I am pleased to report that during the financial year ended 30th September 2022, 486 new members joined Portadown Credit Union. This brings our total membership to 14,836 consisting of 13,277 adult and 1,559 minor accounts.

Last year saw the introduction of our online member onboarding facility. This platform enables people to apply for membership through our website or app at any time. This has proved very successful with 185 members successfully joining using our online service. Both online and inhouse membership are available to anybody within our common bond and we are always happy to welcome new members and educate them on the many benefits of credit union membership.

Portadown Credit Union continues to engage with our local community through sponsorship and donations. Our annual Art Competition and Schools Quiz held each year for children in our local area, helps to introduce the Credit Union to our young people, the future of our local community.

I would remind prospective new members that we are subject to the same Money Laundering regulations as other financial institutions. The following documentation must therefore be provided when joining:

- **Valid Photographic Identification (Current Passport or Driving Licence)**
- **Proof of address (Bank Statement or Utility Bill dated within the last three months)**
- **For minor accounts (under 16 years old) Valid photographic identification for the Parent/Guardian and Original long birth certificate for the child will be required.**

I would like to take this opportunity on behalf of the Committee to thank the management and staff for their invaluable assistance during the year.

This Credit Union exists for its members, and it is to the members that we express our sincere gratitude for your continued steadfast support.

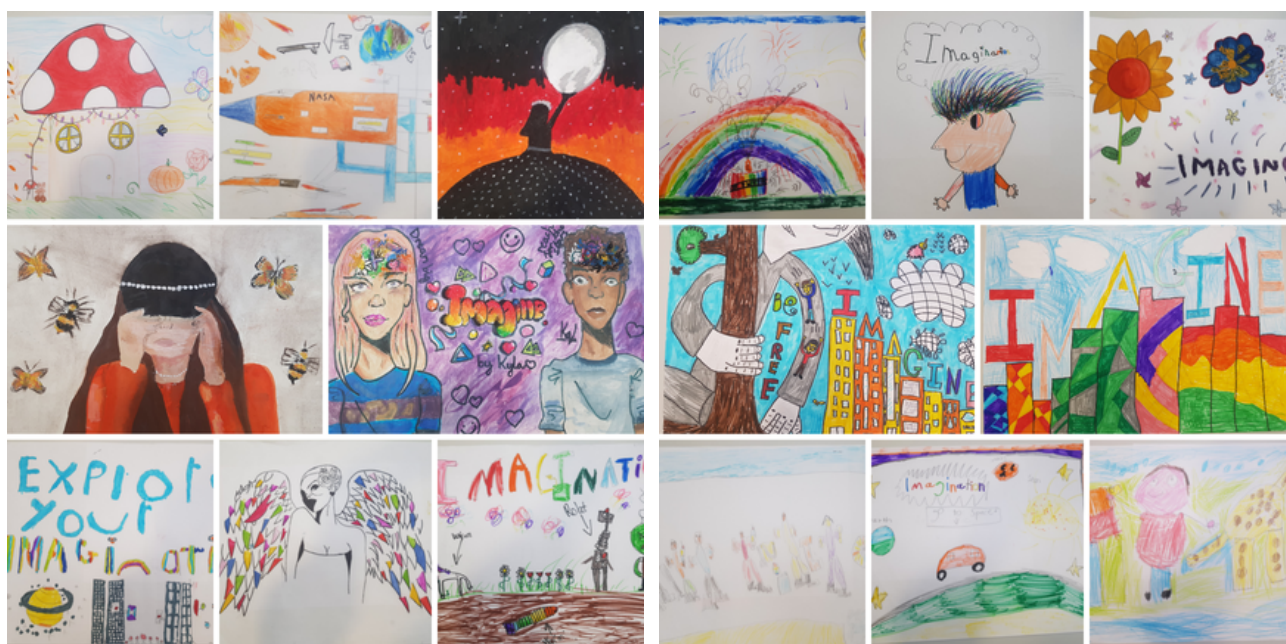
Bryan Murphy
Chairperson

MARKETING COMMITTEE REPORT

ART COMPETITION 2021

The theme for the ILCU art competition 2021 was “Imagine”. We had fantastic support from many of the local schools. We thank them for their continued support. We would like to congratulate all those who entered; the artwork was outstanding. The winner from each category went on to represent Portadown Credit Union at Chapter level.

Due to Covid 19, winner prizes were dropped off to their schools, which then distributed to the pupils on behalf of Portadown Credit Union. Winning schools included: Presentation PS, Derryhale PS, PIPS, Killicomaine JHS and Ballyoran PS.



A selection of our winning artwork above

LOCAL CLUB SUPPORT

Over the course of the year, PCU partnered with many local clubs and erected marketing boards around their premises. The funds from these marketing deals helped contribute to the maintenance of premises; in addition to providing new training gear and facilities.

- Laurelvale Football Club
- Maghera GAC
- Tir na nog GFC
- St Malachy's Hurling Club
- St Mary's YCFC
- Annagh United Football Club

DONATIONS

Portadown Credit Union hosted a ‘drop-off’ point within our office during December for food and essential items to be collected for Simon Community NI. We also made a donation to this amazing charity to help contribute to their mission of ending homelessness in Northern Ireland.

In February, a donation was made to Portadown Festival for their 100th Anniversary.

A donation was also made to the Healthy Kidz Crowdfunder Project which raised funds for their Portadown Summer Camp, held during July in Portadown People's Park. Healthy Kidz summer camps aim to improve the physical, mental and emotional health of all children through inclusive camps; that leave no child behind – no matter what.

SOCIAL MEDIA COMPETITIONS

Throughout the year, we ran both 'members only' and 'open to all' competitions on our Facebook Page "Portadown Credit Union". These included:

- Halloween hampers: Winners Chantel Gray and Karen Wright
- Christmas hampers: Winners Ashley Gibson and Phyllis Madill
- £200 Neeson Fuels oil voucher: Winner Maxine Cusack
- £200 school uniform competition: Winner Lee-Anne Gilmore
- £200 summer voucher giveaway: Winner Cormac McCann.

We thoroughly enjoy giving back to the local community and especially to our members; therefore these will continue next year.

JUNIOR SAVERS WEEK

During September we ran our Junior Savers week; The sole objective is to encourage and motivate children to instil positive savings habits. A huge part of the ethos at Portadown Credit Union is financial education for everyone in the community and we want to ensure that our future generations are financially educated and empowered.

As part of the week, we introduced a Junior Savers Reward Scheme. Each time a child lodged money into their account, a sticker is placed on their reward card. Once the 4 stickers have been collected and the card is complete, the child will receive £5 into their Portadown Credit Union account. This scheme is running up until Christmas or until our 600 stickers run out.

NEW WEBSITE AND APP

As many of you may have noticed, we recently updated our website and app. This was promoted on our social media pages and website. We no longer use the old "CuMobile" app therefore if any members still have this, please uninstall. Our new app is called "Portadown Credit Union" and is available in the Google Play store and the app store for download. Members will note from our website that the services we provide for them are now significantly enhanced.

MARKETING COMMITTEE

Sabrina Hagan

Bryan McLaughlin

Geraldine Lawless

Bernadette McGinnell

INSURANCE OFFICER'S REPORT

One of the most unique benefits Portadown Credit Union can offer its members is a range of Insurance products through the ILCU. These insurance products are unsurpassed by any other financial institution.

For many years now, countless individuals and families have received benefits from:

- Life Insurance on their savings
- Loan Protection Insurance on their loans
- Disability Insurance
- Death Benefit Insurance

The vast majority of our Members are eligible for Life Insurance on their savings, Disability Insurance, Death Benefit Insurance and Loan Protection Insurance. All of these areas of cover are provided by the Credit Union at no extra cost to our Members.

Sadly, in the past year 83 of our Members have died. Insurance Claims totalling were paid out to their nominated beneficiaries.

This figure included:

- Life Savings of £154,719.33
- Loan Protection Insurance of £46,831.42
- Death Benefit Insurance of £162,000.00

Death Benefit Insurance: No one likes to think about death. But this Insurance cover of £2,000* can and does help to alleviate some of the distress surrounding a bereavement for adults and minors. This Death Benefit Insurance is straightforward in that it does not require a medical. To obtain cover, the Member must have joined the Credit Union before the age of 70 and be actively at work, or, if not working, be in good health at the time of joining. Cover will then continue with no upper age limit.

Financial support from these insurance funds can be very important for families at times of serious illness or death. But to ensure easy access to them, it is essential that each of our members should complete a Form of Nomination and should continue to update this form each time their circumstances change e.g., when events such as marriage, separation, divorce or the death of a partner takes place.

Finally, I want to express my thanks to the Staff of the Credit Union who have assisted me in every way with the work of the Insurance Administration over the past year. And also, for collating the figures being presented to you in this Annual Report this evening.

Geraldine Lawless – Insurance Officer

*This amount may change



NOMINATING COMMITTEE

As a Board of Directors, we are always looking volunteers to assist us in the running of Portadown Credit Union. The Credit Union has various committees, as well as the Board of Directors and therefore new Board and Committee members, which in turn brings new ideas are always welcomed. Playing a part in any organisation is very rewarding and it gives a chance to give back to our community.

Anyone interested in joining the Board, or one of our many committees, please do not hesitate to contact a Director, or a member of staff.

**Geraldine Lawless
Nomination Officer**

RULE AMENDMENTS

The ILCU AGM 2022 took place in April 2022. There were three amendments to the Standard Rules for Credit Unions (Northern Ireland) arising from that meeting. They are as follows:

Resolution No. 1

That this Annual General Meeting agrees to amend the wording of Rule 155(2) of the Standard Rules for Credit Unions (Northern Ireland) by the deletion of “£10,000” and the replacement of “£20,000” to read as follows:

For the purposes of the disposal of any property which is the subject of a nomination under Rule 154, if the nomination was made after 20th April 1967 and at the date of the nominator’s death the amount of his property in the credit union comprised in the nomination exceeds £20,000 (or such higher amount as may be substituted under Section 6 (1) of the Administration of Estates (Small Payments) Act (Northern Ireland) 1967, the nomination shall be valid to the extent £20,000 (or such higher amount as aforesaid), but not further or otherwise.

Resolution No. 2

That this Annual General Meeting agrees to amend the wording of Rule 156 of the Standard Rules for Credit Unions (Northern Ireland) by the deletion of “£10,000” and replacement of “£20,000” to read as follows:

If any member of the credit union dies and at his death his property in the credit union does not exceed in the whole £20,000 (or such higher amount as may be substituted under Section 6 (1) of the Administration of Estates (Small Payments) Act (Northern Ireland) 1967, and is not the subject of any nomination under Rule 154, then the Board of Directors may, without letters of administration or probate of any will, distribute that property among such persons as appear to the Board on such evidence as it deems satisfactory to be entitled by law to receive it.

Resolution No. 3

That this Annual General Meeting agrees to amend the wording of Rule 180(8) of the Standard Rules for Credit Unions (Northern Ireland) by the insertion of “Loans to individuals who are corporate members may also be transferred” to read as follows:

A credit union may make a loan to a corporate member in accordance with Article 28 of the Order and such requirements as determined by the Regulators from time to time. Loans to individuals who are corporate members may also be transferred.



Members discount



Your Credit Union have partnered up with AXA Insurance to provide a benefit scheme just for you. It's open to all members and their spouses, if they live at the same address, and will stay in place for the life of the policy.

Visit axani.co.uk/creditunion, click 'Get a Quote' and the promotion code will be automatically applied to your quote.

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We look forward to looking after your insurance needs.

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Plus **Free Car Rescue** with optional Lost Key Insurance for £11.20

- ▶ Free Car rescue (Terms & conditions apply)
- ▶ 15% discount off your car insurance
- ▶ Optional lost key insurance for £11.20
- ▶ Available for both new and existing customers
- ▶ Offer extends to spouse as an added benefit

Home Insurance

10% discount

Plus an **extra 10% discount** for AXA car customers

- ▶ 10% discount off your home insurance
- ▶ Further 10% discount if you have a car insurance policy with AXA
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- ▶ Offer extends to spouse as an added benefit

What else can we offer?

- ▶ Multiple channels to contact us.
- ▶ Local, friendly claims and customer service with branches across Northern Ireland.
- ▶ Cross-over discounts on our Home and Van products.
- ▶ Manage your own account online with MyAXA.
- ▶ Great cover at competitive prices.
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**Credit Union
Member
Discount**

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